Mid-Atlantic UFCW and Participating Employers Pension Fund

Compliance Report

September 30, 2020

Investment Performance Services, LLC

Equity Commingled Fund Quarterly Compliance Checklist
Period Ending September 30, 2020

To: Vanguard Institutional Asset Management Vanguard US Stock Mkt Index

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund- Equity-DomesticUNKNOWN

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment?

Yes **No (please explain)**

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or prospectus guidelines?

Yes **No (please explain)**

Vanguard would not serve as a fiduciary to the plan with respect to its management of the Vanguard mutual funds. By definition, the manager of a mutual fund is not, for that reason alone, considered a fiduciary to an investing retirement plan.

Although we would not be serving as a fiduciary to you as a result of your investment in a Vanguard mutual fund, the fund's advisors do owe a fiduciary duty to the fund under federal securities law and, therefore, will not take any action that is inconsistent with the best interests of the fund.

3.) Do you see a need for a change in the Fund's current investment policy or your addendum to the Fund's investment policy?

No **Yes (please explain)** **N/A**

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No Yes (provide details)

As part of our recently announced partnership, we are transitioning positions from Vanguard to Infosys. This strategic decision ultimately allows us to best serve our clients' interests and needs while providing meaningful opportunities for these individuals. In October 2020, Managing Director Martha King is moving to Infosys to head its Mid-Atlantic Retirement Services Center of Excellence and serve as the firm's chief client officer. Ms. King was head of Vanguard's Institutional Investor Group before she began overseeing a strategic partnership between Vanguard and Infosys to reshape their recordkeeping platform and retirement plan experience for Vanguard's defined contribution business.

Several officers will be transitioning along with Ms. King, including Kathy Fuertes, Frank Satterthwaite, Geff Marczyk, Rosemary DiGiandomenico, and George Heming. These leaders are embracing new opportunities to provide retirement readiness for millions of investors. Vanguard's and Infosys' teams will continue to drive Vanguard's mission to give plan participants the best chance for investment success. With shared values including a relentless focus on client service, we are confident transitioning crew will feel empowered and equipped to execute our mission at Infosys.

In July 2020, John James assumed leadership of Vanguard Institutional Investor Group. Lauren Valente succeeded Mr. James as managing director of Vanguard's Human Resources Division. In her previous role, Ms. Valente was a principal in the defined contribution retirement plan business in Vanguard's Institutional Investor Group, where she led Participant Services and Operations.

3.) Have any ownership changes in the firm occurred during the quarter?

No Yes (provide details)

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

No Yes (provide details)

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No Yes (provide details and current status)

As with similar institutions, The Vanguard Group and certain of its affiliates are involved in litigation from time to time. This includes litigation relating to contractual disputes, provision of investment-related services, employment disputes, and property liability matters. None of that litigation has been material to the operations or financial condition of The Vanguard Group or its affiliates.

6.) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes **No (please explain)**

7.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

8.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

9.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

.

Certified For The Firm By:

Name:

Signature:

Title:

Firm: Vanguard Institutional Asset Management

Date:

Date:

Investment Performance Services, LLC

Equity Commingled Fund Quarterly Compliance Checklist
Period Ending September 30, 2020

To: Hardman Johnston Global Advisors LLC Hardman Johnston Intl Equity Group Trust

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund- Equity-International

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or prospectus governing the management of the investment?

Yes

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or prospectus guidelines?

Yes

3.) Do you see a need for a change in the Fund's current investment policy or your addendum to the Fund's investment policy?

No

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No

3.) Have any ownership changes in the firm occurred during the quarter?

No

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **If you are not required to file form ADV, please explain why.**

No

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No

6.) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes

7.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No

8.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes

9.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes

.

Certified For The Firm By:

Name: Bruce Albert

Signature: Bruce Albert

Title: GC & CCO
Firm: Hardman Johnston Global Advisors LLC
Date: October 12, 2020

Investment Performance Services, LLC

GTAA Commingled Quarterly Compliance Checklist
Period Ending September 30, 2020

To: First Eagle Investment Management, LLC

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund - First Eagle Global Value Fund, LP (the "Fund")

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the Fund and has been during the past quarter, in compliance with the Fund's guidelines and/or offering document governing the management of the investment?

Yes

2.) With respect to the Fund, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, limit, or change the current liquidity offered to investors?

No

4.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No

Part B: Firm

1.) Have significant changes been made in the fund's investment management process during the quarter?

No

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No

3.) Have any ownership changes in the firm occurred during the quarter?

No

Please be advised that the ownership of First Eagle Investment Management, LLC and its corporate parent, First Eagle Holdings, Inc., is subject to non-material adjustment from time to time in the ordinary course of business.

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

No

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes

To the best of our knowledge we have sufficient insurance coverage.

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes

.

Certified For The Firm By:

Name: Eveyun Bonawandt

Signature: *Eveyun Bonawandt*

Title: Senior Compliance Officer

Firm: First Eagle Investment Management, LLC

Date: October 28, 2020

Investment Performance Services, LLC

Fixed Income Separate Account Quarterly Compliance Checklist

Period Ending September 30, 2020

To: Segall Bryant & Hamill

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund- Fixed Income B2G10818

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter in compliance with the Fund's investment policy statement?

Yes **No (please explain)**

2) Please confirm you are in compliance with the Fund's investment policy statement by attaching the following:

a. Your quarter-end asset listing that includes market value percentages and bond ratings.

b. A comparison of the client's holdings at quarter-end to the permitted holdings as outlined in the Fund's investment policy statement.

c. Net and Gross returns QTR, YTD and 1YR.

See Attached

3) Have you reconciled securities, pricing, and accruals with the custodian?

Yes **No (please explain)**

We reconcile positions and cash. All our prices are downloaded daily from our pricing source, ICE. The dividends are reconciled on settlement date of the div/interest payment by checking to see if the custodian has posted payment.

4) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the Fund's investment policy?

Yes **No (please explain)**

5) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No **Yes (please explain)**

6) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.

- Specific examples of types of derivatives include but are not limited to the following:
  - Structured Finance
  - Collateralized Debt Obligations (CDO)
  - Structured Commercial Mortgage Obligations
  - Collateralized Mortgage Obligations (CMO)
  - Collateralized Loan Obligations (CLO)
  - Structured Asset-Backed Obligations
- A complete list of derivatives securities utilized in the Fund's portfolio since our last certification is attached to this certification. In our judgment, these investments are prudent, in the best interest of the Fund and its participants, and are in compliance with the investment policy and guidelines of the Fund.
- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives listed.

Yes **No (please explain)**

Attached is a list of securities that may fall into one of the derivative types listed above

7) Is the investment management fee charged by your firm to the Fund consistent with the fee schedule in the investment management contract? Is the fee charged by your firm to the Fund consistent with the fee charged by your firm to other funds of a similar size and the most competitive fee offered by your firm?

Yes **No (please explain)**

We believe the fee for this client is competitive and appropriate based on the individual circumstances of this client relationship. As such, SBH may offer a different fee schedule to other clients based on their individual circumstances, which may include style, size, specific objectives, etc.

8) Have you confirmed that the Qualified Institutional Buyer requirements for the above client have been met for the purchases 144a securities?

Yes **No (please explain)**

Part B: Firm

1) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

Nine investment professionals not involved with managing your account departed during the quarter along with one senior equity trader.

3) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

4) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **If you are not required to file form ADV, please explain why.**

No **Yes (provide details)**

There have been no significant changes to the ADV, however, there have been changes. Please see the most recent ADV attached.

5) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes **No (please explain)**

7) Has your firm reviewed the DOL's final ruling on cross-trading of securities and are you in compliance with the ruling?

Yes **No (please explain)**

8) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

9) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

10) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

11) Is your firm achieving best execution for the Fund on all transactions involving Fund assets?

Yes **No (please explain)**

Subject only to a client's direction to use a particular broker or dealer for the execution of transactions for that client's account, SBH's overriding objective in selecting brokers and dealers to effect client transactions is to seek the best combination of net price and execution. The best net price, giving effect to brokerage commission, if any, is an important factor in this decision; however, a number of other judgmental factors also may enter into the decision. These factors include SBH's knowledge of negotiated commission rates currently available and other current transaction costs; the nature of the security being purchased or sold; the size of the transaction; the particular security; confidentiality; the execution, clearance and settlement capabilities of the broker or dealer selected and others considered; SBH's knowledge of the financial condition of the broker or dealer selected and such other brokers and dealers; and, SBH's knowledge of actual or apparent operational problems of any broker or dealer. Recognizing the value of these factors, SBH may cause a client to pay brokerage commission in excess of that which another broker might have charged for effecting the same transaction.

Certified for the Firm By:

Name: Paul Lythberg

Signature:

Title: Chief Compliance Officer/Chief Operating Officer

Firm: Segall Bryant & Hamill

Date: October 15, 2020

Standard Holdings
Expanded

Portfolio: B2G10818 **Currency: USD**

Pricing Date: 09/30/2020

Representative:

Table 1 : Excl. Table 2 Hldgs

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
61	000000CM	CASH	CASH & EQUIVALENTS	CASH		Aaa	AAA	0.090	10/31/2020	USD	100.000	61	0.86	0.090	0.083	0.085	0.000
140	912828L9	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	1.375	10/31/2020	USD	100.104	141	1.98	0.140	0.084	0.085	0.000
25	25468PDJ	DIS	DISNEY WALT CO	IND	Media-Oth	A2	A-	2.300	02/12/2021	USD	100.710	25	0.36	0.360	0.366	0.369	0.002
30	29379VBP	EPD	ENTERPRISE PRODS OPER L	IND	Enrg-Mid	Baa1	BBB+	2.800	02/15/2021	USD	100.900	30	0.43	0.395	0.374	0.377	0.002
20	29736RAH	EL	LAUDER ESTEE COS INC	IND	Consumer	A1	A+	1.700	05/10/2021	USD	100.731	20	0.29	0.313	0.606	0.522	0.002
55	69371RP4	PCAR	PACCAR FINANCIAL CORP	IND	Auto Mfg	A1	A+	3.150	08/09/2021	USD	102.500	57	0.80	0.233	0.850	0.848	0.006
50	912828RC	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.125	08/15/2021	USD	101.742	51	0.72	0.132	0.869	0.868	0.006
40	74005PAZ	LIN	PRAXAIR INC	IND	Chemicals	A2	A	3.000	09/01/2021	USD	102.424	41	0.58	0.357	0.911	0.911	0.006
45	655844BG	NSC	NORFOLK SOUTHN CORP	IND	Railroads	Baa1	BBB+	3.250	12/01/2021	USD	102.486	47	0.66	0.536	1.143	0.902	0.006
20	136375BV	CNRCN	CANADIAN NATL RY CO	IND	Railroads	A2	A	2.850	12/15/2021	USD	102.439	21	0.29	0.299	1.186	0.943	0.007
50	032095AB	APH	AMPHENOL CORP	IND	Divfd Mfg	Baa1	BBB+	4.000	02/01/2022	USD	103.528	52	0.73	0.733	1.303	1.064	0.008
50	346766WL	FOR	FORT BEND CNTY TEX TAXA	OGVT	LocalAuth	Aa1	N/A	5.000	03/01/2022	USD	106.192	53	0.75	0.612	1.380	1.376	0.013
50	250847EJ	DTE	DTE ELEC CO	UTIL	Electric	Aa3	A	2.650	06/15/2022	USD	103.118	52	0.73	0.501	1.666	1.422	0.014
15	609207AV	MDLZ	MONDELEZ INTL INC	IND	Food Proc	Baa1	BBB	0.625	07/01/2022	USD	100.352	15	0.21	0.423	1.740	1.737	0.019
140	9128282P	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	1.875	07/31/2022	USD	103.195	145	2.04	0.130	1.806	1.804	0.021
70	171340AK	CHD	CHURCH & DWIGHT INC	IND	Consumer	A3	BBB+	2.450	08/01/2022	USD	103.193	73	1.02	0.616	1.795	1.712	0.019
25	071813BF	BAX	BAXTER INTL INC	IND	Health	Baa1	A-	2.400	08/15/2022	USD	102.850	26	0.36	0.864	1.832	1.830	0.021
60	68233DAR	ONCRTX	ONCOR ELEC DELIVERY CO	UTIL	Electric	A2	A+	7.000	09/01/2022	USD	112.204	68	0.95	0.596	1.821	1.821	0.022
45	02361DAL	AEE	AMEREN ILL CO	UTIL	Electric	A1	A	2.700	09/01/2022	USD	103.590	47	0.66	0.537	1.876	1.634	0.018
65	12572QAE	CME	CME GROUP INC	FIN	Exchange	Aa3	AA-	3.000	09/15/2022	USD	105.002	68	0.96	0.432	1.912	1.911	0.023
6	3137AYCE		FHLMC K25- A2	CMBS	CMBS	AGY	AGY	2.682	10/25/2022	USD	103.832	6	0.09	0.633	1.915	1.977	0.025
40	278062AC	ETN	EATON CORP OHIO	IND	Divfd Mfg	Baa1	A-	2.750	11/02/2022	USD	104.803	42	0.60	0.438	2.020	2.020	0.026
55	594918BH	MSFT	MICROSOFT CORP	IND	Info Tech	Aaa	AAA	2.650	11/03/2022	USD	104.654	58	0.82	0.226	2.027	1.869	0.022
55	00209TAB	CMCSA	AT&T CORP /AT&T BROADBA	IND	Media-Cbl	A3	A-	9.455	11/15/2022	USD	119.062	67	0.95	0.433	1.929	1.928	0.025
65	207597EF	ES	CONNECTICUT LT & PWR CC	UTIL	Electric	A1	A+	2.500	01/15/2023	USD	104.150	68	0.96	0.456	2.227	1.988	0.025
55	912828UN	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.000	02/15/2023	USD	104.379	58	0.81	0.152	2.326	2.327	0.033
30	3137B36J		FHLMC K029- A2	CMBS	CMBS	AGY	AGY	3.320	02/25/2023	USD	106.039	32	0.45	0.581	2.218	2.282	0.032
35	609207AS	MDLZ	MONDELEZ INTL INC	IND	Food Proc	Baa1	BBB	2.125	04/13/2023	USD	103.780	37	0.52	0.571	2.453	2.371	0.034
36	92348XAA	VZOT	VERIZON 2018-A- A1A	ABS	MISC	Aaa	AAA	3.230	04/20/2023	USD	101.550	37	0.51	0.787	0.629	0.628	0.004
15	91412GQE		UNIVERSITY CALIF REVS GEI	OGVT	LocalAuth	Aa2	AA	2.750	05/15/2023	USD	105.940	16	0.23	0.470	2.523	2.519	0.039
60	377372AL	GSK	GLAXOSMITHKLINE CAP INC	IND	Pharmctls	A2	A	3.375	05/15/2023	USD	107.665	65	0.92	0.435	2.504	2.500	0.038
60	760759AM	RSG	REPUBLIC SVCS INC	IND	Envrnmntl	Baa2	BBB+	4.750	05/15/2023	USD	109.965	67	0.94	0.523	2.460	2.238	0.032
70	70450YAF	PYPL	PAYPAL HLDGS INC	IND	Info Tech	A3	BBB+	1.350	06/01/2023	USD	102.144	72	1.01	0.540	2.612	2.610	0.041
40	71884AG7	PHOGEN	PHOENIX ARIZ CIVIC IMPT C(	OGVT	LocalAuth	Aa2	AAA	0.679	07/01/2023	USD	99.971	40	0.56	0.690	2.721	2.717	0.044
45	79730CJG	SDOWTR	SAN DIEGO CALIF PUB FACS	OGVT	LocalAuth	Aa2	N/A	1.327	08/01/2023	USD	102.144	46	0.65	0.564	2.780	2.778	0.046

Standard Holdings
Expanded

Portfolio: B2G10818 **Currency: USD**
Pricing Date: 09/30/2020
Representative:
Table 1 : Excl. Table 2 Hldgs

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
60	3137B5KW		FHLMC K035- A2	CMBS	CMBS	AGY	AGY	3.458	08/25/2023	USD	107.696	65	0.91	0.472	2.641	2.702	0.044
55	776743AE	ROP	ROPER TECHNOLOGIES INC	IND	Divfd Mfg	Baa2	BBB+	3.650	09/15/2023	USD	108.628	60	0.84	0.618	2.825	2.746	0.046
35	822582CJ	RDSALN	SHELL INTERNATIONAL FIN E	IND	Enrg-Intg	Aa2	AA-	0.375	09/15/2023	USD	99.634	35	0.49	0.500	2.937	2.936	0.051
100	912828WE	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.750	11/15/2023	USD	108.039	109	1.53	0.170	2.990	2.990	0.053
50	247109BS	EXC	DELMARVA PWR & LT CO	UTIL	Electric	A2	A	3.500	11/15/2023	USD	108.546	55	0.77	0.502	2.951	2.723	0.045
45	615369AC	MCO	MOODYS CORP	IND	Media-Oth	N/A	BBB+	4.875	02/15/2024	USD	113.021	51	0.72	0.658	3.142	2.924	0.052
25	92277GAP	VTR	VENTAS RLTY LTD PARTNER	FIN	REIT	Baa1	BBB+	3.500	04/15/2024	USD	106.887	27	0.38	1.451	3.295	3.223	0.061
45	149123CC	CAT	CATERPILLAR INC	IND	ConstMach	A3	A	3.400	05/15/2024	USD	109.326	50	0.70	0.604	3.401	3.181	0.060
50	94106LAZ	WM	WASTE MGMT INC DEL	IND	Envrnmntl	Baa1	A-	3.500	05/15/2024	USD	109.410	55	0.78	0.675	3.394	3.175	0.060
15	91412HFL	UNVHGR	UNIVERSITY CALIF REVS TA)	OGVT	LocalAuth	Aa2	AA	0.833	05/15/2024	USD	100.920	15	0.21	0.576	3.562	3.564	0.072
65	040555CQ	PNW	ARIZONA PUB SVC CO	UTIL	Electric	A2	A-	3.350	06/15/2024	USD	107.332	70	0.99	1.180	3.475	3.253	0.061
10	39081HCE	GRTWTR	GREAT LAKES WTR AUTH MI	OGVT	LocalAuth	A1	AA-	3.613	07/01/2024	USD	108.691	11	0.15	1.235	3.504	3.507	0.072
65	912828D5	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.375	08/15/2024	USD	108.379	71	0.99	0.203	3.719	3.723	0.079
80	3135G0ZR	FNMA	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AA+	2.625	09/06/2024	USD	109.257	88	1.23	0.258	3.761	3.768	0.081
65	037833DM	AAPL	APPLE INC	IND	Electrncs	Aa1	AA+	1.800	09/11/2024	USD	104.656	68	0.96	0.580	3.817	3.756	0.068
15	7417017G	PRI	PRINCE GEORGES CNTY MD	OGVT	LocalAuth	Aaa	AAA	0.844	09/15/2024	USD	101.015	15	0.21	0.584	3.889	3.896	0.085
65	30034WAA	EVRG	EVERGY INC	UTIL	Electric	Baa2	BBB+	2.450	09/15/2024	USD	105.859	69	0.97	0.908	3.782	3.716	0.072
65	74456QBK	PEG	PUBLIC SVC ELEC & GAS CO	UTIL	Electric	Aa3	A	3.050	11/15/2024	USD	108.731	71	1.00	0.759	3.863	3.647	0.076
50	3137BGK2		FHLMC K043- A2	CMBS	CMBS	AGY	AGY	3.062	12/25/2024	USD	109.717	55	0.77	0.651	3.921	3.994	0.091
50	24422EVC	DE	DEERE JOHN CAPITAL CORP	IND	ConstMach	A2	A	2.050	01/09/2025	USD	105.981	53	0.75	0.630	4.090	4.100	0.094
35	05522RDB		BA MTG CC 2019-1A- A	ABS	CARD	Aaa	N/A	1.740	01/15/2025	USD	102.883	36	0.51	0.199	1.844	1.841	0.022
50	427506JM	HERSCD	HERMANTOWN MINN INDPT :	OGVT	LocalAuth	Aa2	N/A	0.906	02/01/2025	USD	101.706	51	0.72	0.508	4.245	4.258	0.100
45	384802AE	GWW	GRAINGER W W INC	IND	Divfd Mfg	A3	A+	1.850	02/15/2025	USD	104.745	47	0.66	0.725	4.203	4.152	0.081
125	912828J2	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.000	02/15/2025	USD	107.660	135	1.90	0.239	4.204	4.216	0.099
40	03040WAL	AWK	AMERICAN WTR CAP CORP	UTIL	Othr-UTIL	Baa1	A	3.400	03/01/2025	USD	110.712	44	0.62	0.784	4.132	3.920	0.087
50	68389XBT	ORCL	ORACLE CORP	IND	Info Tech	A3	A	2.500	04/01/2025	USD	107.160	54	0.76	0.846	4.228	4.166	0.092
55	914455UC	UNVHGR	UNIVERSITY MICH UNIV REV:	OGVT	LocalAuth	Aaa	AAA	1.004	04/01/2025	USD	100.611	55	0.78	0.848	4.383	4.199	-0.036
40	87612EBL	TGT	TARGET CORP	IND	Retail	A2	A	2.250	04/15/2025	USD	107.152	43	0.61	0.621	4.293	4.230	0.094
35	98459LAA	YALUNI	YALE UNIV MTN BE	IND	Othr-IND	Aaa	AAA	0.873	04/15/2025	USD	100.755	35	0.50	0.701	4.436	4.413	0.085
60	744448CL	XEL	PUBLIC SERVICE CO COLO	UTIL	Electric	A1	A	2.900	05/15/2025	USD	108.134	66	0.92	0.887	4.312	3.888	0.078
100	880591EW	TVA	TENNESSEE VALLEY AUTH F	AGY	AGY	AGY	AA+	0.750	05/15/2025	USD	101.826	102	1.44	0.352	4.534	4.543	0.112
35	172070BT	DUK	DUKE ENERGY OHIO	UTIL	Electric	Baa1	A-	6.900	06/01/2025	USD	125.202	45	0.63	1.317	4.046	4.054	0.097
65	976656CH	WEC	WISCONSIN ELEC PWR CO	UTIL	Electric	A2	A-	3.100	06/01/2025	USD	109.107	72	1.01	0.989	4.336	4.128	0.093
30	023135BQ	AMZN	AMAZON COM INC	IND	Services	A2	AA-	0.800	06/03/2025	USD	101.202	30	0.43	0.535	4.575	4.551	0.090
25	526107AE	LII	LENNOX INTL INC	IND	Divfd Mfg	Baa3	BBB	1.350	08/01/2025	USD	100.750	25	0.36	1.187	4.661	4.644	0.098

Standard Holdings
Expanded

Portfolio: B2G10818
Pricing Date: 09/30/2020
Representative:
Table 1 : Excl. Table 2 Hldgs

Currency: USD

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
15	02079KAH	GOOGL	ALPHABET INC	IND	Info Tech	Aa2	AA+	0.450	08/15/2025	USD	99.691	15	0.21	0.514	4.812	4.802	0.106
50	427866AU	HSY	HERSHEY CO	IND	Food Proc	A1	A	3.200	08/21/2025	USD	111.405	56	0.79	0.699	4.558	4.349	0.105
40	3135G05X	FNMA	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AA+	0.375	08/25/2025	USD	99.685	40	0.56	0.440	4.850	4.863	0.127
50	3137FJXQ		FHLMC K-733- A2	CMBS	CMBS	AGY	AGY	3.750	08/25/2025	USD	113.057	57	0.80	0.961	4.477	4.553	0.117
25	231021AU	CMI	CUMMINS INC	IND	Auto Mfg	A2	A+	0.750	09/01/2025	USD	100.304	25	0.35	0.686	4.819	4.808	0.105
15	26441CBJ	DUK	DUKE ENERGY CORP NEW	UTIL	Electric	Baa1	BBB+	0.900	09/15/2025	USD	100.014	15	0.21	0.897	4.837	4.827	0.108
20	10373QAB	BPLN	BP CAP MKTS AMER INC	IND	Enrg-Intg	A1	A-	3.796	09/21/2025	USD	112.717	23	0.32	1.075	4.580	4.447	0.111
60	191216BS	KO	COCA COLA CO	IND	Beverage	A1	A+	2.875	10/27/2025	USD	110.962	67	0.95	0.674	4.710	4.723	0.125
130	912828M5	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.250	11/15/2025	USD	109.938	144	2.03	0.295	4.840	4.856	0.130
35	26138EAS	KDP	KEURIG DR PEPPER INC	IND	Beverage	Baa2	BBB	3.400	11/15/2025	USD	111.377	39	0.55	1.003	4.694	4.494	0.112
60	92826CAD	V	VISA INC	IND	Services	Aa3	AA-	3.150	12/14/2025	USD	111.884	68	0.95	0.705	4.810	4.609	0.118
30	00206RCT	T	AT&T INC	IND	Wireline	Baa2	BBB	4.125	02/17/2026	USD	114.610	35	0.49	1.182	4.871	4.679	0.123
35	58933YAY	MRK	MERCK & CO. INC	IND	Pharmctls	A1	AA-	0.750	02/24/2026	USD	100.275	35	0.49	0.697	5.274	5.268	0.130
35	67103HAE	ORLY	OREILLY AUTOMOTIVE INC	IND	Retail	Baa1	BBB	3.550	03/15/2026	USD	112.982	40	0.56	0.987	5.011	4.815	0.129
130	3135G0K3	FNMA	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AA+	2.125	04/24/2026	USD	109.186	143	2.01	0.452	5.239	5.257	0.153
63	907825AA		UNION PAC RR 2014-001- NO	IND	LEAS	Aa3	AA-	3.227	05/14/2026	USD	110.942	71	1.00	0.963	4.593	4.605	0.128
30	693475AX	PNC	PNC FINL SVCS GROUP INC	FIN	Bank	A3	A-	2.600	07/23/2026	USD	109.192	33	0.46	0.926	5.405	5.290	0.144
175	9128282A	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	1.500	08/15/2026	USD	106.625	187	2.63	0.359	5.635	5.660	0.174
20	7417017J	PRI	PRINCE GEORGES CNTY MD	OGVT	LocalAuth	Aaa	AAA	1.186	09/15/2026	USD	101.378	20	0.29	0.948	5.742	5.770	0.180
130	3135G0Q2	FNMA	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AA+	1.875	09/24/2026	USD	108.384	141	1.98	0.453	5.688	5.715	0.179
60	452308AX	ITW	ILLINOIS TOOL WKS INC	IND	Divfd Mfg	A2	A+	2.650	11/15/2026	USD	110.898	67	0.94	0.750	5.649	5.469	0.155
170	912828U2	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.000	11/15/2026	USD	109.785	188	2.64	0.382	5.764	5.793	0.185
55	002824BF	ABT	ABBOTT LABORATORIES	IND	Health	A3	A-	3.750	11/30/2026	USD	116.089	65	0.91	0.947	5.530	5.348	0.162
35	63968A2D	NESPWR	NEBRASKA PUB PWR DIST R	OGVT	LocalAuth	A1	A+	2.493	01/01/2027	USD	107.777	38	0.53	1.198	5.781	5.812	0.188
45	06051GGF	BAC	BK OF AMERICA CORP FXFL	FIN	Bank	A2	A-	3.824	01/20/2027	USD	113.027	51	0.72	1.641	5.626	5.654	0.182
44	92343VDY	VZ	VERIZON COMMUNICATIONS	IND	Wireline	Baa1	BBB+	4.125	03/16/2027	USD	118.230	52	0.73	1.186	5.766	5.792	0.190
45	742718FG	PG	PROCTER & GAMBLE CO	IND	Consumer	Aa3	AA-	2.800	03/25/2027	USD	112.236	51	0.71	0.857	5.984	6.012	0.201
40	17252MAN	CTAS	CINTAS CORP NO 2	IND	Othr-IND	A3	A-	3.700	04/01/2027	USD	115.282	47	0.66	1.159	5.768	5.597	0.178
45	009158AY	APD	AIR PRODUCTS AND CHEMIC	IND	Chemicals	A2	A	1.850	05/15/2027	USD	105.032	48	0.67	1.042	6.199	6.137	0.171
30	00206RJX	T	AT&T INC	IND	Wireline	Baa2	BBB	2.300	06/01/2027	USD	104.729	32	0.45	1.533	6.141	6.087	0.171
20	85440KAC	STNFRD	STANFORD UNIV CALIF	IND	Othr-IND	Aaa	AAA	1.289	06/01/2027	USD	101.525	20	0.29	1.046	6.356	6.331	0.181
35	291011BL	EMR	EMERSON ELEC CO	IND	Divfd Mfg	A2	A	1.800	10/15/2027	USD	104.331	37	0.52	1.143	6.570	6.526	0.198
125	9128283F	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.250	11/15/2027	USD	112.469	142	1.99	0.469	6.594	6.638	0.245
90	9128283W	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.750	02/15/2028	USD	116.371	105	1.48	0.487	6.748	6.796	0.258
30	718546AR	PSX	PHILLIPS 66	IND	Enrg-Refg	A3	BBB+	3.900	03/15/2028	USD	112.908	34	0.48	1.971	6.535	6.388	0.224

Standard Holdings
Expanded

Portfolio: B2G10818 **Currency: USD**

Pricing Date: 09/30/2020

Representative:

Table 1 : Excl. Table 2 Hldgs

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
20	893574AK	WMB	TRANSCONTINENTAL GAS PI	IND	Enrg-Mid	Baa2	BBB	4.000	03/15/2028	USD	111.660	22	0.31	2.240	6.500	6.360	0.219
30	927804FZ	D	VIRGINIA ELEC & PWR CO	UTIL	Electric	A2	BBB+	3.800	04/01/2028	USD	117.561	36	0.50	1.259	6.536	6.385	0.233
25	454889AS	AEP	INDIANA MICH PWR CO	UTIL	Electric	A3	A-	3.850	05/15/2028	USD	114.711	29	0.41	1.718	6.616	6.472	0.236
45	136375BD	CNR	CANADIAN NATL RY CO	IND	Railroads	A2	A	6.900	07/15/2028	USD	138.479	63	0.89	1.622	6.322	6.359	0.242
30	494368BY	KMB	KIMBERLY-CLARK CORP	IND	Consumer	A2	A	3.950	11/01/2028	USD	120.335	37	0.51	1.221	6.978	6.838	0.269
30	053611AJ	AVY	AVERY DENNISON CORP	IND	Package	Baa2	BBB	4.875	12/06/2028	USD	124.315	38	0.53	1.599	6.869	6.737	0.266
30	035240AQ	ABI	ANHEUSER-BUSCH INBEV W	IND	Beverage	Baa1	BBB+	4.750	01/23/2029	USD	122.042	37	0.52	1.801	7.003	6.872	0.275
30	743315AV	PGR	PROGRESSIVE CORP	FIN	Insr-P&C	A2	A	4.000	03/01/2029	USD	120.528	36	0.51	1.339	7.290	7.156	0.292
25	911312BR	UPS	UNITED PARCEL SVCS INC	IND	Tran Srvc	A2	A-	3.400	03/15/2029	USD	115.514	29	0.41	1.393	7.448	7.317	0.296
155	9128286T	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	2.375	05/15/2029	USD	115.113	180	2.53	0.576	7.832	7.896	0.349
5	29379VBX	EPD	ENTERPRISE PRODS OPER L	IND	Enrg-Mid	Baa1	BBB+	2.800	01/31/2030	USD	106.446	5	0.08	2.020	8.200	8.151	0.334
30	637432NV	NRUC	NATIONAL RURAL UTILS COO	UTIL	Electric	A1	A	2.400	03/15/2030	USD	109.026	33	0.46	1.354	8.502	8.428	0.360
35	713448ES	PEP	PEPSICO INC	IND	Beverage	A1	A+	2.750	03/19/2030	USD	111.936	39	0.55	1.368	8.409	8.318	0.363
25	717081EW	PFE	PFIZER INC	IND	Pharmctls	A1	AA-	2.625	04/01/2030	USD	111.807	28	0.40	1.269	8.387	8.300	0.363
60	3135G05Q	FNMA	FEDERAL NATL MTG ASSN	AGY	AGY	AGY	AA+	0.875	08/05/2030	USD	98.739	59	0.83	1.010	9.393	9.495	0.485
10	78409VAS	SPGI	S&P GLOBAL INC	IND	Publishng	A3	N/A	1.250	08/15/2030	USD	98.385	10	0.14	1.426	9.234	9.271	0.430
35	91282CAE	TSY	UNITED STATES TREAS NTS	TSY	TSY	TSY	TSY	0.625	08/15/2030	USD	99.500	35	0.49	0.677	9.551	9.657	0.498
51	31418CBH	FNMA	FNMA UMBS POOL - MA2739	PASS	AGY	AGY	AGY	2.500	09/01/2031	USD	104.666	54	0.75	1.051	3.287	2.095	-0.938
44	31410LUP	FNMA	FNMA UMBS POOL - 890790	PASS	AGY	AGY	AGY	3.000	08/01/2032	USD	107.202	47	0.67	0.753	3.245	1.919	-0.691
48	3132D55H	FMCC	FHLMC UMBS POOL - SB8048	PASS	AGY	AGY	AGY	2.000	06/01/2035	USD	104.026	50	0.71	1.133	4.715	3.532	-0.967
69	3132D55S	FMCC	FHLMC UMBS POOL - SB8057	PASS	AGY	AGY	AGY	2.000	08/01/2035	USD	104.030	72	1.01	1.147	4.795	3.602	-0.969
69	31418DRR	FNMA	FNMA UMBS POOL - MA4095	PASS	AGY	AGY	AGY	2.000	08/01/2035	USD	104.028	72	1.01	1.103	4.563	3.653	-0.948
70	31418DTM	FNMA	FNMA UMBS POOL - MA4155	PASS	AGY	AGY	AGY	2.000	09/01/2035	USD	104.030	73	1.03	1.140	4.753	4.028	-0.760
55	31418DSM	FNMA	FNMA UMBS POOL - MA4123	PASS	AGY	AGY	AGY	2.000	09/01/2035	USD	104.030	57	0.80	1.105	4.574	3.568	-1.046
6,567						**Aa3**	**AA-**	**2.602**	**4.501**		**107.637**	**7,108**	**100.00**	**0.680**	**4.199**	**4.089**	**0.056**

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E AGGREGATE INDEX	B E INTERM G/C INDEX	B2G10818
Pricing Date	09/30/2020	09/30/2020	09/30/2020	10/06/2020	09/30/2020
Rep					
# Bonds	2,258	1,621	11,704	5,250	129
Base Currcy	USD	USD	USD	USD	USD
Cash (000)	0	0	0	0	61
Par (000)	7,803,615	4,361,937	21,876,364	11,485,805	6,567
Mkt Val (000)	1,000,000	4,523,080	24,259,626	12,333,155	7,108
Quality	Aa1	Aa1	Aa2	Aa2	Aa3
Mdys	Aa1	Aa1	Aa2	Aa2	Aa3
S&P	AA	AA	AA-	AA-	AA-
Coupon	2.116	1.988	2.927	2.353	2.602
Coupon (Mkt)	2.137	2.015	3.015	2.417	2.656
Curr Yield	2.056	1.929	2.655	2.207	2.421
Maturity (Yrs)	1.679	1.995	8.307	4.982	4.501
Avg Life	1.674	1.978	8.245	4.421	4.441
YTM	0.305	0.324	1.235	0.712	0.727
YTW	0.288	0.299	1.221	0.689	0.680
OAS	14	15	70	37	40
Mod Dur	1.646	1.955	6.548	4.167	4.199
Eff Dur	1.624	1.922	6.213	4.133	4.089
Conv	0.016	0.018	0.171	0.112	0.056
Spread Dur	0.504	0.65	3.954	2.037	3.039

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E AGGREGATE INDEX	B E INTERM G/C INDEX	B2G10818
Quality					
Aaa % Held (MV)	79.48	74.59	69.91	64.06	45.59
Aa % Held (MV)	3.06	3.28	3.11	3.35	8.40
A % Held (MV)	9.09	12.33	12.32	15.17	29.69
Baa % Held (MV)	8.38	9.8	14.66	17.42	16.32
Ba % Held (MV)					
Caa % Held (MV)					
C % Held (MV)					
N/A % Held (MV)			0	0	

Portfolio	20%G0QA80 %B1AO	B E 1-3 YR G/C INDEX	B E AGGREGATE INDEX	B E INTERM G/C INDEX	B2G10818
Eff Dur					
<0.00 % Held (MV)				0.01	
0.00 - 0.99 % Held (M	22.38	1.38	3.43	0.46	7.47
1.00 - 1.99 % Held (M	43.19	54.98	18.25	19.46	12.40
2.00 - 2.99 % Held (M	34.43	43.64	17.93	18.19	12.71
3.00 - 3.99 % Held (M			13.35	14.06	14.44
4.00 - 4.99 % Held (M			9.69	15.98	21.32
5.00 - 5.99 % Held (M			5.22	10.14	15.01
6.00 - 6.99 % Held (M			5.76	10.09	10.26
7.00 - 7.99 % Held (M			3.47	5.87	3.45
8.00 - 8.99 % Held (M			2.69	4.05	1.49
9.00 - 9.99 % Held (M			1.35	1.68	1.46
10.00+ % Held (MV)			18.87		
Maturity (Yrs)					
<0.00 % Held (MV)					
0.00 - 0.99 % Held (M	20.06	0.08	0.03	0.04	6.52
1.00 - 1.99 % Held (M	41.83	51.32	9.97	8.26	9.87
2.00 - 2.99 % Held (M	38.11	47.33	12.63	18.11	11.74
3.00 - 3.99 % Held (M		1.27	12.88	15.83	12.03
4.00 - 4.99 % Held (M			18.23	13.78	18.91
5.00 - 6.99 % Held (M			16.35	21.41	26.39
7.00 - 9.99 % Held (M			9.93	18.67	14.54
10.00 - 14.99 % Held			1.57	3.91	
15.00 - 19.99 % Held			3.87		
20.00 - 24.99 % Held			5.31		
25.00+ % Held (MV)			9.25		

SEGALL BRYANT & HAMILL

Portfolio Code	Short Name	Report Heading1	Classification Member Name	End Valuation Date	End Market Value	Month To Date Net Additions	Month To Date Accrued Income	MTD Gross	MTD Net	QTD Gross	QTD Net	YTD Gross	YTD Net	1Yr Gross	1Yr Net
50010818	B2G10818	Mid-Atlantic UFCW and Participating Employers	Portfolio	9/30/2020	$ 7,068,109.11	-	39,914.47	0.04	0.04	0.64	0.58				

Standard Holdings
Expanded

Portfolio: B2G10818
Pricing Date: 09/30/2020
Representative:
Table 1 : Excl. Table 2 Hldgs

Currency: USD
FILTER APPLIED: (Portfolio: 7 of 129)

Par (000)	Identifier	Ticker (Home)	Issuer Name	Sect	Industry	Mdys	S&P	Coupon	Maturity	Curr	Price	Mkt Val (000)	% Held (MV)	YTW	Mod Dur	Eff Dur	Conv
6	3137AYCE		FHLMC K25- A2	CMBS	CMBS	AGY	AGY	2.682	10/25/2022	USD	103.832	6	2.17	0.633	1.915	1.977	0.025
30	3137B36J		FHLMC K029- A2	CMBS	CMBS	AGY	AGY	3.320	02/25/2023	USD	106.039	32	11.10	0.581	2.218	2.282	0.032
36	92348XAA	VZOT	VERIZON 2018-A- A1A	ABS	MISC	Aaa	AAA	3.230	04/20/2023	USD	101.550	37	12.74	0.787	0.629	0.628	0.004
60	3137B5KW		FHLMC K035- A2	CMBS	CMBS	AGY	AGY	3.458	08/25/2023	USD	107.696	65	22.56	0.472	2.641	2.702	0.044
50	3137BGK2		FHLMC K043- A2	CMBS	CMBS	AGY	AGY	3.062	12/25/2024	USD	109.717	55	19.14	0.651	3.921	3.994	0.091
35	05522RDB		BA MTG CC 2019-1A- A	ABS	CARD	Aaa	N/A	1.740	01/15/2025	USD	102.883	36	12.55	0.199	1.844	1.841	0.022
50	3137FJXQ		FHLMC K-733- A2	CMBS	CMBS	AGY	AGY	3.750	08/25/2025	USD	113.057	57	19.73	0.961	4.477	4.553	0.117
267						**Aaa**	**AA+**	**3.150**	**3.016**		**107.346**	**287**	**100.00**	**0.624**	**2.829**	**2.880**	**0.058**

From: Linda Cunningham <lcunningham@sbhic.com>
Sent: Monday, October 26, 2020 2:34 PM
To: Mary Margaret Johansen; Christine Brosowski
Cc: ICSA; Evan Thompson
Subject: RE: 3Q20 Compliance Checklist - Segall Bryant & Hamill

Hello, Mary Margaret-
Here are the ten investment professionals and their titles:

Name	Job Title Description
Rico Fung	Equity Analyst
Mark Adelmann	Principal Senior Portfolio Manager
Derek Anguilm	Principal Director Dividend Value Strategies
Seth Miller	Equity Analyst
Carolyn Moriarty	Principal Senior Portfolio Manager
Cheryl Novello	Senior Equity Trader
Guangyan Qin	Senior Equity Analyst
Alex Ruehle	Principal Senior Portfolio Manager
Robert Steiner	Senior Equity Analyst
Lisa Ramirez	Principal Senior Portfolio Manager

Have a great afternoon,
Linda

Linda Cunningham
Institutional Client Service Administrator
Segall Bryant & Hamill
540 W Madison Street
Suite 1900
Chicago, IL 60661

(312) -474-4350 (Office)
(312) 277-3470 (Fax)
(800) 836-4265 (Toll Free)
lcunningham@sbhic.com
www.sbhic.com

Form CRS - Client Relationship Summary

June 30, 2020

Segall Bryant & Hamill, LLC (SBH) is registered with the Securities and Exchange Commission (SEC) as an investment adviser. Brokerage and investment advisory services and fees differ, and it is important for you to understand these differences. Free and simple tools are available to research firms and financial professionals at Investor.gov/CRS, which also provides educational materials about broker-dealers, investment advisers, and investing.

WHAT INVESTMENT SERVICES AND ADVICE CAN YOU PROVIDE ME?

We offer investment advisory services to retail investors, including professional portfolio management of domestic and international equity, domestic fixed income and balanced portfolios of individual securities, independently managed funds, proprietary funds, and alternative investments. SBH provides fee-based investment management to different client types on both a discretionary and non-discretionary basis.

We are responsible for ensuring investment decisions are consistent with stated guidelines and objectives. Client accounts are reviewed periodically by the portfolio manager. There is no specific schedule on which accounts are reviewed. Rather, an ongoing review process is in place. Additional reviews are initiated when market conditions dictate, client circumstances warrant, or any other pertinent factors surface. Reviews are undertaken in context with applicant's current investment policy guidelines, individual security analysis and/or client investment considerations. We also have indirect relationships with wrap sponsors or independent investment advisers. In those situations, the wrap sponsor or investment adviser is responsible for ensuring our strategy matches your investment needs.

Clients may choose to retain SBH as investment adviser with or without granting investment discretion. Where a client chooses to grant investment discretion to SBH, SBH will have authority to trade securities for the client's account without prior approval from the client. SBH's authority may be subject to client restrictions or guidelines as detailed in the agreement between the client and SBH. For non-discretionary account management services, SBH makes investment recommendations to the client, but the client or the client's adviser decides whether to invest based on those recommendations.

As part of SBH's wealth management services, SBH also offers goals-based financial planning for clients. For clients who agree to a financial planning engagement, the firm develops a written report based on the data provided by the client and the client's investment needs.

For additional information, please see Items 4 and 7 of Part 2A of Form ADV.

Conversation Starter. Ask your financial professional—

- Given my financial situation, should I choose an investment advisory service? Why or why not?
- How will you choose investments to recommend to me?
- What is your relevant experience, including your licenses, education and other qualifications? What do these qualifications mean?

WHAT FEES WILL I PAY?

SBH's standard fee schedules are provided in Item 5 of Part 2A of Form ADV, but all fees are subject to negotiation. The extent and nature of the advisory services that SBH provides will vary depending on the specific arrangements SBH makes with each client. As a result, SBH's fees will differ due to a number of factors such as the size of the account, relationships to other accounts, competitive pricing conditions at inception, the historical or projected nature of trading for the account, and the extent of supplemental services provided to the client.

Fees are generally calculated on the account's market value as of the last business day of the previous quarter. Clients elect to either be billed directly for fees or authorize their custodian to directly debit fees from their accounts. Under the terms of SBH's standard client agreement, the management fee payable to SBH is generally payable quarterly, in advance. The more assets that are in your advisory account, the more you will pay in fees, and SBH therefore has an incentive to encourage you to increase the assets in your account.

In addition to SBH's fees, clients generally incur additional charges imposed by custodians, brokers, and other third parties, such as fees charged by independent investment advisers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In circumstances where a client's account includes SBH mutual funds, the value of the investment in the SBH

Funds is excluded from the account's market value for the purpose of calculating the client's management fee due to SBH. The only fee collected is indirectly from the fund itself and no fee is charged directly by SBH. For funds not managed by SBH, clients should be aware they are paying an investment management fee to the adviser of the mutual fund, which is disclosed in such fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to SBH's fee, and SBH does not receive any portion of these commissions, fees and costs. Fees for our indirect client relationships are assessed by the firm that has the relationship with the client and that firm submits the portion of the fee due to SBH.

For clients who agree to a financial planning engagement, the firm provides the financial planning services at no additional cost.

You will pay fees and costs whether you make or lose money on your investments. Fees and costs will reduce any amount of money you make on your investments over time. Please make sure you understand what fees and costs you are paying.

For additional information, please see Items 4 and 7 of Part 2A of Form ADV.

Conversation Starter. Ask your financial professional—

- Help me understand how these fees and costs might affect my investments. If I give you $10,000 to invest, how much will go to fees and costs, and how much will be invested for me?

WHAT ARE YOUR LEGAL OBLIGATIONS TO ME WHEN ACTING AS MY INVESTMENT ADVISER? HOW ELSE DOES YOUR FIRM MAKE MONEY AND WHAT CONFLICTS OF INTEREST DO YOU HAVE?

As an investment adviser, SBH acts in a fiduciary capacity, which means we are obligated to act in your best interest and not put our interest ahead of yours. At the same time, the way we make money creates an inherent conflict with your interests. You should understand and ask us about these conflicts because they can affect the recommendations we provide you. Here are some examples to help you understand what this means.

- Proprietary Products: SBH provides investment advice to domestic and international mutual funds under the Segall Bryant & Hamill Trust and also sub-advises several other mutual funds. The services that SBH provides to these funds present a conflict of interest as the firm has an incentive to recommend these funds to clients and in some situations increases the compensation the firm earns.
- Third-Party Payments: SBH's clients may pay commission rates on equity transactions at commission rates that exceed those that a different broker might charge for effecting the same transaction because of SBH's assessment of the value of the eligible brokerage and/or research products or services that such broker or a third party provides. There is an inherent conflict of interest in these so-called "soft dollar" arrangements where an incentive exists for SBH to select a broker-dealer based on the firm's interest in receiving the brokerage or research services, rather than on the lowest execution cost.

For additional information, please see Items 4, 6, and 12 of the Part 2A of Form ADV.

Conversation Starter. Ask your financial professional—

- How might your conflicts of interest affect me, and how will you address them?

HOW DO YOUR FINANCIAL PROFESSIONALS MAKE MONEY?

Compensation for our financial professionals generally consists of base salary, profit sharing, and incentive compensation, as well as equity ownership in the firm for some professionals. Financial professionals are paid a salary that is competitive with industry standards, along with a team-based incentive bonus based on the teams and SBH's overall profitability. SBH believes that revenue-based compensation encompasses all aspects of the overall results we deliver to our clients, including investment performance.

DO YOU OR YOUR FINANCIAL PROFESSIONALS HAVE LEGAL OR DISCIPLINARY HISTORY?

Yes. Visit Investor.gov/CRS for a free and simple search tool to research us and our financial professionals.

Conversation Starter. Ask your financial professional—

- As a financial professional, do you have any disciplinary history? For what type of conduct?

ADDITIONAL INFORMATION

For additional information about our services, please visit www.sbhic.com. If you would like additional, up-to-date information or a copy of this disclosure, please call 800-836-4265.

Conversation Starter. Ask your financial professional—

- Who is my primary contact person? Is he or she a representative of an investment-adviser or a broker-dealer? Who can I talk to if I have concerns about how this person is treating me?

Form ADV Part 2A - Brochure

ITEM 1 – COVER PAGE

March 31, 2020

Segall Bryant & Hamill, LLC

540 West Madison Street, Suite 1900
Chicago, IL 60661
312-474-1222 / 800-836-4265

www.sbhic.com

This Brochure provides information about the qualifications and business practices of Segall Bryant & Hamill, LLC ("SBH"). If you have any questions about the contents of this Brochure, please contact us at 312-474-1222 or 800-836-4265 and/or contactus@sbhic.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Segall Bryant & Hamill, LLC is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an Adviser provide you with information to assist you in determining whether to hire or retain an Adviser. Additional information about Segall Bryant & Hamill, LLC is available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2 - MATERIAL CHANGES

This section discusses specific material changes that have been made to this Brochure since the last annual update of our Brochure on March 30, 2019. It does not describe other modifications to this Brochure, such as updates to dates and numbers, stylistic changes or clarifications.

The following material changes other than the last annual amendment update filed on March 30, 2019 are:

- Lower Wacker Small Cap Investment Fund LLC was converted from a private fund to a registered mutual fund under Segall Bryant & Hamill Trust to the Segall Bryant & Hamill Small Cap Core Fund on January 2, 2020
- Micro Cap strategy is no longer being offered

Currently, our Brochure can be requested by contacting Segall Bryant & Hamill at 312-474-1222 or contactus@sbhic.com. Our Brochure is also available on our web site, www.sbhic.com, free of charge.

Additional information about Segall Bryant & Hamill, LLC is also available via the SEC's web site at www.adviserinfo.sec.gov. The SEC's web site provides information about any persons affiliated with Segall Bryant & Hamill, LLC who are registered, or are required to be registered, as investment adviser representatives of Segall Bryant & Hamill, LLC.

ITEM 3 - TABLE OF CONTENTS

ITEM 4 - ADVISORY BUSINESS

Segall Bryant & Hamill, LLC ("SBH") is a registered investment advisor established in 1994. SBH provides professional portfolio management of domestic and international equity, domestic fixed income and balanced portfolios, and alternative investments, to clients which include foundations, endowments, corporations, public funds, multi-employer plans and wealth management clients. Our client base is geographically diverse with investors in the U.S. and several foreign countries. SBH is principally owned by certain employees of the Firm and affiliates of Thoma Bravo, LLC.

SBH is headquartered in Chicago, Illinois, with offices in Denver, Colorado; Naples, Florida; Chesterfield, Missouri; and Ardmore, Pennsylvania. SBH provides fee-based investment management of equity, fixed income and alternative investment portfolios to different client types on a discretionary and non-discretionary basis.

SBH manages client portfolios according to a number of investment strategies listed below. For more information on SBH's strategies, please visit www.sbhic.com. These strategies are typically implemented through a separately managed account for clients, although certain strategies listed are also available through the firm's proprietary family of mutual funds, the Segall Bryant & Hamill Funds, private limited partnerships or through a commingled investment vehicle. Clients should read the prospectus or offering memoranda for these investment vehicles before investing.

EQUITY STRATEGIES	FIXED INCOME STRATEGIES	OTHER INVESTMENT STRATEGIES
Small Cap	Short Term Fixed Income	Balanced
Small Cap Value	Short Term Plus Fixed Income	Alternative Investments (fund-of-funds portfolios)
Small Cap Value Select*	Intermediate Fixed Income	Workplace Equality Index®**
Small Cap Value Dividend	Municipal Fixed Income	
Small Cap Growth	Municipal - Short/Intermediate	
Smid Cap	Municipal - Intermediate	
Smid Cap Value Dividend	Core Fixed Income	
Mid Cap	Core Plus Fixed Income	
Mid Cap Value Dividend	Quality High Yield Fixed Income	
Workplace Equality	Long Term Fixed Income	
All Cap		
All Cap Select***		
Emerging Markets Small Cap		
Emerging Markets		
International Small Cap		
Fundamental International Small Cap		
Global Large Cap		

* Small Cap Value Concentrated was renamed to Small Cap Select.

** The Workplace Equality Index®, is an index of companies that support lesbian, gay, bisexual and transgender ("LGBT") equality in the workplace.
*** All Cap Concentrated was renamed to All Cap Select.

Registered Investment Companies

SBH provides investment advice to domestic and international mutual funds under the Segall Bryant & Hamill Trust. SBH also sub-advises several other mutual funds (each, a "Fund," and collectively, the "Funds"). SBH manages the assets of the Funds in accordance with the Funds' investment objectives, policies and restrictions as set forth in its registration statements. If these Funds are held in a client separate account, the value of the investment in the Funds is excluded from the billing value for the purpose of calculating the client's periodic fee due SBH. The services that SBH provides to the Funds can present conflicts of interest as the firm can be incentivized to use the Funds based on compensation rather than the client's needs. To help manage that conflict of interest, we have implemented various controls including maintaining a Code of Ethics which details the firm's fiduciary duties, monitoring of portfolio holdings versus client objectives, along with the controls mentioned above. This document should not be considered an offering document for the Funds. Please see the respective Fund's offering materials such as the Prospectus, Statement of Additional Information and other reports to investors for complete disclosures relating to each Fund.

Collective Investment Trusts

SBH provides investment advice to collective investment trusts. The Segall Bryant & Hamill International Small Cap Trust, the Segall Bryant & Hamill Emerging Markets Trust, and the Segall Bryant & Hamill Emerging Markets Small Cap Trust (the "SBH Trusts") are trusts for the collective investment of assets or participating tax qualified pension and profit-sharing plans and related trusts, and governmental plans as more fully described in the Declaration of Trust. As bank collective trusts, the SBH Trusts are exempt from registration as an investment company. The SBH Trusts are managed by SEI Trust Company, the trustee, based on the investment advice of SBH, the investment adviser to the trusts. If these SBH Trusts are held in a client account, the value of the investment in the SBH Trusts is excluded from the billing value for the purpose of calculating the client's periodic fee due SBH.

Private Funds

SBH provides investment advice to several privately offered non-registered investment vehicles:
- SBH Global Discovery Fund, LLC; and a related offshore fund
- Segall Bryant & Hamill Emerging Markets Small Cap Fund, LP
- Segall Bryant & Hamill Emerging Markets Fund, LP; and a related offshore fund
- International Small-Cap Equity Fund, LLLP
- Private Opportunities Fund, LP; and a related offshore fund

SBH Global Discovery Fund, LLC invests in alternative investment funds (i.e., hedge funds, etc.). SBH Global Discovery Fund, Ltd. is a member of SBH Global Discovery Fund, LLC and is limited to doing no more than investing in SBH Global Discovery Fund, LLC. Segall Bryant & Hamill Emerging Markets Small Cap Fund, LP invests in marketable securities, primarily common stocks with small market capitalizations tied economically to emerging market countries. The Segall Bryant & Hamill Emerging Markets Fund, LP invests in marketable securities, primarily common stocks tied economically to emerging market countries. Segall Bryant & Hamill Emerging Markets Offshore Fund, LTD will invest all of its assets, except those assets needed for cash-management purposes, into Segall Bryant & Hamill Emerging Markets Fund, LP. The International Small-Cap Equity Fund, LLLP primarily invests in international equity securities following the fundamental international small cap strategy. The Private Opportunities Fund, LP and related offshore fund, seeks primarily to invest in non-traditional asset classes including private equity strategies, private debt strategies, and real asset strategies.

When private funds are held in a client account, the value of the investment in private funds is excluded from the billing value for the purpose of calculating the client's periodic fee due to SBH.

Wrap Fee Programs

SBH provides investment strategies to accounts under wrap fee programs sponsored by other firms or "wrap sponsors". The wrap sponsors recommend and assist clients in selecting an appropriate SBH investment strategy, taking into account their financial situation and investment objectives. SBH's role is to manage the client's account according to the strategy selected. In a wrap fee program, the wrap sponsor provides investment advisory, execution and custodial services to clients in return for an all-inclusive—or "wrap"—fee paid to the sponsor. SBH receives a portion of the wrap fee for managing these strategies. SBH will allow reasonable investment restrictions if they do not differ materially from a strategy's investment objectives. Clients who impose investment restrictions should be aware that the performance of their accounts may differ from that of the investment strategies not subject to investment restrictions.

Unified Managed Account "UMA" Programs (Model Portfolio Provider)

SBH provides investment strategies via model portfolios to other investment advisers. As the model portfolio provider, SBH designs, monitors and updates the portfolio. The investment advisers may then implement the model portfolio for their clients and adjust the model portfolio as recommended by SBH. Model portfolio providers may grant shared trading authority to SBH or "dual-discretion" over the clients' assets, whereby SBH has discretion to execute trades on behalf of the clients.

Separate Managed Account Dual Contract

Under these programs, an adviser has a contract with its client to perform investment management and possibly custodian services. SBH may establish a contract directly with the client or contract with the adviser on the client's behalf. SBH may from time to time establish other such relationships.

Managed Mutual Fund Accounts

SBH also provides advice to client accounts that are limited to shares in mutual funds. Where a client account is invested solely in shares of the mutual funds (non-Segall Bryant & Hamill Mutual Funds), SBH often charges the client a fee with respect to the special accounting, reporting and investment advisory services rendered to the client. Clients should be aware that, in addition to fees paid to SBH, they are paying an investment management fee to the adviser of the mutual fund which is disclosed in a Fund's Prospectus. Such charges, fees and commissions are exclusive of and in addition to SBH's fee, and SBH does not receive any portion of these commissions, fees and costs, except SBH may receive compensation for providing shareholder services.

Wealth Management Services

SBH constructs portfolios for its wealth management clients using a mix of individual stocks, bonds, mutual funds and alternative investments. Each client's asset allocation is determined by their specific objectives and unique circumstances. SBH's investment approach begins with a clear and thorough understanding of each client's objectives, time horizon, risk profile and income needs. Each client works directly with a portfolio manager whose job it is to construct a portfolio tailored to each client's needs and to communicate regularly with the client.

As part of SBH's wealth management services, SBH also offers goals-based financial planning for clients. For clients who agree to a financial planning engagement, the firm provides the following services dependent on the data provided by the client and their needs.

- An assessment of the probability of reaching various financial goals. SBH utilizes stress testing of possible scenarios to assess the probability that a client will have sufficient assets to reach financial goals that are personal to each client.
- Based on data provided by each client, the firm seeks to analyze and recommend actions steps regarding their social security options, retirement planning, education planning, and both family and philanthropic gift planning.
- SBH also endeavors to work with each client's estate and tax planning professionals to guide clients on the transfer of assets, titling, asset placement, and tax efficiency planning of an investment portfolio as it relates to a client's overall tax situation.

The firm relies on a client to provide detailed and accurate data for all of our financial planning and it is the responsibility of clients to introduce us to estate and tax professionals with whom they are currently working to address all wealth management issues that are relevant to a given client.

Legal Actions and Class Actions

SBH does not take responsibility for filing class action claims on behalf of its clients. However, with regard to class actions, SBH has retained an outside company to provide an option for clients to electronically file class action claims. Fees for this service are typically on a contingency basis, as a percentage of the proceeds received.

Assets Under Management

As of December 31, 2019, SBH's total assets under management were $19,661,201,015 ($19,558,674,501 discretionary and $102,526,514 non-discretionary). There are $383,896,840 million of assets under advisement ("AUA") in Model UMA assets.

ITEM 5 - FEES AND COMPENSATION

All fees are subject to negotiation. The extent and nature of the advisory services that SBH provides will vary depending on the specific arrangements it makes with each client. As a result, SBH's fees will differ among its client accounts due to a number of factors such as the size of the account, relationships to other accounts, competitive pricing conditions at inception, the historical or projected nature of trading for the account, and the extent of supplemental client services provided to the account.

Clients elect to be billed directly for fees or authorize their custodian to directly debit fees from client accounts.

Under the terms of SBH's standard form investment advisory agreements, the compensation of SBH is generally payable quarterly in advance. Fees are generally calculated on market value as of the last business day of the quarter. The standard form agreements do not have fixed termination or renewal dates but do provide for the termination of SBH's services to the client by notice from either the client or SBH to the other within 30 days' written notice. Generally, if at the time of termination and subject to the required notice period, SBH has not fully earned a fee amount prepaid by the client, the unearned portion (determined by proration on a daily basis) is refunded to the client. Accounts initiated or terminated during a calendar quarter will be charged a pro rata fee.

In addition to the schedules of fees set forth below that apply to new clients, there are in effect fee schedules with some clients that may differ. From time to time, special requirements of clients will result in advisory contracts with terms or fee arrangements differing from those set forth in SBH's standard forms. There are circumstances under which fees, including performance-based fee arrangements in compliance with Securities and Exchange Commission Rule 205-3 and applicable state securities laws and regulations, if any, may be negotiated. The minimum fees noted below may be waived or reduced when, for example, a new account is expected to grow rapidly in size, a relationship exists with a present client of SBH, or for other reasons, at the discretion of SBH. SBH generally offers a discount from its standard fee schedules for accounts of persons associated with SBH or members of their families.

SBH's fees are exclusive of brokerage commissions, transaction fees, and other related costs and expenses which shall be incurred by the client. SBH strives to keep their fees to a minimum. In addition to SBH's fees, clients may incur certain charges imposed by custodians, brokers, third-party investment and other third parties, such as fees charged by managers, custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions. In circumstances where a client's account includes mutual funds (not managed by SBH), clients should be aware that they are paying an investment management fee to the adviser of the mutual fund, which is disclosed in a fund's prospectus. Such charges, fees and commissions are exclusive of and in addition to SBH's fee, and SBH does not receive any portion of these commissions, fees and costs, except SBH may receive compensation for providing shareholder services.

In selecting or recommending share classes in such investments for Client accounts, it is the firm's policy to identify the lowest available net fee class for which the applicable Client account is eligible through the firm platform. Such determinations will be based on the Client's investment objectives, the performance and characteristics of the product under consideration, and the available investment alternatives.

The Brokerage Practices section further describes the factors that SBH considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

INVESTMENT STYLE	MANAGEMENT FEE	MIN. SEPARATE ACCOUNT SIZE
Core Equity		
All Cap and Balanced	0.55% - First $25 Million 0.45% - Next $25 Million 0.30% - Over $50 Million	$1 Million
All Cap Select	0.55% - First $25 Million 0.45% - Next $25 Million 0.30% - Over $50 Million	$1 Million
Mid Cap	0.60% - First $25 Million 0.50% - Next $25 Million 0.45% - Over $50 Million	$1 Million
Smid Cap	0.70% - First $10 Million 0.60% - Next $15 Million 0.55% - Over $25 Million	$1 Million
Small Cap	0.80% - First $25 Million 0.70% - Next $25 Million 0.65% - Over $50 Million	$1 Million
Growth Equity		
Small Cap Growth	0.80% - First $25 Million 0.70% - Next $25 Million 0.65% - Over $50 Million	$1 Million
Value Equity		
Mid Cap Value Dividend	0.60% - First $25 Million 0.50% - Next $25 Million 0.45% - Over $50 Million	$1 Million
Smid Cap Value Dividend	0.70% - First $10 Million 0.60% - Next $40 Million 0.55% - Over $50 Million	$1 Million
Small Cap Value Dividend	0.80% - First $25 Million 0.70% - Next $25 Million 0.65% - Over $50 Million	$1 Million
Small Cap Value	0.80% - First $25 Million 0.70% - Next $25 Million	$1 Million

INVESTMENT STYLE	MANAGEMENT FEE	MIN. SEPARATE ACCOUNT SIZE
	0.65% - Over $50 Million	
Small Cap Select	0.80% - First $25 Million 0.70% - Next $25 Million 0.65% - Over $50 Million	$1 Million
Global Large Cap	0.65% - First $50 Million 0.55% - Next $50 Million 0.50% - Over $100 Million	$1 Million
Workplace Equality	0.50% - First $25 Million 0.45% - Next $25 Million 0.40% - Over $50 Million	$1 Million
International Equity		
International Small Cap	0.80% - First $50 Million 0.70% - Next $50 Million 0.65% - Over $100 Million	$50 Million
Fundamental International Small Cap	0.90% - First $50 Million 0.80% - Next $50 Million 0.75% - Over $100 Million	$50 Million
International Smid Cap	0.90% - First $50 Million 0.80% - Next $50 Million 0.75% - Over $100 Million	$50 Million
Emerging Markets	0.70% - First $50 Million 0.60% - Next $50 Million 0.55% - Over $100 Million	$50 Million
Emerging Markets Small Cap	0.80% - First $50 Million 0.70% - Next $50 Million 0.65% - Over $100 Million	$50 Million
Fixed Income		
Intermediate	0.25% - First $25 Million 0.20% - Next $25 Million 0.15% - Over $50 Million	$5 Million
Core	0.25% - First $25 Million 0.20% - Next $25 Million 0.15% - Over $50 Million	$5 Million
Core Plus	0.25% - First $25 Million 0.20% - Next $25 Million 0.15% - Over $50 Million	$5 Million
Quality High Yield	0.35% - First $25 Million 0.30% - Next $25 Million 0.25% - Over $50 Million	$5 Million
Long Term/Liability Driven Investing	0.25% - First $25 Million 0.20% - Next $25 Million 0.15% - Over $50 Million	$5 Million
Short Term	0.20% - First $25 Million 0.15% - Over $25 Million	$5 Million
Short Term Plus	0.25% - First $25 Million 0.20% - Over $25 Million	$5 Million
Municipal	0.25% - First $5 Million 0.20% - Over $5 Million	$250,000
Municipal - Short/Intermediate	0.25% - First $5 Million 0.20% - Over $5 Million	$250,000
Municipal - Intermediate	0.25% - First $5 Million 0.20% - Over $5 Million	$250,000

INVESTMENT STYLE	MANAGEMENT FEE	MIN. SEPARATE ACCOUNT SIZE
Wealth Management		
Equity and Balanced	1.00% - First $3 Million 0.75% - Next $7 Million 0.50% Over $10 million $10,000 annual minimum fee	$1 Million
Fixed Income	0.50% - All balances $10,000 annual minimum fee	$1 Million

[#] All fees noted represent institutional strategies unless specifically stated otherwise.

In most cases, each of the foregoing schedules of fees is applied to the fair market value of the assets under management by SBH, as reasonably determined by SBH, as of the end of each quarterly period.

Wrap Fee Programs

The wrap sponsor contracts with the client to perform investment management and/or custodial services. Clients pay a single all-inclusive fee quarterly in advance to the wrap sponsor based on assets under management. From the all-inclusive fee, the sponsor will pay SBH a management fee. The wrap fee is set forth in the sponsor's brochure. The fees payable to SBH are negotiable, but will typically be less than the amounts set forth for a particular investment strategy above.

Unified Managed Account "UMA" Program (Model Portfolio Provider)

The fees that SBH receives from third parties for providing its model portfolios are subject to negotiation, but will typically be less than the amounts set forth for a particular investment strategy above due to the reduced services required for these accounts.

Separate Managed Account Dual Contract Programs

In dual contract programs, the end client pays a separate quarterly fee to SBH based on the market value of the account. The fees payable to SBH are negotiable but will generally not exceed the amounts set forth for a particular investment strategy above.

Private Funds

As is more fully described in the offering materials for the private funds, SBH receives a management fee from each of the private funds. We generally accrue the management fee in arrears on a monthly basis to be paid either monthly or quarterly and at a rate of one-twelfth of the annual fee. The standard management fee for the private funds is up to 1.5% per annum. Investors may also elect to pay a performance fee. SBH reserves the right to apply a different management fee and/or performance fees to different investors and to waive any management fee and/or performance fees in whole or in part at its discretion.

Registered Investment Companies

SBH receives annual fees from the Funds for investment advisory and administration services provided to the Funds. SBH is paid a monthly management fee on average daily net assets at an annual rate ranging up to 1.00%. SBH serves as the sub-adviser to mutual funds where it receives a fee from the adviser for its services. Specific advisory fees and expense-related information can be found in each Fund's Prospectus, Statement of Additional Information and annual report.

Collective Investment Trusts

SBH receives a management fee from the SBH Trusts for its investment advisory services. The trustee of the SBH Trusts pays SBH a monthly management fee based on the average daily net assets of up to 1.15%. Specific advisory fees and expense-related information can be found in the SBH Trusts Disclosure Memorandum.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

In some cases, SBH has entered into performance fee arrangements with qualified clients: such fees are subject to individualized negotiation with each such client. SBH will structure any performance or incentive fee arrangement subject to Section 205(a)(1) of the Investment Advisers Act of 1940, as amended, (the "Advisers Act") in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. In measuring clients' assets for the calculation of performance-based fees, SBH shall include realized and unrealized capital gains and losses. Performance based fee arrangements create an incentive for SBH to recommend investments which may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. SBH has procedures designed and implemented to ensure that all clients are treated in a fair and equitable manner, and to prevent this conflict from influencing the allocation of investment opportunities among clients.

Performance-based fees also create an incentive for SBH to overvalue investments that lack a market quotation. To address this possible conflict, SBH has adopted policies and procedures that require our firm to "fair value" any investments that do not have a readily ascertainable value.

Certain SBH private funds charge performance fees. Refer to the offering materials of the private funds for further information.

Side-by-Side Management:

In some cases, SBH manages clients in the same or similar strategies. This gives rise to potential conflicts of interest if the funds and accounts have, among other things, different objectives, benchmarks or fees. For example, potential conflicts arise in the following areas:

- The portfolio manager must allocate time and investment ideas across funds and accounts,
- Funds’ or accounts’ orders do not get fully executed,
- Trades get executed for an account that may adversely impact the value of securities held by a fund,
- There will be cases where certain accounts or funds receive an allocation of an investment opportunity when other accounts do not, and/or,
- Trading and securities selected for a particular fund or account can cause differences in the performance of different accounts or funds that have similar strategies.

SBH has adopted trade allocation policies and procedures and monitors such transactions to help ensure SBH is not favoring Funds or accounts over each other as well as to help ensure fair and equitable treatment over time for both the Funds and accounts. During periods of unusual market conditions, SBH may deviate from its normal trade allocation practices. There can be no assurance, however, that all conflicts have been addressed in all situations.

ITEM 7 -TYPES OF CLIENTS

SBH provides portfolio management services to the following types of clients:

- Banks or thrifts
- Charitable institutions
- Corporate pension & profit-sharing plans
- Corporations or business entities
- Employed persons (“Keogh” plans)
- Foundations & endowments
- Individuals
- Individual Retirement Accounts
- Jointly trusted benefit
- State and local governments (including pension funds)
- Partnerships
- Private investment funds
- Retirement plans
- Taft-Hartley plans
- Trusts, estates or custodians
- Registered Investment Companies
- Private Funds

The minimum conditions for opening or maintaining an account are as follows:

Institutional Relationships:	Minimum relationship size based on investment strategy as is noted above.
Individual Relationships:	Minimum relationship size of $1,000,000.
SMA Wrap Fee Accounts:	Minimum $100,000.

The minimum account size may, however, be modified by mutual agreement with a client as determined on a case- by-case basis. The investment objective, strategy or guidelines of the account, the expectation of future cash inflows into the account for new investment, the present or expected business relationship with the client, and similar considerations can affect the minimum initial account size agreed upon.

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

Research Process

SBH uses a variety of investment strategies and techniques in managing accounts, both qualitative and quantitative, with emphasis on the use of proprietary investment research. Proprietary research involves analysis that is conducted on the business and characteristics of specific companies and when forming investment decisions. Proprietary research can include interviews with company management, customers, suppliers and industry analysts, analysis of a company's historical financial statements, and creation of financial models of the company or issuer's projected financial performance, among other things. SBH makes substantial use of various quantitative screening techniques through its own proprietary models. The research professionals at SBH consider environmental, social and corporate governance ("ESG") policies of the issuing entities when forming investment decisions.

For fundamental research focused portfolios, SBH's investment approach is based on the prospects for the issuing entity (for example, a company or governmental unit), which may be assessed by reference to its prior financial history and SBH's knowledge of the industry. SBH's professional staff will reach a judgment on the value of the security relative to its current price, seeking to buy those that are selling at less than SBH believes the value to be or will be. SBH's professional staff will consider a variety of factors in reaching these conclusions, which include (but are not limited to), reviewing the company's financial history, interviews with management, discussions with other professional analysts and discussions with other industry participants.

With respect to its quantitatively driven portfolios, SBH's investment philosophy emphasizes a systematic, diversified and risk-aware process. SBH believes that a portfolio of companies with traditional value characteristics (tilted to particularly attractive markets in the case of the Emerging Markets portfolio), coupled with positive momentum factors, will outperform the market over the long term.

Investment Strategies

All and Mid Cap Core Equity

SBH's All Cap and Mid Cap Core equity philosophy is founded on the belief that excess returns are achieved by investing in high-quality companies selling at reasonable prices. Using a low turnover approach to active management, SBH seeks to identify companies that have historically generated, or are positioned to generate, superior return on investment through strong management, broad resources and competitive market position.

Small and Smid Cap Core Equity

SBH's Small and Smid Cap Core Equity philosophy is founded on the belief that excess returns are achieved by investing in a combination of sustainably high Return on Invested Capital ("ROIC") and improving ROIC companies at attractive valuations. Companies must compete in niche-oriented markets, possess a sustainable competitive advantage and have an identifiable catalyst for earnings and/or free cash flow growth.

Small Cap Value

SBH's Small Cap Value Equity philosophy is founded on the belief that excess returns are achieved by investing in companies at or near inflections in expected ROIC. Using screens to limit the universe to companies with low embedded expectations, SBH utilizes investment processes to identify catalysts of change for improved returns while guarding for risk.

Small, Smid, and Mid Cap Value Dividend

SBH's Small, Smid, and Mid Cap Value Dividend strategies are based on the belief that the market rewards companies over time for their free cash flow rather than their reported earnings. The strategies utilize a bottom-up approach, which is grounded in independent fundamental research. Analysts seek to invest in dividend-paying companies for which the future free cash flow and return on invested capital appear to be undervalued by the market. The team constructs diversified portfolios designed to generate alpha primarily through stock selection.

Global Large Cap

SBH's Global Large Cap strategy is based on the belief that the market rewards companies over time for their free cash flow rather than their reported earnings. The strategy focuses on a company's ability and willingness to grow their dividend over time through a combination of cash flow and/or increasing payout ratio. The strategy utilizes a bottom-up approach, which is grounded in independent fundamental research. Analysts seek to invest in dividend-paying companies and construct a concentrated portfolio designed to generate alpha primarily through stock selection.

Workplace Equality

SBH's Workplace Equality strategy seeks strong Environmental, Social, and Governance ("ESG") practices of companies that also meet the Adviser's Workplace Equality Screen. The portfolio management team considers a candidate company's ESG and workplace equality practices and inclusionary hiring and promotion policies because they believe these traits can enhance a company's growth trajectory, long-term financial success and ability to pay a dividend. In addition, the strategy is based on the belief that the market rewards companies over time for their free cash flow rather than their reported earnings. The strategy focuses on a company's ability and willingness to grow their dividend over time through a combination of cash flow and/or increasing payout ratio. The strategy utilizes a bottom-up approach, which is grounded in independent fundamental research. Analysts seek to invest in dividend-paying companies and construct a diversified portfolio designed to generate alpha primarily through stock selection.

Small Cap Growth

SBH's Small Cap Growth strategy is based on the belief that being early in the identification of companies with superior growth prospects and fundamental stability leads to consistent outperformance over time. The team invests in the small-cap growth companies in which they have the highest conviction.

International Small Cap

SBH's International Small Cap philosophy focuses on three main components: quantitative analysis, valuation and intelligent risk taking. SBH believes in a systematic, objective methodology that derives its advantage from unemotional, strict adherence to proven drivers of excess returns. The systemization of SBH's investment methodology also allows this rigorous investment process to be applied effectively over very broad investment universes, such as the international small cap space. With regard to valuation, SBH's equity research on international markets has demonstrated that stocks with low valuation ratios produce superior returns over more expensive stocks over time. International markets are more inefficient than domestic markets. Thus, a systematic investor can uncover and capitalize on these mispricings. Lastly, SBH concentrates its focus where it can be most effective and where the largest payoff is expected, while correspondingly limiting exposure that would introduce an excessive amount of risk for the associated return. Strict adherence to its disciplines—including neutrality to region, sector and size exposure—aims to give the portfolio attractive risk/return characteristics.

Emerging Markets

SBH's Emerging Markets philosophy focuses on three main components: quantitative analysis, valuation and intelligent risk taking. SBH believes in a systematic, objective methodology that derives its advantage from unemotional adherence to proven drivers of excess returns. The systemization of SBH's investment methodology also allows this rigorous investment process to be applied effectively over very broad investment universes, such as the emerging markets all cap space. With regard to valuation, SBH's equity research on emerging markets has demonstrated that stocks with low valuation ratios may produce superior returns over more expensive stocks over time. The volatility and inefficiencies in emerging markets allow a systematic investor the ability to uncover and capitalize on mispricings. Lastly, SBH concentrates its focus where it can be most effective and where the largest payoff is expected, while correspondingly limiting exposure which would introduce an excessive amount of risk for the associated return. Strict adherence to its disciplines—including neutrality to country, sector and size exposure—aims to give the portfolio attractive risk/return characteristics.

Emerging Markets Small Cap

SBH's Emerging Markets Small Cap philosophy focuses on three main components: quantitative analysis, valuation, and intelligent risk taking. SBH believes in a systematic, objective methodology that derives its advantage from unemotional adherence to proven drivers of excess returns. The systemization of SBH's investment methodology also allows this rigorous investment process to be applied effectively over very broad investment universes, such as the emerging markets small cap space. With regard to valuation, SBH's equity research on emerging markets has demonstrated that stocks with low valuation ratios may produce superior returns over more expensive stocks over time. The volatility and inefficiencies in emerging markets allow a systematic investor the ability to uncover and capitalize on mispricings. Lastly, SBH concentrates its focus where it can be most effective and where the largest payoff is expected, while correspondingly limiting exposure which would introduce an excessive amount of risk for the associated return. Strict adherence to its disciplines—including neutrality to country, sector and size exposure—aims to give the portfolio attractive risk/return characteristics.

Fundamental International Small and Smid Cap

SBH's Fundamental International Small and Smid Cap approaches to stock selection are based on the belief that investing in businesses trading at a significant discount to intrinsic value leads to consistent outperformance over time. Utilizing a bottom-up approach grounded in independent fundamental research, the team constructs a portfolio designed to generate alpha primarily through stock selection.

The team's approach also reflects its belief that the best way to identify attractive investment candidates is to consider companies within its entire international small and smid cap universe. Analysts do not eliminate any industries from the research process and do not pre-judge companies based on the nature of the business but rather focus on the underlying characteristics of the business.

Intermediate Fixed Income, Core Fixed Income and Short Term Fixed Income

There are inefficiencies in the bond market created by its size, the behavior of large investors and the nature of over-the-counter trading. SBH seeks to exploit these inefficiencies using fundamental analysis to identify high-quality securities in areas generally overlooked by other managers (e.g., small issue corporates, taxable munis and mortgages). Performance is primarily driven by bottom-up research and security selection, as opposed to market timing. SBH's processes also emphasize disciplined risk controls, sector diversification and liquidity.

Core Plus Fixed Income

SBH's Core Plus Fixed Income is a broad-market strategy, incorporating maturities from 0-30 years. The strategy invests across market sectors, including high yield securities. There are inefficiencies in the bond market created by its size, the behavior of large investors and the nature of over-the-counter trading. SBH seeks to exploit these inefficiencies using fundamental analysis to identify high-quality securities in areas generally overlooked by other managers (e.g., small issue corporates, taxable munis, mortgages and high yield securities). Performance is primarily driven by bottom-up research and security selection, as opposed to market timing. SBH's processes also emphasize disciplined risk controls, sector diversification and liquidity.

Quality High Yield

SBH's Quality High Yield team's investment process is grounded in the belief that consistently strong risk-adjusted returns are best achieved through an emphasis on income rather than short-term marketing timing. Using a relative value strategy across the fixed income universe, the team seeks to deliver alpha through security selection and sector allocation and, secondarily, through portfolio-level decisions. The research and decision-making process is analyst-driven and defined by rigorous credit analysis and a collaborative approach. The team seeks securities that will add value while broadly diversifying by issuer to minimize credit risk. The team constructs portfolios based on the quantification of risks using proprietary financial modeling and risk analytics.

Municipal Fixed Income

SBH's Municipal Fixed Income philosophy is founded on the belief that excess returns are achieved by investing in sectors and securities that offer relative value within the context of current pricing and SBH's top-down forecast. For municipal bond portfolios, SBH's emphasis is on segments of the yield curve that offer strong risk/reward characteristics and capture trading inefficiencies unique to the municipal bond market. Municipal Fixed Income portfolios can be customized to meet client's investment objectives.

Workplace Equality Index®

The Workplace Equality Index® is an equity index that consists of publicly traded companies that support lesbian, gay, bisexual and transgender ("LGBT") equality in the workplace.

Global Discovery Strategy (Hedge Fund of Funds)

SBH seeks to uncover investments uncorrelated traditional long-only equity and fixed income assets that provide diversification and supplemental return benefits for clients' portfolios. SBH favors small to mid-sized, experienced managers when investing in alternatives as SBH believes that smaller managers are better able to take advantage of inefficiencies in the markets—whether that includes public equities, fixed income or commodities. SBH also believes that smaller managers are more performance-driven and less likely to be asset gatherers. Through a strong research due-diligence process, SBH delivers clients the opportunity for investment in hedge funds, private equity, commodity, currency and real estate, among other security types. SBH discovers strategies through sophisticated screening procedures, referrals and industry contacts, which allows us to provide investments often not available to the general investor. The alternative strategies which SBH recommends typically exhibit attractive upside return potential, lower correlation with traditional assets and managed volatility.

Private Opportunities, LP

The investment objective of the Segall Bryant & Hamill Private Opportunities Fund, LP is to deliver superior long-term risk-adjusted returns that are not highly correlated with traditional asset classes by pursuing strategies across the private markets including private equity, private debt, real estate and real assets. The Fund seeks to accomplish its objective by allocating its assets primarily among a select group of portfolio funds along with co-investment and direct investment opportunities, that are managed by individuals that SBH believes are highly talented and motivated private markets managers who combine due diligence and investment analysis expertise.

Investment Restrictions

Concentration limits on investments may be imposed to maintain a desired level of diversification in client portfolios. These limits include security-specific limits, industry limits and limits on investments in companies in the same business. The limits will vary among the different strategies. In applying industry limits to its domestic strategies, SBH may categorize certain diversified companies into more than one industry classification. A diversified company's industry classification may be determined by reviewing the company's lines of business that produce significant revenues. For related information about the Funds, see the Funds' Statement of Additional Information.

SBH's clients in the aggregate may own a significant percentage of the stock of certain companies, and in some cases the aggregate or individual percentage of an issuer that clients hold may be limited or affected by corporate restrictions, federal and state regulatory restrictions, state control statutes, or foreign country restrictions. In order to comply with such restrictions on aggregate holdings, SBH may, on occasion, be required to limit or sell a portion of clients' positions or may be unable to initiate or build a position for new clients in the stock of certain companies. In these cases, such clients' portfolios will differ from SBH's model portfolios.

Principal Investment Risks

Investing in securities involves risk of loss that clients should be prepared to bear. While SBH's investment approaches are designed to mitigate risk, there is no guarantee that clients will not lose money. Following are the various types of risk that may be present depending on the level of exposure the strategy has to a particular type of investment:

Market Risk

The price of an equity security, bond or mutual fund may drop in reaction to tangible and intangible events and conditions. This type of risk is caused by external factors independent of a security's particular underlying circumstances. For example, political, economic and social conditions may trigger market events.

Portfolio Management Risk

Securities held in your account will underperform other securities within the same asset class.

Equity and Equity-Related Instruments

Stocks and other equity-related instruments may be subject to various types of risk, including market risk, liquidity risk, counterparty credit risk, legal risk and operations risk. In addition, equity-related instruments can involve significant economic leverage and may, in some cases, involve significant risk of loss. “Equity securities” may include common stocks, preferred stocks, interests in real estate investment trusts, convertible debt obligations, convertible preferred stocks, equity interests in trusts, partnerships, joint ventures or limited liability companies and similar enterprises, warrants and stock purchase rights. Equity securities fluctuate in value, and such fluctuations can be pronounced. In general, stock values fluctuate in response to the activities of individual companies and in response to general market and economic conditions. Accordingly, the value of the stocks and other securities and instruments that a client holds may decline over short or extended periods.

Smaller Company Securities Risk

Securities of small or mid-capitalization companies (“smaller companies”) can, in certain circumstances, have a higher potential for gains than securities of large-capitalization companies, but they also may have more risk. For example, smaller companies may be more vulnerable to market downturns and adverse business or economic events than larger, more established companies because they may have more limited financial resources and business operations. These companies are also more likely than larger companies to have more limited product lines and operating histories and to depend on smaller management teams. Their securities may trade less frequently and in smaller volumes and may be less liquid and fluctuate more sharply in value than securities of larger companies. In addition, some smaller companies may not be widely followed by the investment community, which can lower the demand for their stocks.

Non-Diversification Risk

This strategy invests in a limited number of investments. The investment portfolio of such accounts may be subject to higher volatility in value than would be the case if the account maintained a wider diversification among issuers.

Foreign Exposure Risk

There are risks and costs involved in investing in non-U.S. traded securities which are in addition to the usual risks inherent in securities that are traded on a U.S. exchange. These risks will vary from time to time and from country to country, especially if the country is considered an emerging market or developing country, and may be different from or greater than the risks associated with investing in developed countries. These risks may include, but are not limited to, higher transaction costs, the imposition of additional foreign taxes, less market liquidity, security registration requirements and less comprehensive security settlement procedures and regulations, significant currency devaluation relative to the U.S. dollar, restrictions on the ability to repatriate investment income or capital, less government regulation and supervision, less public information, less economic, political and social stability and adverse changes in diplomatic relations between the United States and that foreign country.

Indirect Foreign Exposure Risk

Investments in U.S.-traded securities that are organized under the laws of a foreign country or have significant business operations abroad may be impacted by certain foreign exposure risks described above indirectly

Stock Market Risk

There is a risk that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising prices and periods of falling prices.

Business Risk

Securities issued by certain types of companies or companies within certain industries are subject to greater risks of loss due to the nature of their business. For example, before they can generate a profit, oil-drilling companies depend on being able to find oil and then refine it, which is a lengthy process. They carry a higher risk of loss than does an electric company, which generates its income from a steady stream of customers who buy electricity no matter what the economic environment is like.

Issuer Risk

The price of any security issued by a company may drop in reaction to events and conditions that impact the business of a particular company or its industry. For example, changes in key personnel, shifts in supply or demand for the company's product or its materials, or regulatory events may affect business operations, while other comparable issuers are unaffected.

Interest-rate Risk

Fluctuations in interest rates may cause prices of fixed income securities to fluctuate. For example, when interest rates rise, yields on existing bonds become less attractive, causing their market values to decline.

Credit (Default) Risk

The owner of a fixed income security may lose money if the issuer is unable or unwilling to make timely principal and/or interest payments or to otherwise honor its payment obligations. Further, when an issuer suffers adverse changes in its financial condition or credit rating, the price of its debt obligations may decline and/or experience greater volatility. These adverse changes can also affect the liquidity of an issuer's debt securities and make them more difficult to sell.

Extension Risk

An issuer may exercise its right to pay principal on an obligation held by a portfolio (such as a mortgage- or asset-backed security) later than expected. This may happen when there is a rise in interest rates. These events may lengthen the duration and potentially reduce the value of these securities.

Prepayment Risk

When the issuer of a fixed income security has the right to prepay principal, if it exercises that right earlier or at a higher rate than expected, an investor may incur losses from being unable to recoup the initial investment and/or from having to reinvest in lower-yielding securities. This can have an adverse effect on income, total return and/or price of the security. Prepayment risk tends to be highest in periods of declining interest rates. Asset-backed securities, including mortgage-backed and commercial mortgage-backed securities, are subject to greater prepayment risk than other types of fixed income securities.

Reinvestment Risk

This is the risk that future proceeds from investments may have to be reinvested at a potentially lower rate of return (e.g., interest rate). This primarily relates to investments in fixed income securities, but also applies to investment in other income-generating securities, including shares of funds.

Liquidity Risk

Liquidity is the ability to readily convert an investment into cash. The less liquid an asset is, the greater the risk that, if circumstances require an investor to sell the asset quickly, it will be sold at a price below fair value. Generally, an asset is more liquid if it represents a standardized product or security and there are many traders interested in making a market in that product or security. For example, Treasury Bills are highly liquid, while real estate properties are not.

Inflation Risk

When any type of inflation is present, a dollar today will not buy as much as a dollar next year, because purchasing power is eroding at the rate of inflation.

Financial Risk

Excessive borrowing to finance a business' operations increases the risk of profitability because the company must meet the terms of its obligations in good times and bad. During periods of financial stress, the inability to meet loan obligations may result in bankruptcy and/or a declining market value.

Investment in Foreign Securities

The clients may invest, directly or indirectly, in securities of non-U.S. issuers. Non-U.S. investments, and in particular those in emerging markets, involve certain special risks, including (1) political or economic instability; (2) the unpredictability of international trade patterns; (3) the possibility of non-U.S. governmental actions such as expropriation, nationalization or confiscatory taxation; (4) the imposition or modification of currency controls; (5) price volatility; (6) the imposition of withholding taxes on dividends, interest and gains; (7) different bankruptcy laws and practice; (8) the fluctuation of currency exchange rates; and (9) the lack of, or different, regulations applicable to such investments as compared to U.S. investments.

Emerging Markets Risk

The risks associated with foreign investments are heightened when investing in emerging markets. The governments and economies of emerging market countries may show greater instability than those of more developed countries. Such investments tend to fluctuate in price more widely and to be less liquid than other foreign investments.

Currency Risk

Securities issued in currencies other than the U.S. dollar are subject to fluctuations in value due to fluctuations in the value of the U.S. dollar against the currency of the investment's originating country. This is also referred to as exchange rate risk. U.S. dollar-denominated securities of foreign issuers may also be subject to currency risk due to changes in exchange rates that impact the issuer's ability to transact business or make interest payments on debt obligations in U.S. dollars.

ETF and Mutual Fund Risk

ETFs and mutual funds are subject to investment advisory and other expenses, which will be indirectly paid by a client. As a result, the cost of investing by the client will be higher than the cost of investing directly in ETFs or mutual funds and also may be higher than other mutual funds that invest directly in securities. ETFs and mutual funds are subject to specific risks, depending on the nature of the underlying fund.

U.S. Government Securities Risk

Although U.S. Government securities are considered among the safest investments, they are not guaranteed against price movements due to changing interest rates. Obligations issued by some U.S. Government agencies are backed by the U.S. Treasury, while others are backed solely by the ability of the agency to borrow from the U.S. Treasury or by the agency's own resources.

Global Market Risk

Global markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises (such as COVID-19), and similar "Act of God" events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to countries and markets impacted by such events, which could result in material losses.

Cybersecurity Risk

In connection with the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, SBH may be susceptible to operational, information security and related risks due to the possibility of cyber-attacks or other incidents. Cyber incidents may result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, infection by computer viruses or other malicious software code, unauthorized access to systems, networks or devices that are used to service a Fund's operations through hacking or other means for the purpose of misappropriating assets or sensitive information, corrupting data or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks (which can make a website unavailable) on the firm's website. In addition, authorized persons could inadvertently or intentionally release confidential or proprietary information stored on an adviser's systems.

Investors in certain SBH private funds are subject to the following additional risks:

Aggressive Investment Technique Risk

The manager of certain underlying funds may use investment techniques and financial instruments that may be considered aggressive, including but not limited to investments in derivatives such as futures contracts, options on futures contracts, securities and indices, forward contracts, swap agreements and similar instruments. Such techniques may also include taking short positions or using other techniques that are intended to provide inverse exposure to a particular market or other asset class, as well as leverage, which can expose an SBH private fund to potentially dramatic changes (losses or gains). These techniques may expose an SBH private fund to potentially dramatic changes (losses) in the value of certain of its portfolio holdings.

Liquidity and Transferability of Underlying Fund Interests

Certain underlying funds offer their investors only limited liquidity and interests are generally not freely transferable. In addition to other liquidity restrictions, the SBH's private funds generally offer only monthly or quarterly liquidity following prior notice for investors. Investments in underlying funds may offer liquidity at infrequent times (i.e., monthly, quarterly, annually or less frequently). Accordingly, investors in SBH's private funds should understand that they may not be able to liquidate their investment in the event of an emergency or for any other reason.

Limitations on Withdrawal of Capital

Certain SBH private funds and the underlying funds in which they invest have broad rights to defer, suspend, side pocket, or otherwise delay all or a portion of a withdrawal request, as well as to delay payment of all or a portion of withdrawal proceeds. In periods of market disruption, when an SBH private fund may have the most need for the withdrawal proceeds, the private fund or an investor in such private fund may be unable to withdraw its capital. No assurances can be made that an SBH private fund will be able or willing to liquidate investments sufficient to satisfy all or any portion of withdrawal requests, and SBH private funds and investors therein must be prepared to bear the financial risks of an investment for an indefinite period of time materially increasing the risk of investment.

Possibility of Fraud and Other Misconduct

Certain SBH private funds invest in underlying funds. In these instances, the private fund does not have custody of the underlying fund's assets. Therefore, there is the risk that the underlying fund or its custodian could divert or abscond with those assets, fail to follow agreed upon investment strategies, provide false reports of operations, or engage in other misconduct. Moreover, there can be no assurances that all underlying funds will be operated in accordance with all applicable laws and that assets entrusted to underlying funds will be protected.

Counterparty Risk

The institutions (such as banks) and prime brokers with which a manager do business, or to which securities have been entrusted for custodial purposes, could encounter financial difficulties. This could impair the operational capabilities or the capital position of a manager or create unanticipated trading risks.

For investors in SBH private funds or the Funds, the summary above is qualified in its entirety by the risk factors set forth in the applicable offering materials for the applicable product.

Real Estate

Certain SBH private funds investments will be subject to the risks inherent in the ownership and operation of real estate and real estate-related businesses and assets. Some risks that may be associated with the direct ownership of real property include: declines in the value of real estate, risks related to general and local economic conditions, overbuilding and increased competition, increase in property taxes and/or operating expenses, and variations in rental income.

ITEM 9 - DISCIPLINARY INFORMATION

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of SBH or the integrity of SBH’s management. SBH has no material information responsive to this Item.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Other Financial Industry Activities or Affiliation

SBH is principally owned by certain employees of the Firm and affiliates of Thoma Bravo, LLC, primarily through TB Lakeshore, LLC. Thoma Bravo, LLC is an investment adviser registered with the SEC.

SBH is registered with the CFTC as a “commodity pool operator.” The Firm is a member of the National Futures Association, which is the self-regulatory organization for the futures industry.

For both its US domiciled private funds and its non-US domiciled private funds, a wholly owned subsidiary of SBH typically serves as the managing member of such funds. For its non-U.S. domiciled SBH private funds, an employee of SBH generally holds a position on each non-U.S. SBH private fund’s board of directors.

SBH has entered into investment advisory and/or co-administration agreements with Segall Bryant & Hamill Funds, within the Segall Bryant & Hamill Trust. Pursuant to these agreements, SBH provides investment advisory services and/or certain administrative, management and record keeping services for these funds. Individuals associated with the firm serve as officers of the Funds within the Segall Bryant & Hamill Trust. In addition, SBH employees may own securities held in one or more of these mutual funds, subject to the SBH Code of Ethics.

Certain employees of SBH are registered representatives with Foreside Fund Services, LLC ("Foreside"). As registered representatives, the employees are authorized to sell the SBH Funds and receive compensation in connection with such activities. SBH is not affiliated with Foreside. Such registered representatives have an incentive to sell SBH's products over other products where such registered representatives do not receive compensation.

SBH voluntarily surrendered its Portfolio Manager registration in the Canadian provinces of Ontario and Quebec in September 2015. The Ontario Securities Commission accepted SBH's application of withdrawal on January 8, 2016.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

SBH has adopted a Code of Ethics ("Code") for all supervised persons of the firm describing its standard of business conduct and fiduciary duty to its clients. The Code includes provisions relating to the confidentiality of client information, a prohibition on insider trading, guidance on certain gifts and business entertainment items, and personal securities trading procedures, among other things. All supervised persons at SBH must acknowledge and abide by the terms of the Code.

The Code is designed to seek assurance that the personal securities transactions, activities and interests of the employees of SBH will not interfere with (i) making decisions in the best interest of advisory clients and (ii) implementing such decisions while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain classes of securities have been designated as exempt transactions, based upon a determination that these would not materially interfere with the best interest of SBH's clients. In addition, the Code requires pre-clearance of many transactions and restricts trading in close proximity to client-trading activity unless an exemption exists, such as a *de minimis* exemption. Nonetheless, because the Code in some circumstances would permit employees to invest in the same securities as clients, there is a possibility that employees might benefit from market activity by a client in a security held by an employee. Employee trading is monitored under the Code to reasonably prevent conflicts of interest between SBH and its clients.

SBH or any related person(s), including investment professionals having direct responsibility for investment decisions, may have an interest or position in a certain security or group of securities which may also be recommended to a client. Such securities include publicly traded and privately placed stocks, bonds and options contracts. SBH also acts as an advisor and through a wholly owned subsidiary, a general partner in investment related partnerships, which it makes available to clients.

SBH's clients or prospective clients may request a copy of the firm's Code by contacting 312-474-1222 or contactus@sbhic.com.

SBH requires prompt reports on all transactions and holdings covered by the Code on a quarterly basis. SBH further requires that all brokerage account relationships be disclosed, that SBH receive duplicate confirmations of transactions and custodial account statements, and annual certifications of compliance with the Code from all covered persons.

In addition to reporting and record keeping requirements, the Code imposes various substantive and procedural restrictions on covered transactions, including the following:

1. All transactions in securities covered by the Code must be pre-cleared in accordance with the code. Transactions will be approved and executed only if there are no conflicting orders pending for the accounts of clients unless an exemption or exception applies.

2. Purchase of new equity issues on the initial underwriting by employees is prohibited.

3. The Code of Ethics includes certain de minimis exceptions based on market capitalization.

Jonathan C. Hamill, a retired principal of SBH, is a trustee and beneficiary in family trusts that purchase and sell securities of Illinois Tool Works Inc. and Northern Trust Corporation, publicly traded companies. Mr. Hamill and the other SBH portfolio managers may also invest funds of their clients in securities of Illinois Tool Works and Northern Trust. These transactions may be done in exception to the otherwise applicable provisions of the Code in that they may occur on the same day, although Mr. Hamill does not generally have prior knowledge of specific trading activity in his family trusts with respect to securities of Illinois Tool Works and Northern Trust.

SBH buys, sells and performs research on or through companies for whom a client may be the company, an employee, officer or director.

SBH and/or its employees give charitable contributions to client organizations (this may be golf sponsorships or specific charity donations). Officers and/or employees are permitted to personally own securities of broker-dealers and/or custodians SBH does business with.

SBH invests in securities of which related persons of its employees are insiders. SBH's trading and research will not be based on inside information.

ITEM 12 - BROKERAGE PRACTICES

A. Brokerage Selection

Generally, SBH has authority to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, whether transactions should be combined (blocked) with similar trades for other accounts, the broker dealer to be used, and the commission rate to be paid. In some instances, however, limitations can be imposed by the client prior to any action being taken or specific instructions may be mandated.

The firm’s general policies regarding selection of brokers and payment of commissions is to seek "best execution" with respect to all portfolio transactions. The Firm must execute securities transactions for clients in such a manner that the client's total cost or proceeds in each transaction is the most favorable under the circumstances. This principle recognizes that commissions on portfolio transactions must be utilized for the ultimate benefit of the firm’s clients. In selecting a broker for any transaction, SBH considers both qualitative and quantitative characteristics of each broker, including:

- Financial strength, stability and reputation
- Efficiency of execution and error resolution
- Block trading and block positioning capabilities
- Experience of traders
- Access to multiple trading algorithms
- Research relating to the particular transaction

SBH maintains and periodically updates a list of approved brokers and dealers which, in SBH’s judgment, are generally capable of providing best execution and are in SBH’s opinion financially stable. SBH’s traders are directed to use only brokers and dealers on the approved list, except in case of client designations of brokers or dealers to effect transactions for such clients’ accounts. All new brokerage relationships are approved by the firm’s Chief Compliance Officer or Chief Executive Officer.

SBH’s participation in the Schwab Advisor Network (“SAN”) raises potential conflicts of interest. Although not required by SAN, advisers participating in the SAN are likely to execute transactions for their advisory clients referred through the SAN with Charles Schwab. In this circumstance, SBH acknowledges its duty of seeking best execution for its clients.

Research and Other Soft Dollar Benefits (including Commission Sharing Arrangements)

SBH may pay commission rates on equity transactions at commission rates that exceed those that a broker might charge for effecting the same transaction because of the value of the eligible brokerage and/or research products or services (“Research”) that such broker or third party provides. This practice is allowable under Section 28(e) of the Securities and Exchange Act of 1934 if SBH determines, in good faith, that the commission paid is reasonable in relation to the value of the Research provided.

The source of the Research can be categorized as either “proprietary” or “third party.” When the broker-dealer that executes a trade also provides SBH with internally generated research in exchange for one bundled per share commission price, that Research is referred to as “proprietary.” “Third party” Research involves the executing broker providing independent Research generated by a third party in exchange for commission dollars. In these cases, SBH negotiates the execution cost with the executing broker.

SBH also has arrangements where it receives certain non-research products and services from unaffiliated third parties providing trading and custody services. These products and services include assistance in administering clients' accounts, providing pricing information and other market data and assistance with back-office functions, recordkeeping and client reporting. This practice is allowable under Section 28(e) of the Securities and Exchange Act of 1934 if SBH determines, in good faith, that the commission paid is reasonable in relation to the value of the Research provided.

The Research obtained normally benefits many accounts rather than just the one(s) for which the order is being executed, and in some cases is not used in connection with the account which actually paid the commissions to the broker providing the Research. SBH does receive a benefit because the firm does not have to produce or pay for the Research. There is an inherent conflict of interest in these arrangements where an incentive exists for SBH to select a broker-dealer based on the firm's interest in receiving the Research, rather than on a client's interest in receiving most favorable execution.

SBH has addressed these conflicts of interest by periodically evaluating:

- The commission rates paid by clients against industry benchmarks given the size and nature of the firm's trading
- The value of the Research obtained to the firm's investment processes
- Monitoring trade execution

The following products and services acquired by SBH through Research arrangements in 2019 were as follows:

- Research services and reports
- Economic and market information
- Technical data
- Research conferences
- Consultations
- Benchmark index data
- Company specific data
- Trade order management software
- Quotation services

On at least a quarterly basis, a Best Execution committee consisting of SBH's portfolio managers, operations and trading personnel, research analysts and a Managing Director reviews the quality of research and execution services of the various broker-dealers and independent research firms. The committee, in conjunction with the Research Budget Group ("RBG"), also evaluates the commission rates negotiated with the various brokers to make a good faith determination that they are reasonable in relation to the value of products and services provided.

Client-Directed Brokerage Arrangements

Clients can direct SBH in writing (subject to certain conditions which may from time to time be imposed by SBH) to effect portfolio transactions for their accounts through particular brokers or dealers. Such a direction may be conditioned upon the broker or dealer being competitive as to net price and execution of each transaction, or may be subject to varying degrees of “restriction,” i.e., an instruction to use the particular broker or dealer whether or not competitive as to net price and execution, or at specified commission rates which are less favorable than otherwise might be obtainable by SBH.

In the case of a “restricted” designation, SBH generally will execute transactions in listed and over-the-counter equity securities through the designated broker, but in the case of transactions in fixed income securities: (a) SBH sometimes deviates from the client’s designation in situations in which, in SBH’s judgment, a significantly more advantageous net price is available from another dealer; or (b) SBH may authorize the designated broker-dealer to effect the transaction as agent in order to obtain a better price from another dealer, but will allow the designated “agent” broker-dealer a scheduled mark-up or mark-down on the transaction.

Clients sometimes wish to restrict brokerage to a particular broker or dealer in recognition of custodial or other services (including, in some cases, referral of the client to SBH for investment advisory services) provided to the client by the broker or dealer. A client which chooses to designate use of a particular broker or dealer completely or on a “restricted” basis, including a client which designates a broker or dealer as custodian of the client’s assets, should consider whether such a designation may result in certain costs or disadvantages described below regarding priority of execution, allocation of new issue purchases and aggregation of orders. In determining whether to instruct SBH to use a particular broker or dealer on a “restricted” basis, the client may wish to compare the possible costs or disadvantages of such an arrangement with the value of the custodial or other services provided.

Clients who restrict brokerage for their accounts may be disadvantaged in obtaining allocations of securities which SBH purchases or recommends for purchase in other clients’ accounts. It is SBH’s policy that such “restricted” accounts not participate in allocations of securities obtained through brokers and dealers other than that designated by the client.

In order to execute client orders most efficiently, SBH’s traders may assign a lower priority to execution of orders for client accounts which have restricted brokerage. Accordingly, the execution of orders for accounts which restrict brokerage may be less timely than the execution of orders for other client accounts. This priority of execution may or may not result in any consistent price disadvantage, depending upon the market activity in the security to be purchased or sold.

Trading for wrap programs is typically executed by the program sponsor. Wrap sponsors charge a combined fee to clients which includes execution services, and trading away from such sponsors causes clients to incur additional execution charges. SBH follows its trade aggregation and allocation policies with respect to wrap program trading, however in certain circumstances following contractual arrangements, wrap program trades may be executed after “unrestricted” and “restricted” trades are executed. Where SBH determines to seek to obtain best execution away from such wrap sponsor, such trades will generally be executed with other non-restricted and unrestricted trades.

For those strategies that have SMA Wrap / UMA Model platforms, a random trade rotation is assigned across the three types of relationships: Institutional/SMA Wrap (discretionary) and Model (non-discretionary) platforms. SMA Wrap trades are directed to the wrap trading desk for each wrap sponsor. The model platforms are assigned a sub-rotation and trades are communicated to the model sponsor via the sponsor's established processes and requirements.

Recommendation of Brokers and Dealers to Clients

Where a client is reluctant to incur the fee cost of using the services of a bank or trust company as custodian of the client's assets, SBH will suggest the client use a broker for this purpose and, if the client does not already have a satisfactory brokerage arrangement, SBH will suggest the names of one or more brokers with which it is familiar and which provide such services. Factors considered by SBH in selecting brokers which it recommends to clients for custodial services include: the execution, clearance and settlement capabilities of the broker; SBH's knowledge of the financial stability of the broker; whether the broker offers insurance coverage to customers in excess of the Securities Investor Protection Corporation insurance amounts; SBH's knowledge of actual or apparent operational problems of the broker; and the willingness of the broker to negotiate discounted commission rates for the execution of transactions in the custodial amount. The value of research products and services, or other products, if any, provided to SBH or a related party by the broker is generally not a factor.

Brokerage Practices, General

SBH receives a benefit when it uses client commissions to receive research, because SBH does not have to pay for such services on its own. SBH has an incentive to select or recommend a broker-dealer based on its interest in receiving research from a broker-dealer or third party, rather than the client's interest in seeking favorable execution. However, as described above, SBH trading practices are designed to achieve best execution for its clients even where it is receiving research services from broker-dealers.

B. Trade Aggregation and Allocation

SBH may place purchase or sale orders for a single security with a broker-dealer for an aggregate group of substantially similar clients when determined that it is consistent with the best interest of clients to do so. In instances where the purchase or sale order for a single security cannot be aggregated across all clients, the firm maintains aggregation policies and procedures to ensure the order of execution is fair and equitable over time among all clients that granted SBH discretionary authority.

To the extent that an aggregated order is filled at different prices during a trading day, each participating account will receive the same average price and pay the same average commission for the transaction. Should an aggregated order be partially completed during a trading day, securities will be allocated pro rata based upon each participating account's percentage of the entire order. If the pro rata allocation would result in numerous accounts receiving small positions, SBH has fair and equitable procedures in place to allocate such “partial fills” to accounts. As a general rule, fixed income securities will be aggregated and allocated in a fair and equitable manner taking into account that such securities may be available in limited quantities that preclude pro-rata allocation and the fact that other fixed income securities of equal quality and yield may be suitable substitutes.

Certain affiliated accounts trade in the same securities with client accounts on an aggregated basis when consistent with SBH’s obligation of best execution. In such circumstances, trading would always be executed in a manner which ensures client’s interest receive priority.

From time to time, SBH may advise clients who wish to purchase and sell the same security. In such circumstances, SBH may utilize the services of a single, independent third-party broker-dealer to effect the transaction. While a potential conflict of interest exists with respect to SBH’s role in providing investment advice to clients on both sides of a transaction, SBH will seek to minimize such potential conflicts by permitting such trades only with independent third-party broker-dealers, only after concluding the trade is in the best interests of each client and only if consistent with seeking best execution. SBH utilizes third-party pricing services in valuing securities.

Except as described above, it is SBH’s policy that the firm will not effect any principal or agency cross securities transactions for client accounts. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or the account of an affiliated broker-dealer, buys from or sells any security to any advisory client. A principal transaction may also be deemed to have occurred if a security is crossed between an affiliated hedge fund and another client account. An agency cross transaction is defined as a transaction where a person acts as an investment adviser in relation to a transaction in which the investment adviser, or any person controlled by or under common control with the investment adviser, acts as broker for both the advisory client and for another person on the other side of the transaction. SBH does not engage in agency cross transactions, but may engage in certain non-agency Fixed Income cross transactions (utilizing an independent third-party brokerage firm) for non-ERISA clients, provided the transaction is in the best interests and appropriate for both clients, the transaction is consistent with SBH’s obligations to seek best execution and an independent or objective pricing mechanism is utilized.

SBH engages in “step-out” brokerage transactions subject to best price and execution. In a “step-out” trade, one broker-dealer executes the transaction, while a second broker-dealer clears and settles the transaction. The first broker-dealer then shares part or all of its commission with respect to the transaction with the second broker-dealer. SBH engages in step-out transactions primarily (1) to satisfy directed brokerage arrangements of certain of its client accounts and/or (2) to pay commissions to broker-dealers that supply research or analytical services to the Adviser. Shares traded via step-out are traded on a pre-determined cost per share, that is netted up into the trade regardless of account type. The cost varies by broker.

SBH may from time to time purchase securities which are part of an initial public offering (“IPO”). Generally, SBH’s participation in the initial public offering market is not material, and as a result, SBH may not obtain sufficient shares in an initial public offering to allocate to all eligible accounts on a pro rata basis except as a de minimis allocation. In such instances, the Firm will use another objective method of allocation, which may include a random allocation.

ITEM 13 - REVIEW OF ACCOUNTS

Individually managed and institutional accounts are reviewed on a continual basis by the portfolio manager and their respective teams. There is no specific sequence in which accounts are reviewed. Rather, an ongoing review process is in place. Additional reviews are initiated when market conditions dictate, client circumstances warrant, or any other pertinent factors surface. Thus, the frequency of reviews may vary. Reviews are undertaken in context with applicant's current investment policy guidelines, individual security analysis and/or client investment considerations. Institutional accounts frequently utilize a consulting firm which the firm's professionals work closely with in servicing the account. The level of review on individual accounts within a third-party wrap program, where SBH serves as a portfolio manager, is typically limited subject to the agreement with the wrap program sponsor.

Reporting is customized based on the needs of each client. Clients and/or client representatives typically receive written or electronic information via a client portal on performance, portfolio appraisal, transaction history and portfolio characteristics on a daily, monthly or quarterly basis. The firm relies on the sponsor of the wrap programs for any wrap program client reporting.

See Custody section for information on frequency of client reports.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

Additional Compensation

SBH from time to time may compensate, either directly or indirectly, any person for client referrals. SBH is aware of the requirements under Section 206(4)-3 of the Investment Advisors Act of 1940 and endeavors to comply therewith. SBH maintains written agreements and client acknowledgements for each relationship.

In addition, SBH receives client referrals from Charles Schwab & Co., Inc. ("Schwab") through SBH's participation in Schwab Advisor Network ("SAN"). SAN is designed to help investors find an independent investment advisor. Schwab is a broker-dealer independent of and unaffiliated with SBH. Schwab does not supervise SBH and has no responsibility for SBH's management of clients' portfolios or SBH's other advice or services. SBH pays Schwab fees to receive client referrals through SAN. SBH's participation in SAN raises potential conflicts of interest described below.

SBH pays Schwab Participation Fees on all referred clients' accounts that are maintained in custody at Schwab and a Non-Schwab Custody Fee on all accounts that are maintained at, or transferred to, another custodian.

Participation Fees are a percentage of the value of the assets in the client's account. SBH pays Schwab Participation Fees for so long as the referred client's account remains in custody at Schwab. Participation Fees are billed to SBH quarterly and may be increased, decreased or waived by Schwab from time to time. Participation Fees are paid by SBH and not by the client. SBH does not charge clients referred through SAN fees or costs greater than the fees or costs SBH charges clients with similar portfolios who were not referred through the SAN.

SBH generally pays Schwab a Non-Schwab Custody Fee if custody of a referred client's account is not maintained by, or assets in the account are transferred from, Schwab. The Non-Schwab Custody Fee is a one-time payment equal to a percentage of the assets placed with a custodian other than Schwab. The Non-Schwab Custody Fee is higher than the Participation Fees Advisor generally would pay in a single year. Thus, SBH will have an incentive to recommend that client accounts be held in custody at Schwab.

The Participation and Non-Schwab Custody Fees are based on the amount of assets in accounts of SBH's clients who were referred by Schwab and those referred clients' family members living in the same household. Thus, SBH will have incentives to encourage household members of clients referred through the Service to maintain custody of their accounts at Schwab.

For accounts of SBH's clients maintained in custody at Schwab, Schwab generally does not charge the client separately for custody but receives compensation from the client in the form of commissions or other transaction-related compensation on securities trades Schwab executes for the client's account. Clients also pay Schwab a fee for clearance and settlement of trades executed through broker-dealers other than dealer's fees. Thus, SBH may have incentive to cause trades to be executed through Schwab rather than another broker-dealer. SBH nevertheless acknowledges its duty to seek best execution of trades for client accounts. Trades for client accounts held in custody at Schwab may be executed through a different broker-dealer than trades for SBH's other clients. Thus, trades for accounts held in custody at Schwab may be executed at different times and different prices than trades for other accounts that are executed at other broker-dealers.

SBH may participate in other referral programs from time to time through agreements similar to those described above with the sponsors of such other programs. Such agreements, if any, are available for inspection upon request by any client.

Some of SBH's supervised persons may accept incentive compensation for the sale of SBH's advisory products. SBH's supervised persons do not recommend non-SBH investment products or services. Certain of these supervised persons may be dually registered with a broker-dealer. To the extent that SBH's supervised persons' recommendation of SBH's products or services constitutes a conflict of interest, SBH addresses this conflict through disclosure in this brochure.

ITEM 15 - CUSTODY

All client certificated assets are held by a qualified custodian. Accordingly, clients should be receiving at least quarterly statements from a qualified custodian. Other than for the SBH Funds and SBH private funds, SBH prepares and delivers to all clients, either hard copies or electronically via a secured client portal valuations of their accounts at least quarterly, showing cash and all currently held investments categorized by maturity (fixed income investments) or industry (equity investments), market value and unit cost. A summary of transactions for the prior quarter accompany the inventory. Clients may request more frequent or detailed reports in accordance with their individual needs. SBH has a reasonable belief that the custodian is sending statements in accordance with SEC's Custody Rule. Reports or statements produced by the Firm are provided to clients. The client should compare the information provided by SBH with the statements provided by the custodian.

Investors in the SBH private funds receive written valuations of their account balances monthly from the fund administrator. In its capacity as manager to certain private funds, SBH is deemed to have custody of such fund's assets. SBH maintains the private funds' cash and securities with a qualified custodian and provides investors in such private funds with an annual audited financial statement within 180 days of the end of such private fund's fiscal year.

For certain wealth management clients, where SBH's portfolio managers act as trustees, SBH is deemed to have custody of client assets. In such situations, SBH has an independent accountant conduct an annual surprise examination. The accounting firm that conducts the surprise exam also serves as the independent external auditor for SBH and for the private funds.

Pursuant to recent SEC guidance on the Custody Rule, SBH is deemed to have custody of client assets for clients who have Standing Letters of Authorization ("SLOA") arrangements in place with their custodian allowing SBH to direct transfers of client assets to a third party at the client's request. In these situations, the SEC has provided advisors with certain conditions that, if met, would allow advisors to forego the annual surprise exam requirement of the Custody Rule. SBH will document compliance with these conditions.

ITEM 16 – INVESTMENT DISCRETION

Clients may choose to retain SBH as investment adviser with or without granting investment discretion. Where a client chooses to grant investment discretion to SBH, SBH will have authority to supervise and direct the investments of and for the client's account without prior consultation with the client. Pursuant to this discretionary authority, SBH normally will determine which securities are bought or sold for the account, the total amount of such purchases and sales, the brokers or dealers through which transactions will be effected, and the commission rates, if any, paid to effect the transactions. SBH's authority may be made subject to conditions imposed in writing by the client, e.g., where the client restricts or prohibits purchases of certain types of securities, or directs that transactions be effected through specific brokers or dealers.

While SBH does not typically accept non-discretionary assignments, in those cases where a client does not choose to grant to SBH investment discretion, SBH makes investment recommendations to the client as to which securities are to be purchased or sold, and the amounts to be purchased or sold. Upon approving the recommended transactions, the client may request that SBH direct the execution of purchase or sale orders to implement the recommended transactions for the client's account. SBH then may be given authority to determine the brokers or dealers through which the transactions will be executed, and the commission rates, if any, paid to effect the transactions. As described above with respect to discretionary accounts, the client may direct that transactions be effected with specific brokers or dealers.

SBH usually receives discretionary authority from the client at the outset of an advisory relationship to select the identity and amount of securities to be bought or sold. In all cases, however, such discretion is to be exercised in a manner consistent with the stated investment objectives for the particular client account.

When selecting securities and determining amounts, SBH observes the investment policies, limitations and restrictions of the clients for which it advises.

SBH seeks to obtain investment guidelines and restrictions in writing prior to the commencement of management.

ITEM 17 - VOTING CLIENT SECURITIES

I. POLICY

SBH acts as a discretionary investment adviser for various clients, which includes clients governed by the Employee Retirement Income Security Act of 1974 ("ERISA") and registered open-end investment companies ("mutual funds"). When entering into an investment management agreement with a client, it is the general policy of SBH to not vote proxies unless the client opts into the service provided by SBH. In specific provisions of SBH's investment management agreement, clients retain responsibility for voting proxies or responding to other corporate actions. Accounts governed by ERISA (certain pension or retirement plans, non-IRA's) are treated differently based on Department of Labor guidelines. Unless an ERISA client specifically reserves the right, in writing, to vote its own proxies or to take shareholder action with respect to other corporate actions requiring shareholder actions, SBH will vote all proxies and act on all other actions in a timely manner as part of its full discretionary authority over ERISA client assets in accordance with Proxy Voting Policy. Corporate actions may include, for example and without limitation, tender offers or exchanges, bankruptcy proceedings, and class actions (handled by a third party). In some cases, corporate actions may not be addressed by SBH, but rather by the client's custodian.

When voting proxies or acting with respect to corporate actions for clients, SBH's intent is that all decisions be made solely in the best interest of the client (and for ERISA accounts, plan beneficiaries and participants, in accordance with the letter and spirit of ERISA). SBH will seek to act in a prudent and diligent manner intended to enhance the economic value of the assets of the client's account.

II. PROCEDURES

SBH uses an outside service provider, Institutional Shareholder Services ("ISS"), to vote proxies.

As a general rule, the operations group will provide instructions to the custodian to forward all proxies to ISS. ISS receives all proxies and votes them in a timely manner and in a manner consistent with the determination of the client's best interests. Although many proxy proposals can be voted in accordance with ISS' established guidelines (see Section IV. below, "Guidelines"), it is recognized that some proposals require special consideration which may dictate that ISS and/or SBH makes an exception to the Guidelines. ISS is also responsible for ensuring that all corporate action notices or requests which require shareholder action received are addressed in a timely manner and consistent action is taken across all similarly situated client accounts.

A. Conflicts of Interest

Where a proxy proposal raises a material conflict between ISS and/or SBH's interests and a client's interest, including a mutual fund client, SBH will resolve such a conflict in the manner described below:

1. <u>Vote in Accordance with the Guidelines</u>. To the extent that SBH has little or no discretion to deviate from the Guidelines with respect to the proposal in question, SBH shall vote in accordance with such pre-determined voting policy as established by ISS.

2. Deviations to the ISS Policy. To the extent that SBH has discretion to deviate from the Guidelines with respect to the proposal in question, if a portfolio manager or analyst believes the ISS recommendation would be detrimental to the client's best interests, they may override the ISS vote with prior approval from the Chief Compliance Officer or the Chief Executive Officer. The operations group will maintain a written record supporting the decision to override the ISS recommendation.

ISS will review the proxy proposal for conflicts of interest as part of the overall vote review process. All material conflict of interest so identified by ISS and/or SBH will be addressed as described above in this Section II.A.

B. Limitations

As described above, in accordance with a client's investment advisory contract (or other written directive) or where SBH has determined that it is in the client's best interest, ISS and/or SBH will not vote proxies received. The following are certain circumstances where ISS and/or SBH will limit its role in voting proxies:

1. Client Maintains Proxy Voting Authority: As is ordinarily the case, where a client specifies in writing that it will maintain the authority to vote proxies itself or that it has delegated the right to vote proxies to a third party, ISS and/or SBH will not vote the securities and will direct the relevant custodian to send the proxy material directly to the client. If any proxy material is received by SBH, it will promptly be forwarded to the client or specified third party.

2. Terminated Account: Once a client account has been terminated with SBH in accordance with its investment advisory agreement, ISS and/or SBH will not vote any proxies received after the termination. However, the client may specify in writing that proxies should be directed to the client (or a specified third party) for action.

3. Limited Value: If ISS and/or SBH determines that the value of a client's economic interest or the value of the portfolio holding is indeterminable or insignificant, ISS and/or SBH may abstain from voting a client's proxies. ISS and/or SBH also will not vote proxies received for securities which are no longer held by the client's account.

4. Securities Lending Programs: When securities are out on loan, they are transferred into the borrower's name and are voted by the borrower, in its discretion. However, where SBH determines that a proxy vote (or other shareholder action) is materially important to the client's account, SBH may recall the security for purposes of voting.

5. Unjustifiable Costs: In certain circumstances, after doing a cost-benefit analysis, SBH may abstain from voting where the cost of voting a client's proxy would exceed any anticipated benefits to the client of the proxy proposal.

III. RECORD KEEPING

In accordance with Rule 204-2 under the Advisers Act, SBH will seek to maintain for the time periods set forth in the Rule (i) these proxy voting procedures and policies, and all amendments thereto; (ii) a record of all proxy statements received by ISS and/or SBH regarding client securities (provided however, that SBH may rely on the proxy statement filed on EDGAR as its records); (iii) a record of all votes cast on behalf of clients; (iv) records of all client requests for proxy voting information; (v) any material documents prepared by SBH were material to making a decision how to vote or that memorialized the basis for the decision; and (vi) all records relating to requests made to clients regarding conflicts of interest in voting the proxy. Currently, the requirement is six years, two of which shall be onsite.

Clients may obtain information on how proxies were voted with respect to the clients' portfolio securities or a copy of our Proxy Voting Policy by writing to SBH at 540 West Madison St., Suite 1900, Chicago, IL 60661 or by emailing contactus@sbhic.com.

IV. GUIDELINES

ISS will seek to consider each proxy issue individually. Proxy voting may be different for different types of clients. ISS issues proxy voting guidelines which are used as guidelines, but will not be used as rigid rules. These guidelines are available upon request.

ITEM 18 - FINANCIAL INFORMATION

Not applicable.

ITEM 19 - REQUIREMENTS FOR STATE REGISTERED ADVISERS

Not applicable.

OUR CLIENT PRIVACY PLEDGE

At Segall Bryant & Hamill, our clients' trust is important to us. Because you trust us with your financial and other personal information, we take the safeguarding and respect of this information very seriously. In order to maintain that trust, we pledge to protect your privacy by striving to adhere to the policy outlined below.

Personal information we obtain is limited, but may come to us through account opening documents and custodial statements. The type of information collected is personal financial information, transaction and various other similar items of personal information. This information is important to our providing the best services to you.

Also, we provide such client information to other third-party service providers when it is essential for the servicing of your account (i.e., transactional services). We may disclose such information to other third parties that we believe it necessary for the conduct of our business or where disclosure is required by law. We will subject such disclosures to confidentiality agreements.

It is our policy that we do not provide current and former customer names and account information to any outside firms, persons or organizations (such as catalogue or direct mail companies) unless there is a pre-existing relationship you have established such as a custodian or professional service provider (i.e., attorney, accountant), you have provided authority for us to do so or in situations where we have a legal or regulatory obligation to provide such information.

It is our policy to not provide any other businesses with any information specific to accounts maintained at Segall Bryant & Hamill for the purpose of marketing or business leads.

It is our policy regarding documentation containing sensitive client information (i.e., name, address, social security number, account number, credit information, etc.) to dispose of in a manner whereby the information cannot be read or reconstructed. This includes shredding the information on a timely basis.

It is our policy to remove all data from computers so that the information cannot be restored or reconstructed before the computer is donated or disposed.

Your information is protected in various manners. All employees are subject to a policy regarding confidentiality. Employees who violate our privacy policy are subject to disciplinary process. In addition, our internal systems are secured through encryption technology, passwords and physical safeguards. We strive to maintain the confidentiality of your account and any other personal information.

SEGALL BRYANT & HAMILL, LLC
540 West Madison St, Suite 1900
Chicago, IL 60661
(800) 836-4265
www.sbhic.com

Form ADV Part 2B Brochure Supplement

August 17, 2020

Mitch S. Begun
C. Alfred Bryant
Amy A. Cramer
Alvin Cruz
Victoria K. Cunningham
James D. Dadura
Scott E. Decatur
Mark T. Dickherber
Nicholas C. Fedako
John C. Fenley
Brian C. Fitzsimons
Tina R.W. Fitzwater
Nicholas J. Foley
Sylvia G. Fulk
Kenneth A. Harris
Darren G. Hewitson
Gregory C. Hosbein
Troy A. Johnson
John M. Lafferty, Jr.
Chad A. McDonnell
Thomas P. McGrath
Keith M. Minogue
Scott H. Newhall
Shaun P. Nicholson
Meghan S. O'Donnell
Jeffrey C. Paulis
Alan B. Polansky
Suresh Rajagopal
Timothy R. Rich
Glenn R. Rippey
John N. Roberts
Jeffrey R. Rode
Ralph M. Segall
Gregory M. Shea
Katelyn I. Shorkey
Jeffrey L. Slepian
M. Jay Trees

This Brochure Supplement provides information on our personnel listed above and supplements the Segall Bryant & Hamill Brochure. You should have received a copy of that Brochure.

Additionally, a Summary of Professional Designations is included with this Part 2B Brochure Supplement. This summary is provided to assist you in understanding the professional designations currently held by investment professionals.

If you have not received our firm's Brochure, have any questions about professional designations or about any content of this supplement, please contact us at 312-474-1222 or 800-836-4265 and/or contactus@sbhic.com.

Additional information about our personnel is available on the SEC's website at www.adviserinfo.sec.gov.

Mitch S. Begun
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1978

Designations: CFA (Chartered Financial Analyst)

Education: University of North Carolina at Chapel Hill – B.S.B.A., Business Administration

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
02/03 to 05/18	Denver Investments Partner, Portfolio Manager, Analyst

Disciplinary Information

Mitch Begun has no disciplinary disclosures to be reported.

Other Business Activities

Mitch Begun is not involved with any other material investment-related business.

Additional Compensation

Mitch Begun receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Brian C. Fitzsimons, Director of Small Cap Growth Strategies, (303) 312-5000. Mr. Fitzsimons monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

C. Alfred (Al) Bryant

Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4112

Educational Background and Business Experience

Year of Birth: 1945

Designations: CIC (Chartered Investment Counselor)

Education: Knox College – B.A., Economics
Indiana University – M.B.A., Finance

Business Background (preceding 5 years):

10/94 to Present Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

C. Alfred Bryant has no disciplinary disclosures to be reported.

Business Activities

C. Alfred Bryant is not involved with any other material investment-related business.

Additional Compensation

C. Alfred Bryant receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Amy A. Cramer
Associate Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-6729

Educational Background and Business Experience

Year of Birth: 1973

Designations: None

Education: University of Wisconsin Madison – B.A., Sociology
University of Chicago – M.B.A., Marketing / Statistics

Business Background (preceding 5 years):

04/16 to Present	Segall Bryant & Hamill, LLC Associate Portfolio Manager
01/14 - 04/16	Merrill Lynch Private Wealth Associate

Disciplinary Information

Amy Cramer has no disciplinary disclosures to be reported.

Business Activities

Amy Cramer is not involved with any other material investment-related business.

Additional Compensation

Amy Cramer receives compensation for providing advisory services solely from her responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Jeffrey L. Slepian, Principal and Senior Portfolio Manager, (312) 474-4120. Mr. Slepian monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Alvin Cruz
Paraplanner
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1991

Designations: None

Education: University of South Florida – B.S., Personal Finance

Business Background (preceding 5 years):

01/20 to Present	Segall Bryant & Hamill, LLC Paraplanner
11/18 - 08/19	Merrill Lynch Intern
09/10 – 09/14	Marine Corps

Disciplinary Information

Alvin Cruz has no disciplinary disclosures to be reported.

Business Activities

Alvin Cruz is not involved with any other material investment-related business.

Additional Compensation

Alvin Cruz receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Tina R.W. Fitzwater, Manager, Financial Planning, (312) 474-4216. Ms. Fitzwater monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Victoria K. Cunningham
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1964

Designations: None

Education: Colorado College – B.A., Political Science and Government

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
06/00 to 05/18	Denver Investments Partner, Portfolio Manager

Disciplinary Information

Victoria Cunningham has no disciplinary disclosures to be reported.

Other Business Activities

Victoria Cunningham is not involved with any other material investment-related business.

Additional Compensation

Victoria Cunningham receives compensation for providing advisory services solely from her responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

James D. Dadura
Principal and Director of Fixed Income
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4123

Educational Background and Business Experience

Year of Birth: 1968

Designations: CFA (Chartered Financial Analyst)

Education: University of Texas – B.B.A., Finance
DePaul University – M.B.A., Finance

Business Background (preceding 5 years):

09/99 to Present — Segall Bryant & Hamill, LLC
Fixed Income Portfolio Manager

Disciplinary Information

James Dadura has no disciplinary disclosures to be reported.

Other Business Activities

James Dadura is not involved with any other material investment-related business.

Additional Compensation

James Dadura receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Scott E. Decatur
Principal and Director of Quantitative International Strategies
32 Parking Plaza, Suite 700
Ardmore, PA 19003
(610) 537-9965

Educational Background and Business Experience

Year of Birth: 1966

Designations: None

Education: Massachusetts Institute of Technology – B.S., Electrical Engineering and Computer Science
Massachusetts Institute of Technology – M.S., Electrical Engineering and Computer Science
Harvard University – Ph.D., Computer Science

Business Background (preceding 5 years):

06/15 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

06/04 to 06/15 — Philadelphia International Advisors, LP
Chief Investment Officer, Portfolio Manager, Director of Quantitative Research

Disciplinary Information

Scott Decatur has no disciplinary disclosures to be reported.

Other Business Activities

Scott Decatur is not involved with any other material investment-related business.

Additional Compensation

Scott Decatur receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Mark T. Dickherber
Principal and Director of Small Cap Strategies
17295 Chesterfield Airport Road, Suite 200
Chesterfield, MO 63005
(636) 777-7833

Educational Background and Business Experience

Year of Birth: 1975

Designations: CFA (Chartered Financial Analyst)
CPA (Certified Public Accountant)

Education: University of MO – St. Louis - B.S., Accounting

Business Background (preceding 5 years):

04/07 to Present Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Mark Dickherber has no disciplinary disclosures to report.

Other Business Activities

Mark Dickherber is not involved with any other material investment-related business.

Additional Compensation

Mark Dickherber receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Nicholas C. Fedako
Principal and Senior Portfolio Manager
32 Parking Plaza, Suite 700
Ardmore, PA 19003
(610) 537-9966

Educational Background and Business Experience

Year of Birth:	1974
Designations:	CFA (Chartered Financial Analyst)
Education:	Penn State University – B.S., in Finance and International Business

Business Background (preceding 5 years):

06/15 to Present	Segall Bryant & Hamill, LLC Portfolio Manager
01/02 to 06/15	Philadelphia International Advisors, LP Quantitative Research Analyst

Disciplinary Information

Nicholas Fedako has no disciplinary disclosures to be reported.

Other Business Activities

Nicholas Fedako is not involved with any other material investment-related business.

Additional Compensation

Nicholas Fedako receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Scott Decatur, Senior Portfolio Manager (610) 537-9965. Mr. Decatur monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

John C. Fenley

Principal and Director of Fundamental International Strategies
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1968

Designations: CFA (Chartered Financial Analyst)

Education: Vanderbilt University, B.A., Economics
Duke University, M.B.A.

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Director of Fundamental International Strategies
09/00 to 05/18	Denver Investments Partner, Director of International Portfolio Management, Portfolio Manager, Analyst

Disciplinary Information

John Fenley has no disciplinary disclosures to be reported.

Other Business Activities

John Fenley is not involved with any other material investment-related business.

Additional Compensation

John Fenley receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Brian C. Fitzsimons
Principal and Director of Small Cap Growth Strategies
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1976

Designations: CFA (Chartered Financial Analyst)

Education: Metropolitan State College of Denver – B.S., Accounting
University of Denver – M.B.A.

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Director of Small Cap Growth Strategies
01/05 to 05/18	Denver Investments Partner, Director of Small-Cap Growth Research, Portfolio Manager, Analyst

Disciplinary Information

Brian Fitzsimons has no disciplinary disclosures to be reported.

Other Business Activities

Brian Fitzsimons is not involved with any other material investment-related business.

Additional Compensation

Brian Fitzsimons receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Tina R.W. Fitzwater
Manager, Financial Planning
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4216

Educational Background and Business Experience

Year of Birth: 1973

Designations: CFP® (Certified Financial Planner)

Education: University of Illinois, B.S.
DePaul University, M.S.

Business Background (preceding 5 years):

01/20 to Present	Segall Bryant & Hamill, LLC Manager, Financial Planning
10/15 to 12/19	Segall Bryant & Hamill, LLC Client Service Administrator
07/99 to 09/15	Trees Investment Counsel Vice President of Administration

Disciplinary Information

Tina Fitzwater has no disciplinary disclosures to be reported.

Other Business Activities

Tina Fitzwater is not involved with any other material investment-related business.

Additional Compensation

Tina Fitzwater receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Chad A. McDonnell, Senior Portfolio Manager, (303) 312-5060. Mr. McDonnell monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Nicholas J. Foley
Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1984

Designations: None

Education: Gonzaga University – B.S., Finance

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
10/12 to 05/18	Denver Investments Vice President, Portfolio Manager, Municipal Credit Analyst/Trader

Disciplinary Information

Nicholas Foley has no disciplinary disclosures to be reported.

Other Business Activities

Nicholas Foley is not involved with any other material investment-related business.

Additional Compensation

Nicholas Foley receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Sylvia G. Fulk
Associate Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4135

Educational Background and Business Experience

Year of Birth: 1962

Designations: None

Education: Loyola University – B.S., Computer Science
DePaul University – M.B.A., Finance

Business Background (preceding 5 years):

12/15 to Present Segall Bryant & Hamill, LLC
Associate Portfolio Manager, Client Service Administrator

Disciplinary Information

Sylvia Fulk has no disciplinary disclosures to be reported.

Other Business Activities

Sylvia Fulk is not involved with any other material investment-related business.

Additional Compensation

Sylvia Fulk receives compensation for providing advisory services solely from her responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to C. Alfred (Al) Bryant, Senior Portfolio Manager, (312) 474-4112. Mr. Bryant monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Kenneth A. Harris
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1955

Designations: CFA (Chartered Financial Analyst)

Education: University of Arizona – B.B.A., Finance and Economics
University of Colorado – M.B.A., Finance

Business Background (preceding 5 years):

05/18 to Present — Segall Bryant & Hamill, LLC
Director of Small Cap Growth Strategies

01/00 to 05/18 — Denver Investments
Partner, Director of Fixed Income Portfolio Management, Portfolio Manager

Disciplinary Information

Kenneth Harris has no disciplinary disclosures to be reported.

Other Business Activities

Kenneth Harris is not involved with any other material investment-related business.

Additional Compensation

Kenneth Harris receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Darren G. Hewitson

Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1985

Designations: CFA (Chartered Financial Analyst)

Education: University of Glasgow, Scotland – B.A.c.c., Accountancy with International Accounting

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
07/08 to 05/18	Denver Investments Partner, Portfolio Manager

Disciplinary Information

Darren Hewitson has no disciplinary disclosures to be reported.

Other Business Activities

Darren Hewitson is not involved with any other material investment-related business.

Additional Compensation

Darren Hewitson receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Gregory C. Hosbein

Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4131

Educational Background and Business Experience

Year of Birth: 1964

Designations: CFA (Chartered Financial Analyst)

Education: Boston College – B.S., Finance
DePaul University – M.B.A., Finance

Business Background (preceding 5 years):

03/97 to Present Segall Bryant & Hamill, LLC
Director of Fixed Income

Disciplinary Information

Gregory Hosbein has no disciplinary disclosures to be reported.

Other Business Activities

Gregory Hosbein is not involved with any other material investment-related business.

Additional Compensation

Gregory Hosbein receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Troy A. Johnson
Principal and Director of Fixed Income Research
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1970

Designations: CFA (Chartered Financial Analyst)

Education: Montana State University – B.S., Business and Finance
University of Wisconsin – M.S., Business and Finance

Business Background (preceding 5 years):

05/18 to Present — Segall Bryant & Hamill, LLC
Director of Fixed Income Research

06/07 to 05/18 — Denver Investments
Partner, Director of Fixed Income Research, Portfolio Manager, Credit Research Analyst

Disciplinary Information

Troy Johnson has no disciplinary disclosures to be reported.

Other Business Activities

Troy Johnson is not involved with any other material investment-related business.

Additional Compensation

Troy Johnson receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

John M. Lafferty, Jr.
Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312)-474-5962

Educational Background and Business Experience

Year of Birth: 1975

Designations: None

Education: Yale University – B.A., Political Science
Northwestern University – M.B.A., Finance and Marketing

Business Background (preceding 5 years):

06/04 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

John Lafferty has no disciplinary disclosures to report.

Other Business Activities

John Lafferty is not involved with any other material investment-related business.

Additional Compensation

John Lafferty receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Chad A. McDonnell
Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1972

Designations: CFP® (Certified Financial Planner)

Education: University of Colorado – B.A., Kinesiology

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
03/10 to 05/18	Denver Investments Vice President, Portfolio Manager

Disciplinary Information

Chad McDonnell has no disciplinary disclosures to be reported.

Other Business Activities

Chad McDonnell is not involved with any other material investment-related business.

Additional Compensation

Chad McDonnell may receive a bonus based on revenue generated by their sales efforts for the firm.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Thomas P. McGrath
Senior Wealth Advisor
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-6724

Educational Background and Business Experience

Year of Birth: 1980

Designations: CFA (Chartered Financial Analyst)

Education: Miami University – B.S., Finance and Management Information Systems
Northwestern University Kellogg School of Management – M.B.A., Finance

Business Background (preceding 5 years):

09/17 to Present — Segall Bryant & Hamill, LLC
Senior Wealth Advisor

11/13 to 09/17 — MSCI, Inc.
Vice President

Disciplinary Information

Thomas McGrath has no disciplinary disclosures to report.

Other Business Activities

Thomas McGrath is not involved with any other material investment-related business.

Additional Compensation

Thomas McGrath receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Philip L. Hildebrandt, Chief Executive Officer, (312) 474-4117. Mr. Hildebrandt monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Keith W. Minogue
Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4130

Educational Background and Business Experience

Year of Birth: 1971

Designations: CFA (Chartered Financial Analyst)

Education: Loyola University of Chicago – B.B.A., Finance
University of Chicago – M.B.A., Finance, Accounting and Economics

Business Background (preceding 5 years):

01/07 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Keith Minogue has no disciplinary disclosures to report.

Other Business Activities

Keith Minogue is not involved with any other material investment-related business.

Additional Compensation

Keith Minogue receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Scott H. Newhall
Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4253

Educational Background and Business Experience

Year of Birth: 1971

Designations: CFA (Chartered Financial Analyst)
CFP® (Certified Financial Planner)

Education: Pomona College – B.A., Mathematical Economics

Business Background (preceding 5 years):

10/15 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
04/06 to 09/15	Trees Investment Counsel President

Disciplinary Information

Scott Newhall has no disciplinary disclosures to report.

Other Business Activities

Scott Newhall is not involved with any other material investment-related business.

Additional Compensation

Scott Newhall receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Shaun P. Nicholson
Principal and Senior Portfolio Manager
17295 Chesterfield Airport Road, Suite 200
Chesterfield, MO 63005
(636) 777-7830

Educational Background and Business Experience

Year of Birth: 1978

Designations: None

Education: Seton Hall University – B.S., Finance
University of Missouri St. Louis – M.B.A., Business

Business Background (preceding 5 years):

07/11 to Present — Segall Bryant & Hamill, LLC
Associate Portfolio Manager

Disciplinary Information

Shaun Nicholson has no disciplinary disclosures to report.

Other Business Activities

Shaun Nicholson is not involved with any other material investment-related business.

Additional Compensation

Shaun Nicholson receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Mark Dickherber, Senior Portfolio Manager, (636) 777-7833. Mr. Dickherber monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Meghan S. O'Donnell

Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1970

Designations: None

Education: University of Denver – B.S., Finance and Marketing

Business Background (preceding 5 years):

05/18 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

05/02 to 05/18 — Denver Investments
Partner, Portfolio Manager

Disciplinary Information

Meghan O'Donnell has no disciplinary disclosures to be reported.

Other Business Activities

Meghan O'Donnell is not involved with any other material investment-related business.

Additional Compensation

Meghan O'Donnell receives compensation for providing advisory services solely from her responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Jeffrey C. Paulis
Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4351

Educational Background and Business Experience

Year of Birth: 1980

Designations: CFA (Chartered Financial Analyst)

Education: St. Louis University – B.S., Business Administration
University of Chicago – M.B.A. Finance, Accounting and Economics

Business Background (preceding 5 years):

01/03 to Present Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Jeffrey Paulis has no disciplinary disclosures to report.

Other Business Activities

Jeffrey Paulis is not involved with any other material investment-related business.

Additional Compensation

Jeffrey Paulis receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Mark Dickherber, Senior Portfolio Manager, (636) 777-7833. Mr. Dickherber monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Alan B. Polansky
Director of Research and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-6717

Educational Background and Business Experience

Year of Birth: 1978

Designations: CFA (Chartered Financial Analyst)

Education: Northwestern University – B.A., Economics and Sociology
New York University – M.P.A., Public Administration

Business Background (preceding 5 years):

01/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
07/06 to 12/17	Jewish Federation of Metropolitan Chicago Senior Director of Investments

Disciplinary Information

Alan Polansky has no disciplinary disclosures to report.

Other Business Activities

Alan Polansky is not involved with any other material investment-related business.

Additional Compensation

Alan Polansky receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Suresh Rajagopal
Principal and Director of All/Mid Cap Strategies,
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-6727

Educational Background and Business Experience

Year of Birth: 1968

Designations: CFA (Chartered Financial Analyst)

Education: Alma College – B.A., Liberal Arts
University of Notre Dame – M.B.A, Finance and International Business

Business Background (preceding 5 years):

10/07 to Present Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Suresh Rajagopal has no disciplinary disclosures to be reported.

Other Business Activities

Suresh Rajagopal is not involved with any other material investment-related business.

Additional Compensation

Suresh Rajagopal receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Timothy R. Rich
Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1971

Designations: CFA (Chartered Financial Analyst)

Education: Duke University – B.A., Public Policy and History
UCLA-Anderson – M.B.A., Finance and Investment Management

Business Background (preceding 5 years):

05/18 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

05/14 to 05/18 — Denver Investments
Vice President, Portfolio Manager

Disciplinary Information

Timothy Rich has no disciplinary disclosures to be reported.

Other Business Activities

Timothy Rich is not involved with any other material investment-related business.

Additional Compensation

Timothy Rich receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Glenn T. Rippey
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1962

Designations: CFA (Chartered Financial Analyst)

Education: University of Colorado – B.A., Political Science
University of Colorado – M.B.A.

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
05/01 to 05/18	Denver Investments Partner, Portfolio Manager

Disciplinary Information

Glenn Rippey has no disciplinary disclosures to be reported.

Other Business Activities

Glenn Rippey is not involved with any other material investment-related business.

Additional Compensation

Glenn Rippey receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

John N. Roberts, Esq.
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1966

Designations: None

Education: The George Washington University – B.B.A., Finance
University of Denver – J.D., Law

Business Background (preceding 5 years):

05/18 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

11/96 to 05/18 — Denver Investments
Partner, Portfolio Manager

Disciplinary Information

John Roberts has no disciplinary disclosures to be reported.

Other Business Activities

John Roberts is not involved with any other material investment-related business.

Additional Compensation

John Roberts receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Jeffrey R. Rode
Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4133

Educational Background and Business Experience

Year of Birth: 1966

Designations: CFA (Chartered Financial Analyst)

Education: Northwestern University – B.S., Economics

Business Background (preceding 5 years):

01/99 to Present — Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Jeffrey Rode has no disciplinary disclosures to be reported.

Other Business Activities

Jeffrey Rode is not involved with any other material investment-related business.

Additional Compensation

Jeffrey Rode receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Ralph M. Segall
Chief Investment Officer and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4110

Educational Background and Business Experience

Year of Birth: 1947

Designations: CFA (Chartered Financial Analyst)
CIC (Chartered Investment Counselor)

Education: Wharton School, University of Pennsylvania – B.S., Economics
University of Chicago – M.B.A.

Business Background (preceding 5 years):

10/94 to Present Segall Bryant & Hamill, LLC
Chief Investment Officer and Senior Portfolio Manager

Disciplinary Information

Ralph Segall has no disciplinary disclosures to be reported.

Other Business Activities

Ralph Segall is not involved with any other material investment-related business.

Additional Compensation

Ralph Segall receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and the private funds offered by Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Philip L. Hildebrandt, Chief Executive Officer, (312) 474-4117. Mr. Hildebrandt monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Gregory M. Shea
Principal and Senior Portfolio Manager
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1978

Designations: CFA (Chartered Financial Analyst)

Education: Washington University – B.S. and M.S.B.A., Finance and Accounting

Business Background (preceding 5 years):

05/18 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
05/08 to 05/18	Denver Investments Partner, Portfolio Manager, Credit Research Analyst

Disciplinary Information

Gregory Shea has no disciplinary disclosures to be reported.

Other Business Activities

Gregory Shea is not involved with any other material investment-related business.

Additional Compensation

Gregory Shea receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to James D. Dadura, Director of Fixed Income, (312) 474-4123. Mr. Dadura monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Katelyn I. Shorkey
Paraplanner
Republic Plaza
370 17th Street, Suite 5000
Denver, CO 80202
(303) 312-5000

Educational Background and Business Experience

Year of Birth: 1989

Designations: CFP® Candidate

Education: Front Range Community College – A.A., General Studies
Colorado State University – B.S., Business Administration

Business Background (preceding 5 years):

11/18 to Present	Segall Bryant & Hamill, LLC Paraplanner
11/13 – 11/18	T-Mobile Sales

Disciplinary Information

Katelyn Shorkey has no disciplinary disclosures to be reported.

Business Activities

Katelyn Shorkey is not involved with any other material investment-related business.

Additional Compensation

Katelyn Shorkey receives compensation for providing advisory services solely from her responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Tina R.W. Fitzwater, Manager, Financial Planning, (312) 474-4216. Ms. Fitzwater monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

Jeffrey L. Slepian
Principal and Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4120

Educational Background and Business Experience

Year of Birth: 1960

Designations: Registered CPA (Certified Public Accountant)

Education: University of Illinois – B.A., Accounting
University of Chicago – M.B.A., Finance

Business Background (preceding 5 years):

10/94 to Present Segall Bryant & Hamill, LLC
Senior Portfolio Manager

Disciplinary Information

Jeffrey Slepian has no disciplinary disclosures to be reported.

Other Business Activities

Jeffrey Slepian is not involved with any other material investment-related business.

Additional Compensation

Jeffrey Slepian receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

M. Jay Trees
Senior Portfolio Manager
540 West Madison St, Suite 1900
Chicago, IL 60661
(312) 474-4219

Educational Background and Business Experience

Year of Birth: 1944

Designations: CFA (Chartered Financial Analyst)
CIC (Chartered Investment Counselor)

Education: Princeton University – B.A., Economics
University of Chicago – M.B.A., Finance

Business Background (preceding 5 years):

10/15 to Present	Segall Bryant & Hamill, LLC Senior Portfolio Manager
01/99 to 09/15	Trees Investment Counsel Chairman

Disciplinary Information

M. Jay Trees has no disciplinary disclosures to be reported.

Other Business Activities

M. Jay Trees is not involved with any other material investment-related business.

Additional Compensation

M. Jay Trees receives compensation for providing advisory services solely from his responsibilities at Segall Bryant & Hamill and from no other source.

Supervision

Reports directly to Ralph M. Segall, Chief Investment Officer, (312) 474-4110. Mr. Segall monitors advice provided to clients. In addition, daily trading is reviewed. Performance is reviewed at least quarterly.

SUMMARY OF PROFESSIONAL DESIGNATIONS

The Summary of Professional Designations is provided to assist you in evaluating the professional designations and minimum requirements of our investment professionals to hold these designations.

CFA – Chartered Financial Analyst

Issued by: CFA Institute

Prerequisites/Experience Required: Candidate must meet one of the following requirements:

- Undergraduate degree and 4 years of professional experience involving investment decision-making, or
- 4 years qualified work experience (full time, but not necessarily investment related)

Education Requirements:
- Study Program (300 hours of study for each of the 3 levels)

Examination Type:
- 3 course exams

Continuing Education/Experience Requirements: None

CFP® – Certified Financial Planner

Issued by: CFP Board

Prerequisites/Experience Required: Candidate must meet the following requirements:

- Undergraduate degree
- 6000 hours of qualified work experience

Education Requirements:
- Coursework in 8 major personal financial planning areas plus a capstone course.

Examination Type:
- The exam consists of two 3-hour sessions with 170 multiple choice questions (stand-alone question and sets of question associated with short scenarios or lengthier case histories.

Continuing Education/Experience Requirements: 30 hours of continuing education (CE) accepted by CF Board every two years

CIC – Chartered Investment Counselor

Issued by: Investment Adviser Association (IAA)

Prerequisites/Experience (See CFA):

Candidates must meet all of the following criteria in order to be awarded the CIC Charter:

1. Be employed by a member firm of the IAA in an eligible occupation position at the time the CIC charter is awarded. (Eligible occupation means more than 50% of candidate's overall duties consists of some combination of investment counseling and portfolio management activities.)
2. Must demonstrate a minimum of five (5) cumulative years' work experience in one or more eligible occupational positions prior to the time the CIC charter is awarded and that they have been employed by a member firm of the IAA in an eligible occupational position for at least one (1) year.
3. Must have completed successfully the Chartered Financial Analyst (CFA) examinations and hold the CFA charter.
4. Must provide work and character references
5. Must specifically endorse the IAA's Standards of Practice and complete a professional ethical conduct questionnaire.

CPA – Certified Public Accountant

Issued by: Each state administers the examination, but the examination is made up and graded by the American Institute of Certified Public Accountants. The CPA license is issued at the state or jurisdiction level.

Prerequisites/Experience/Education Requirements:

- To take the examination to become licensed as a certified public account, <u>you must meet your state's requirements for education, experience, and knowledge</u>. Most states now require 150 semester hours of university education.
- You must be declared eligible for the examination, and subsequently licensed, by the board of accountancy in one of the 54 U.S. jurisdictions.
- An individual become eligible for the exam by meeting specific requirements as determined by the board of accountancy for the jurisdiction for which they are applying.
- Because they use the Uniform CPA Examination, most states recognize the validity of licenses from other state. Requirements for experience and education vary, but states generally allow you to claim credit for successful completion of the examination in another state.

Examination Type:

- There are four parts to the examination:
  (1) Auditing & Attestation
  (2) Financial Accounting & Reporting (business enterprises, not-for-profit organizations and governmental entities)
  (3) Regulation (professional responsibilities, business law, and taxation)
  (4) Business Environment & Concepts
- Each of the four parts of the examination is graded on a scale of 0 to 100. The minimum passing score is 75.

Continuing Education:

- CPAs must adhere to the continuing education requirements set forth by the State Board of Accountancy of the state where a CPA license is held. The requirements for continuing professional education vary from state to state.

SEGALL BRYANT & HAMILL

RE: DOL 408(b)(2) Disclosure Document

This disclosure document provides an overview of the investment services Segall Bryant & Hamill ("SBH") provides to employee benefit plans subject to Title I of the Employee Retirement Income Security Act of 1974, as amended ("ERISA") (each such employee benefit plan being referred to as the "Plan") through separately managed accounts. This disclosure document is being provided to the "responsible plan fiduciary" to the Plan in compliance with Department of Labor Regulation 29 C.F.R 2550.408b-2. This disclosure document is intended to be read in conjunction with our ADV Part 2A, as may be amended or supplemented from time to time, your Account Agreement [and other documents referenced in this disclosure document]. You may obtain a copy of the ADV at http://www.adviserinfo.sec.gov.

Under ERISA, a plan sponsor or other fiduciary has a fiduciary responsibility to prudently select and monitor those hired to provide services to the plan and their related fees and compensation, to ensure, among other things, that the service arrangements and the compensation received by the service provider are reasonable in light of the services provided. This disclosure document is designed to assist you in meeting that fiduciary responsibility.

Your plan may receive services from other service providers, such as a third-party administrator or a custodian, which are outside the scope of this document. Moreover, SBH or its affiliates may provide services to your plan under separate arrangements not described herein. For information on those services and related fees and expenses, please refer to those service providers' separate 408(b)(2) disclosure documents or contact those service providers. To the extent that you receive services from SBH (or its affiliate) that are outside of the scope of the services covered by this Disclosure Document, please reference the disclosure documents specifically relating to those services.

If you have any questions concerning this 408(b)(2) disclosure document or the information provided to you concerning our services and compensation or to obtain a copy of the Account Agreement [and other related documents], please contact the associate.

Sincerely,

Philip L. Hildebrandt
Chief Executive Office

If you are not the 'responsible plan fiduciary' authorized to engage the service providers, including SBH, for your Plan, please forward this 408(b)(2) Disclosure Document to the appropriate responsible Plan fiduciary.

Guide to Information Required by Section 408(b)(2) Regulation	
Required Information	**Page**
Description of the services SBH will provide to your Plan	**3**
A statement concerning the services that SBH will provide as a registered investment adviser	**3**
The <u>direct</u> compensation SBH will receive from your Plan	**3**
The <u>indirect</u> compensation SBH will receive from other parties	**3**
The compensation that will be paid among SBH, an affiliate or a sub-contractor, if transaction based or charged directly against the Plan's investment	**None**
The compensation that SBH will receive upon termination of the contract	**4**
The cost to your Plan for recordkeeping services	**Not Applicable**
The compensation that SBH will charge directly against your Plan's investments and not included in the annual operating expenses. (Applies only to covered service providers (CSP's) that provide fiduciary services to an investment contract, product or entity that holds plan assets and in which the covered plan has a direct equity investment.)	**Not Applicable**
The SBH annual operating expenses if the return is not fixed and any ongoing expenses in addition to annual operating expenses. (Applies only to CSP's that provide fiduciary services to an investment contract, product or entity that holds plan assets and in which the covered plan has a direct equity investment.)	**Not Applicable**
For any contract/product/entity in which SBH is a designated investment alternative, additional information regarding the investment alternative	**Not Applicable**
How compensation is received by SBH	**3**

- **Description of the services SBH will provide to your Plan and the direct compensation (including the payment method/frequency) SBH will receive from your Plan.**

Your Plan has retained Segall Bryant & Hamill (SBH) as a discretionary investment manager pursuant to the terms and conditions of your Investment Advisory Agreement with us. For a full description of the services that SBH provides to your Plan, the direct fees that are paid by the Plan and the method/frequency of these payments, please refer to your Investment Advisory Agreement with SBH and its attached Fee Schedule.

- **A statement concerning the services that SBH will provide as a registered investment adviser**

Pursuant to the terms of Investment Management Agreement, and to the extent provided therein, SBH will act as a fiduciary under ERISA, and as an investment adviser under the federal Investment Advisers Act of 1940 and applicable state law.

- **The indirect compensation SBH will receive from other parties**

The following table describes potential sources of indirect compensation that SBH *may* receive in connection with the provision of it services under the Investment Advisory Agreement (i.e. those fees or other compensation that may be received by SBH from parties other than your Plan or the Plan sponsor).

Types of Indirect Compensation	*Notes*
Soft Dollars / Commission Sharing Agreements	As of the date of this disclosure document, SBH currently has Commission Sharing Agreements (CSA's) in effect with Barclays, BTIG, Cowen, Goldman Sachs, Jefferies, JP Morgan, Macquarie, Raymond James, and RBC Capital Markets LLC. These commission sharing agreements provide SBH access to third party research services that fall within the safe harbor of section 28e of the Securities Exchange Act of 1934 as amended. The research includes but is not limited to written reports on individual companies and sectors, general economic conditions, pertinent federal and state legislative developments and comparative performance

	and evaluation and technical measurement services for issuers, industries and the market as a whole. For further information related to SBH's use of soft dollars and Commission Sharing Agreements, please refer to the ADV Part 2A.
Affiliated Brokerage	SBH does not engage in any affiliated brokerage transactions.
Order Flow Compensation	SBH does not receive any compensation as a result of order flow.
Conferences and Training provided by Brokers or other third parties	SBH may attend broker sponsored Conferences or Training sessions for access to company management.
Receipt of Gifts, Gratuities and other non-monetary compensation	Per the SBH Code of Ethics, no supervised person is allowed to receive any gift or service more than a de minimis value from any person or entity that SBH does business with. SBH traders may from time to time receive small de minimis gifts (e.g. holiday fruit basket) from brokerage firms.

- **The compensation that SBH will receive upon termination of the contract**

SBH does not receive any compensation in connection with the termination of the Investment Advisory Agreement. Advisory fees will be prorated to the date of termination of such Agreement and any fees paid in arrears will be refunded to the Plan pro-rata as of the date of termination.

Investment Performance Services, LLC

Fixed Income Separate Account Quarterly Compliance Checklist
Period Ending September 30, 2020

To: Chartwell Investment Partners

Re: Mid-Atlantic UFCW & Participating Employers Pension Fund – Fixed Income- Short Term High Yield- Account 538

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio and individual holdings are currently, and have been during the past quarter in compliance with the Fund's investment policy statement?

Yes No (please explain)

There is a bond (29359NAA3) violating the ratings guideline as it was downgraded to Caa1 by Moody's on 3/31/20 and to CCC+ by S&P on 4/17/20. We have started to trade out of the position and will continue to trade it out during the coming months.

2.) Please confirm you are in compliance with the Fund's investment policy statement by attaching the following:

a. Your quarter-end asset listing that includes market value percentages and bond ratings.
b. A comparison of the client's holdings at quarter-end to the permitted holdings as outlined in the Fund's investment policy statement.
c. Net and Gross returns QTR, YTD and 1YR.

3.) Have you reconciled securities, pricing, and accruals with the custodian?

Yes No (please explain)

4.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the Fund's investment policy?

Yes No (please explain)

5.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No Yes (please explain)

6.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.

- Specific examples of types of derivatives include but are not limited to the following:
  - Structured Finance
  - Collateralized Debt Obligations (CDO)
  - Structured Commercial Mortgage Obligations
  - Collateralized Mortgage Obligations (CMO)
  - Collateralized Loan Obligations (CLO)
  - Structured Asset-Backed Obligations
- A complete list of derivatives securities utilized in the Fund's portfolio since our last certification is attached to this certification. In our judgment, these investments are prudent, in the best interest of the Fund and its participants, and are in compliance with the investment policy and guidelines of the Fund.
- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives listed.

Yes **No (please explain)**

7.) Is the investment management fee charged by your firm to the Fund consistent with the fee schedule in the investment management contract? Is the fee charged by your firm to the Fund consistent with the fee charged by your firm to other funds of a similar size and the most competitive fee offered by your firm?

Yes **No (please explain)**

It is consistent with the fees paid by other funds of a similar size, and it is the most competitive fee available for this account based on our evaluation of characteristics for a fund of this nature.

8.) Have you confirmed that the Qualified Institutional Buyer requirements for the above client have been met for the purchases 144a securities?

Yes **No (please explain)**

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

3.) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file Form ADV, please explain why.</u>**

No **Yes (provide details)**

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6.) Has your firm reviewed all regulations and directives from the Securities and Exchange Commission concerning brokerage and research services and are you in compliance with all disclosure requirements?

Yes **No (please explain)**

7.) Has your firm reviewed the DOL's final ruling on cross-trading of securities and are you in compliance with the ruling?

Yes **No (please explain)**

8.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

9.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

10.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

11.) Is your firm achieving best execution for the Fund on all transactions involving Fund assets?

Yes **No (please explain)**

Certified For The Firm By:

Name: Melissa L. Haupt

Signature:

Melissa L. Haupt

Title: Director of Client Administration
Firm: Chartwell Investment Partners
Date: 10/5/20

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Chartwell Investment Partners

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Portfolio Value as of August 31, 2020 : 13,961,168.80

Portfolio Value as of September 30, 2020 : 13,869,592.45

PERFORMANCE SUMMARY

	September-20	Quarter To Date	Year To Date	Last 12 Months	3 Years Annualized	5 Years Annualized	Annualized 10-31-14 To 09-30-20
Account - Gross of Fees	-0.66	2.43	1.84	3.00	3.56	4.09	3.45
Account - Net of Fees	-0.70	2.32	1.51	2.56	3.12	3.65	3.01
Bloomberg Barclays US Gov/Credit Intermediate	-0.01	0.62	5.91	6.31	4.43	3.40	3.20
ICE BofAML 1-3 Year BB US Cash Pay High Yield	-0.70	2.86	1.79	3.29	3.89	4.76	4.16

Chartwell uses an inception date of 10-31-14 for comparative purposes.
Actual inception date is 10-21-14.

Chartwell Investment Partners

PORTFOLIO SUMMARY

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Security Type	Total Cost	Market Value	Pct. Assets	Yield	Est.Annual Income
CASH AND EQUIVALENTS					
CASH					
CASH					
Cash & Equivalents	517,906.63	517,906.63	3.7	0.0	0.00
	517,906.63	517,906.63	3.7	0.0	0.00
FIXED INCOME					
CORPORATE BONDS					
MATERIALS					
Metals & Mining	307,675.00	334,818.25	2.4	2.6	12,593.75
Chemicals	274,914.55	286,542.90	2.1	2.7	14,175.00
	582,589.55	621,361.15	4.5	2.6	26,768.75
INDUSTRIALS					
Aerospace & Defense	261,120.50	255,850.00	1.8	4.0	14,668.75
Metal Products	341,165.50	346,912.50	2.5	1.4	16,500.00
Construction & Engineering	436,634.00	434,862.50	3.1	3.1	18,456.25
Capital Goods	672,740.55	679,613.85	4.9	3.1	37,237.50
Basic Industry	551,839.05	542,026.70	3.9	5.2	32,512.50
Communications	314,650.00	311,862.50	2.2	4.3	15,250.00
Media	707,994.36	704,762.50	5.1	3.7	33,150.00
Energy	1,028,101.95	1,032,305.50	7.4	4.3	49,712.50
	4,314,245.91	4,308,196.05	31.1	3.8	217,487.50
TELECOM SERVICES					
Communications Eqpt.	339,648.20	338,000.00	2.4	4.9	18,687.50
Telecommunications Services	665,288.30	671,637.45	4.8	3.6	30,937.50
	1,004,936.50	1,009,637.45	7.3	4.0	49,625.00
CONSUMER DISCRETIONARY					
Consumer Products	293,512.50	304,583.37	2.2	4.9	11,237.50
Retail Industry	314,468.80	318,755.50	2.3	3.5	14,792.50
Automobiles	238,596.85	234,059.00	1.7	3.8	10,978.25
Leisure Equipment & Products	131,550.00	140,046.40	1.0	3.1	6,912.50
Hotels, Restaurants & Leisure	273,963.50	278,600.00	2.0	4.4	11,900.00
	1,252,091.65	1,276,044.27	9.2	4.0	55,820.75

Chartwell Investment Partners

PORTFOLIO SUMMARY

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Security Type	Total Cost	Market Value	Pct. Assets	Yield	Est.Annual Income
CONSUMER STAPLES					
Food Distribution	159,925.00	158,771.20	1.1	3.4	5,200.00
Paper Products	51,937.50	52,405.25	0.4	4.1	2,687.50
	211,862.50	211,176.45	1.5	3.6	7,887.50
ENERGY					
Energy Services	1,125,271.21	977,862.37	7.1	8.7	62,983.75
FINANCIAL SERVICES					
Insurance	285,987.50	293,906.25	2.1	5.7	20,281.25
Financial Services	423,733.50	443,765.87	3.2	5.4	30,100.00
Finance	503,964.74	504,693.75	3.6	3.6	23,203.95
Diversified Financial Services	189,574.40	191,938.42	1.4	4.0	10,406.25
Consumer Finance	472,745.15	465,137.50	3.4	4.6	28,218.75
	1,876,005.29	1,899,441.80	13.7	4.6	112,210.20
HEALTHCARE					
Health Care	692,865.58	681,421.50	4.9	4.2	31,650.00
*** Health Care	337,311.75	342,891.67	2.5	2.3	18,506.25
	1,030,177.33	1,024,313.17	7.4	3.6	50,156.25
CMBS					
Real Estate	676,121.25	647,625.00	4.7	5.9	35,062.50
INFORMATION TECHNOLOGY					
Information Services	94,275.00	98,047.53	0.7	2.1	4,387.50
Technology Hardware, Storage & Peripherals	754,532.52	760,895.51	5.5	3.2	35,557.50
	848,807.52	858,943.04	6.2	3.1	39,945.00
REAL ESTATE					
REITs	350,137.36	336,600.00	2.4	5.9	17,000.00
CORPORATE BONDS	13,272,246.08	13,171,200.76	95.0	4.3	674,947.20
Accrued Interest		180,485.06	1.3		
	13,272,246.08	13,351,685.82	96.3	4.3	674,947.20
TOTAL PORTFOLIO	**13,790,152.71**	**13,869,592.45**	**100.0**	**4.2**	**674,947.20**

Chartwell Investment Partners

PORTFOLIO APPRAISAL

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	S & P	Moody
CASH									
	CASH	MONEY MARKET ACCOUNT		517,906.63		517,906.63	3.73		
CORPORATE BONDS									
330,000	12592BAE4	CNH INDUSTRIAL CAPITAL LLC 4.375% Due 11-06-20	102.32	337,671.80	100.31	331,037.85	2.39	BBB	BAA3
160,000	63938CAC2	NAVIENT CORPORATION 5.875% Due 03-25-21	104.14	166,625.00	100.62	161,000.00	1.16	B+	BA3
218,000	25272KAU7	DELL INTL LLC / EMC CORP 5.875% Due 06-15-21	103.29	225,168.97	100.12	218,272.50	1.57	BB	BA2
150,000	63938CAD0	NAVIENT CORPORATION 6.625% Due 07-26-21	106.25	159,375.00	101.50	152,250.00	1.10	B+	BA3
340,000	85571BAG0	STARWOOD PPTY TR INC 5.000% Due 12-15-21	102.98	350,137.36	99.00	336,600.00	2.43	B+	BA3
75,000	345397ZM8	FORD MOTOR CREDIT CO LLC 5.596% Due 01-07-22	105.29	78,964.50	102.25	76,687.50	0.55	BB+	BA2
240,000	526057BY9	LENNAR CORP 4.125% Due 01-15-22	102.91	246,973.50	102.37	245,700.00	1.77	BB+	BA1
310,000	451102BJ5	ICAHN ENTERPRISES LP/CORP 6.250% Due 02-01-22	102.90	318,981.25	101.06	313,276.70	2.26	BB+	BA3
330,000	058498AR7	BALL CORP 5.000% Due 03-15-22	103.38	341,165.50	105.12	346,912.50	2.50	BB+	BA1
310,000	247361ZJ0	DELTA AIR LINES INC 3.625% Due 03-15-22	94.68	293,512.50	98.25	304,583.37	2.20	BB-	BAA3
175,000	78442PGC4	SLM CORP 5.125% Due 04-05-22	100.81	176,421.00	102.38	179,165.87	1.29	BB+	BA1
330,000	87264AAR6	T MOBILE USA INC 4.000% Due 04-15-22	100.17	330,567.05	103.00	339,903.30	2.45	BB	BA3
315,000	15135BAD3	CENTENE CORP DEL 4.750% Due 05-15-22	102.42	322,607.50	101.25	318,937.50	2.30	BBB-	BA1
155,000	958254AB0	WESTERN MIDSTREAM OPER LP 4.000% Due 07-01-22	96.59	149,712.50	100.59	155,918.37	1.12	BB+	BA2
330,000	125581GQ5	CIT GROUP INC 5.000% Due 08-15-22	101.72	335,670.14	103.00	339,900.00	2.45	BB+	BA1

Chartwell Investment Partners

PORTFOLIO APPRAISAL

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	S & P	Moody
85,000	526057BN3	LENNAR CORP 4.750% Due 11-15-22	104.05	88,439.05	104.00	88,400.00	0.64	BB+	BA1
330,000	228189AB2	CROWN AMERICAS LLC/CAP CORP IV 4.500% Due 01-15-23	100.93	333,079.75	103.75	342,375.00	2.47	BB-	BA3
125,000	74819RAP1	QUEBECOR MEDIA INC 5.750% Due 01-15-23	107.95	134,937.50	107.25	134,062.50	0.97	BB-	BA2
330,000	86765LAJ6	SUNOCO LP/SUNOCO FIN CORP 4.875% Due 01-15-23	100.43	331,405.50	100.50	331,650.00	2.39	BB-	B1
270,000	73179PAK2	AVIENT CORPORATION 5.250% Due 03-15-23	101.82	274,914.55	106.13	286,542.90	2.07	BB-	BA3
325,000	35671DAZ8	FREEPORT MCMORAN INC 3.875% Due 03-15-23	94.67	307,675.00	103.02	334,818.25	2.41	BB	BA1
185,000	85172FAL3	SPRINGLEAF FINANCE CORPORATION 5.625% Due 03-15-23	102.47	189,574.40	103.75	191,938.42	1.38	BB-	BA3
315,000	404121AG0	HCA INC. 5.875% Due 05-01-23	107.08	337,311.75	108.85	342,891.67	2.47	BB-	BA2
340,000	87612BAM4	TARGA RES PARTNERS / TARGA RES 5.250% Due 05-01-23	101.06	343,616.70	99.77	339,218.00	2.45	BB	BA3
90,000	268648AN2	EMC CORP 3.375% Due 06-01-23	97.69	87,921.25	102.50	92,250.00	0.67	BB-	WR
220,000	81180WAH4	SEAGATE HDD CAYMAN 4.750% Due 06-01-23	104.06	228,922.65	108.71	239,162.66	1.72	BB+	BAA3
330,000	26885BAD2	EQM MIDSTREAM PARTNERS LP 4.750% Due 07-15-23	100.68	332,252.25	99.80	329,356.50	2.37	BB-	BA3
155,000	345397WK5	FORD MOTOR CREDIT CO LLC 4.375% Due 08-06-23	102.99	159,632.35	101.53	157,371.50	1.13	BB+	BA2
70,000	361841AF6	GLP CAP LP/GLP FING II INC 5.375% Due 11-01-23	94.50	66,150.00	107.00	74,897.20	0.54	BBB-	BA1
330,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.43	334,721.25	100.53	331,734.15	2.39	BB	BA3

Chartwell Investment Partners

PORTFOLIO APPRAISAL

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	S & P	Moody
140,000	588056AU5	MERCER INTL INC 6.500% Due 02-01-24	103.16	144,418.75	100.25	140,350.00	1.01	B+	BA3
90,000	81180WAT8	SEAGATE HDD CAYMAN 4.875% Due 03-01-24	104.75	94,275.00	108.94	98,047.53	0.71	BB+	BAA3
145,000	85172FAP4	SPRINGLEAF FINANCE CORPORATION 6.125% Due 03-15-24	101.20	146,745.15	104.75	151,887.50	1.10	BB-	BA3
305,000	00164VAD5	AMC NETWORKS INC 5.000% Due 04-01-24	103.16	314,650.00	102.25	311,862.50	2.25	BB	BA3
330,000	489399AG0	KENNEDY WILSON INC 5.875% Due 04-01-24	102.75	339,058.75	99.50	328,350.00	2.37	BB	B1
305,000	747262AS2	QVC INC 4.850% Due 04-01-24	103.10	314,468.80	104.51	318,755.50	2.30	BB+	BA2
250,000	29359NAA3	ENSIGN DRILLING INC 9.250% Due 04-15-24	99.39	248,476.56	38.00	95,000.00	0.68	CCC+	CAA1
320,000	82967NBE7	SIRIUS XM HOLDINGS INC 4.625% Due 07-15-24	104.81	335,376.23	103.44	331,000.00	2.39	BB	BA3
330,000	88033GCS7	TENET HEALTHCARE CORP 4.625% Due 07-15-24	102.82	339,295.58	100.50	331,650.00	2.39	BB-	B1
280,000	432833AB7	HILTON DOMESTIC OPER CO INC 4.250% Due 09-01-24	97.84	273,963.50	99.50	278,600.00	2.01	BB	BA2
85,000	013817AW1	HOWMET AEROSPACE INC 5.125% Due 10-01-24	106.91	90,870.50	106.00	90,100.00	0.65	BB+	BA3
330,000	45031UCF6	ISTAR INC 4.750% Due 10-01-24	102.14	337,062.50	96.75	319,275.00	2.30	BB	BA3
165,000	345397ZX4	FORD MOTOR CREDIT CO LLC 4.063% Due 11-01-24	102.00	168,294.60	99.87	164,793.75	1.19	BB+	BA2
30,000	15135BAJ0	CENTENE CORP DEL 4.750% Due 01-15-25	103.21	30,962.50	102.78	30,834.00	0.22	BBB-	BA1
50,000	18538RAH6	CLEARWATER PAPER CORP 5.375% Due 02-01-25	103.87	51,937.50	104.81	52,405.25	0.38	BB-	BA3
190,000	958667AB3	WESTERN MIDSTREAM OPER LP 3.100% Due 02-01-25	92.30	175,367.40	95.25	180,975.00	1.30	BB+	BA2

Chartwell Investment Partners

PORTFOLIO APPRAISAL

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

September 30, 2020

Quantity	Security Symbol	Security	Unit Cost	Total Cost	Price	Market Value	Pct Assets	S & P	Moody
150,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	170,250.00	110.50	165,750.00	1.20	BB+	BA3
60,000	361841AJ8	GLP CAPITAL LP / FIN II 5.250% Due 06-01-25	109.00	65,400.00	108.58	65,149.20	0.47	BBB-	BA1
275,000	629209AA5	NMI HLDGS INC 7.375% Due 06-01-25	104.00	285,987.50	106.87	293,906.25	2.12	BB	BA2
245,000	46116VAE5	STONEX GROUP INC SERIES 144A 8.625% Due 06-15-25	100.94	247,312.50	108.00	264,600.00	1.91	BB-	BA3
320,000	95081QAN4	WESCO DISTR INC 7.125% Due 06-15-25	104.71	335,068.75	108.93	348,576.00	2.51	BB-	B2
215,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	102.08	219,462.50	100.75	216,612.50	1.56	BBB-	BA3
185,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.52	189,660.50	102.25	189,162.50	1.36	BB-	BA3
20,000	037411BH7	APACHE CORP 4.625% Due 11-15-25	100.00	20,000.00	95.31	19,062.50	0.14	BB+	BA1
325,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.51	339,648.20	104.00	338,000.00	2.44	BB	B1
195,000	958102AM7	WESTERN DIGITAL CORP 4.750% Due 02-15-26	108.98	212,519.65	108.31	211,210.35	1.52	BB+	BAA3
160,000	013092AF8	ALBERTSONS COS INC / SAFEWAY I 3.250% Due 03-15-26	99.95	159,925.00	99.23	158,771.20	1.14	BB-	B2
235,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	101.14	237,680.63	102.00	239,700.00	1.73	BB-	BA3
	Accrued Interest					180,485.06	1.30		
				13,272,246.08		13,351,685.82	96.27		
TOTAL PORTFOLIO				**13,790,152.71**		**13,869,592.45**	**100.00**		

Chartwell Investment Partners

PURCHASE AND SALE

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 To 09-30-2020

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
PURCHASES						
08-11-2020	08-31-2020	145,000	013092AF8	ALBERTSONS COS INC / SAFEWAY I 3.250% Due 03-15-26	100.00	145,000.00
09-21-2020	09-23-2020	15,000	013092AF8	ALBERTSONS COS INC / SAFEWAY I 3.250% Due 03-15-26	99.50	14,925.00
08-03-2020	08-17-2020	20,000	037411BH7	APACHE CORP 4.625% Due 11-15-25	100.00	20,000.00
08-26-2020	08-28-2020	10,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.62	10,462.50
08-26-2020	08-28-2020	25,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.75	26,187.50
09-02-2020	09-04-2020	50,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.85	52,427.00
09-03-2020	09-08-2020	25,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.75	26,187.50
09-18-2020	09-22-2020	70,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.57	73,199.00
09-22-2020	09-24-2020	30,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.32	31,297.20
09-22-2020	09-24-2020	115,000	1248EPBM4	CCO HLDGS LLC / CCO HLDGS CAP 5.750% Due 02-15-26	104.25	119,887.50
08-28-2020	09-01-2020	20,000	15135BAJ0	CENTENE CORP DEL 4.750% Due 01-15-25	103.25	20,650.00
08-31-2020	09-02-2020	10,000	15135BAJ0	CENTENE CORP DEL 4.750% Due 01-15-25	103.12	10,312.50
08-12-2020	08-14-2020	50,000	18538RAH6	CLEARWATER PAPER CORP 5.375% Due 02-01-25	103.87	51,937.50
09-16-2020	09-18-2020	40,000	26885BAD2	EQM MIDSTREAM PARTNERS LP 4.750% Due 07-15-23	101.99	40,796.00
09-03-2020	09-08-2020	75,000	345397ZX4	FORD MOTOR CREDIT CO LLC 4.063% Due 11-01-24	102.26	76,695.00
09-22-2020	09-24-2020	60,000	361841AJ8	GLP CAPITAL LP / FIN II 5.250% Due 06-01-25	109.00	65,400.00
08-28-2020	09-01-2020	105,000	404121AG0	HCA INC. 5.875% Due 05-01-23	109.62	115,106.25
09-10-2020	09-14-2020	15,000	013817AW1	HOWMET AEROSPACE INC 5.125% Due 10-01-24	107.00	16,050.00
09-11-2020	09-15-2020	40,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	45,400.00
09-11-2020	09-15-2020	30,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	34,050.00
09-14-2020	09-16-2020	5,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	5,675.00
09-14-2020	09-16-2020	30,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	34,050.00
09-15-2020	09-17-2020	20,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	22,700.00
09-16-2020	09-18-2020	25,000	443201AA6	HOWMET AEROSPACE INC 6.875% Due 05-01-25	113.50	28,375.00
09-17-2020	09-21-2020	55,000	013817AW1	HOWMET AEROSPACE INC 5.125% Due 10-01-24	107.06	58,883.00
09-22-2020	09-24-2020	15,000	013817AW1	HOWMET AEROSPACE INC 5.125% Due 10-01-24	106.25	15,937.50

Chartwell Investment Partners

PURCHASE AND SALE

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 To 09-30-2020

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
08-11-2020	08-13-2020	75,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.62	76,218.75
08-12-2020	08-14-2020	10,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.50	10,150.00
08-25-2020	08-27-2020	50,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.50	50,750.00
09-11-2020	09-15-2020	20,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.37	20,275.00
09-17-2020	09-21-2020	175,000	527298BK8	LEVEL 3 FING INC 5.375% Due 01-15-24	101.33	177,327.50
08-18-2020	08-20-2020	60,000	74819RAP1	QUEBECOR MEDIA INC 5.750% Due 01-15-23	108.12	64,875.00
09-24-2020	09-28-2020	20,000	74819RAP1	QUEBECOR MEDIA INC 5.750% Due 01-15-23	107.87	21,575.00
09-28-2020	09-30-2020	45,000	74819RAP1	QUEBECOR MEDIA INC 5.750% Due 01-15-23	107.75	48,487.50
07-09-2020	07-14-2020	15,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	100.00	15,000.00
07-10-2020	07-14-2020	15,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	101.62	15,243.75
07-10-2020	07-14-2020	70,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	101.62	71,137.50
07-10-2020	07-14-2020	20,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	101.50	20,300.00
07-10-2020	07-14-2020	30,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	101.62	30,487.50
07-10-2020	07-14-2020	15,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	101.62	15,243.75
07-16-2020	07-20-2020	10,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	102.25	10,225.00
07-17-2020	07-21-2020	15,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	102.37	15,356.25
08-18-2020	08-20-2020	25,000	75419TAA1	RATTLER MIDSTREAM LP 5.625% Due 07-15-25	105.87	26,468.75
09-08-2020	09-10-2020	15,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	100.00	15,000.00
09-09-2020	09-11-2020	55,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	100.62	55,343.75
09-09-2020	09-11-2020	35,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	100.81	35,284.38
09-11-2020	09-15-2020	15,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	100.87	15,131.25
09-11-2020	09-15-2020	25,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	100.87	25,218.75
09-15-2020	09-17-2020	10,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	101.87	10,187.50
09-15-2020	09-17-2020	50,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	101.87	50,937.50
09-21-2020	09-23-2020	5,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	101.55	5,077.50
09-23-2020	09-25-2020	10,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	102.00	10,200.00
09-23-2020	09-25-2020	15,000	87901JAF2	TEGNA INC SERIES 144A 4.750% Due 03-15-26	102.00	15,300.00

Chartwell Investment Partners

PURCHASE AND SALE

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 To 09-30-2020

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
08-20-2020	08-24-2020	25,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.50	25,625.00
08-24-2020	08-26-2020	25,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.62	25,656.25
08-25-2020	08-27-2020	65,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.62	66,706.25
09-21-2020	09-23-2020	10,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.48	10,248.00
09-25-2020	09-29-2020	60,000	911365BH6	UNITED RENTALS NORTH AMER INC 4.625% Due 10-15-25	102.37	61,425.00
08-18-2020	08-20-2020	60,000	95081QAN4	WESCO DISTR INC 7.125% Due 06-15-25	108.25	64,950.00
09-01-2020	09-03-2020	35,000	95081QAN4	WESCO DISTR INC 7.125% Due 06-15-25	110.50	38,675.00
09-01-2020	09-03-2020	15,000	958102AM7	WESTERN DIGITAL CORP 4.750% Due 02-15-26	108.50	16,275.00
09-02-2020	09-04-2020	55,000	958102AM7	WESTERN DIGITAL CORP 4.750% Due 02-15-26	109.27	60,100.15
09-09-2020	09-11-2020	55,000	958102AM7	WESTERN DIGITAL CORP 4.750% Due 02-15-26	108.49	59,669.50
09-15-2020	09-17-2020	70,000	958102AM7	WESTERN DIGITAL CORP 4.750% Due 02-15-26	109.25	76,475.00
						2,594,197.98
SALES						
08-19-2020	08-19-2020	310,000	00772BAQ4	AERCAP IRELAND CAPITAL LIMITED 4.625% Due 10-30-20	100.78	312,429.16
09-11-2020	09-11-2020	330,000	013093AB5	ALBERTSONS COS LLC/SAFEWAY INC 6.625% Due 06-15-24	103.31	340,932.90
08-05-2020	08-05-2020	100,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	102,938.00
08-05-2020	08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	20,587.60
08-05-2020	08-05-2020	30,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	30,881.40
08-05-2020	08-05-2020	5,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	5,146.90
08-05-2020	08-05-2020	15,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	15,440.70
08-05-2020	08-05-2020	30,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	30,881.40

Chartwell Investment Partners

PURCHASE AND SALE

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 To 09-30-2020

Trade Date	Settle Date	Quantity	Symbol	Security	Unit Price	Amount
08-05-2020	08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	20,587.60
08-05-2020	08-05-2020	15,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	15,440.70
08-05-2020	08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	20,587.60
08-05-2020	08-05-2020	2,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	2,058.76
08-20-2020	08-20-2020	33,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	102.94	33,969.54
09-17-2020	09-17-2020	145,000	18538RAG8	CLEARWATER PAPER CORP 4.500% Due 02-01-23	100.75	146,087.50
09-02-2020	09-02-2020	330,000	398905AK5	GROUP 1 AUTOMOTIVE INC STEP-UP 5.000% Due 06-01-22	100.00	330,000.00
07-15-2020	07-15-2020	278,000	527298BD4	LEVEL 3 FING INC 5.375% Due 08-15-22	100.00	278,000.00
09-11-2020	09-11-2020	65,000	527298BF9	LEVEL 3 FING INC 5.125% Due 05-01-23	100.00	65,000.00
07-20-2020	07-22-2020	105,000	55303XAC9	MGM GROWTH PPTYS OPER PRTN/ 5.625% Due 05-01-24	106.05	111,352.50
09-19-2020	09-21-2020	330,000	00101JAK2	THE ADT CORPORATION 6.250% Due 10-15-21	105.99	349,763.70
08-28-2020	08-28-2020	230,000	911365BD5	UNITED RENTALS NORTH AMER INC 5.500% Due 07-15-25	102.75	236,325.00
						2,468,410.96

Chartwell Investment Partners

COMMISSION REPORT BY BROKER

07-01-20 To 09-30-20

Brokerage Firm	Listed Commissions
GRAND TOTAL	**0.00**

Chartwell Investment Partners

REALIZED GAINS AND LOSSES

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 Through 09-30-2020

Date	Quantity	Symbol	Security	Cost Basis	Proceeds	Gain or Loss
07-15-2020	278,000	527298BD4	LEVEL 3 FING INC 5.375% Due 08-15-22	281,383.50	278,000.00	-3,383.50
07-20-2020	105,000	55303XAC9	MGM GROWTH PPTYS OPER PRTN/ 5.625% Due 05-01-24	114,541.05	111,352.50	-3,188.55
08-05-2020	100,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	103,160.50	102,938.00	-222.50
08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	20,632.10	20,587.60	-44.50
08-05-2020	30,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	30,948.15	30,881.40	-66.75
08-05-2020	5,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	5,158.02	5,146.90	-11.12
08-05-2020	15,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	15,474.07	15,440.70	-33.37
08-05-2020	30,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	30,948.15	30,881.40	-66.75
08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	20,632.10	20,587.60	-44.50
08-05-2020	15,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	15,474.07	15,440.70	-33.37
08-05-2020	20,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	20,632.10	20,587.60	-44.50
08-05-2020	2,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	2,063.21	2,058.76	-4.45
08-19-2020	310,000	00772BAQ4	AERCAP IRELAND CAPITAL LIMITED 4.625% Due 10-30-20	317,900.00	312,429.16	-5,470.84
08-20-2020	33,000	1248EPBP7	CCO HLDGS LLC / CCO HLDGS CAP SERIES 144A 5.875% Due 04-01-24	34,042.96	33,969.54	-73.42

Chartwell Investment Partners

REALIZED GAINS AND LOSSES

MID-ATLANTIC UFCW AND PARTICIPATING EMPLOYERS PENSION FUND

From 07-01-2020 Through 09-30-2020

Date	Quantity	Symbol	Security	Cost Basis	Proceeds	Gain or Loss
08-28-2020	230,000	911365BD5	UNITED RENTALS NORTH AMER INC 5.500% Due 07-15-25	235,730.61	236,325.00	594.39
09-02-2020	330,000	398905AK5	GROUP 1 AUTOMOTIVE INC STEP-UP 5.000% Due 06-01-22	338,416.80	330,000.00	-8,416.80
09-11-2020	65,000	527298BF9	LEVEL 3 FING INC 5.125% Due 05-01-23	65,682.50	65,000.00	-682.50
09-11-2020	330,000	013093AB5	ALBERTSONS COS LLC/SAFEWAY INC 6.625% Due 06-15-24	346,345.55	340,932.90	-5,412.65
09-17-2020	145,000	18538RAG8	CLEARWATER PAPER CORP 4.500% Due 02-01-23	138,812.50	146,087.50	7,275.00
09-19-2020	330,000	00101JAK2	THE ADT CORPORATION 6.250% Due 10-15-21	356,007.38	349,763.70	-6,243.68
TOTAL GAINS						7,869.39
TOTAL LOSSES						-33,443.77
				2,493,985.34	**2,468,410.96**	**-25,574.38**

Evan Thompson

From: Haupt, Melissa <haupt@chartwellip.com>
Sent: Tuesday, November 3, 2020 12:53 PM
To: Jessica Diaz; Evan Thompson
Subject: RE: <X> RE: 3rd Quarter 2020 Compliance Checklist - Chartwell 2 of 2

Hi Jessica.

Here is a more detailed explanation from the portfolio manager:

We still look to exit the position in Ensign in a timely manner, recognizing both the need to restore compliance with the ratings guideline and our desire to receive an appropriate valuation for clients. We believe the current bond price is overly depressed, and think a better exit value should present itself when Ensign's business begins to recover. The drilling market experienced a significant contraction in 2020 as the price of oil declined. We believe current liquidity at Ensign is adequate, and cash flow generation after debt service to be marginally positive at current operating rates. The U.S. land rig count bottomed in August and has steadily improved since then, though activity remains at a low level. Stabilization and improvement in Ensign's end markets should lead to some improvement in bond price from current levels, at which point we would look to exit.

Please let me know if you need anything else.

Thanks,
Melissa

CHARTWELL INVESTMENT PARTNERS

Our parent company, TriState Capital Holdings, has been recognized as FORTUNE 100 Fastest-Growing Companies* 2019 · 2018 · 2017

Melissa L. Haupt
Director of Client Administration

Phone: 610.407.4859
Email: haupt@chartwellip.com

1205 Westlakes Drive
Suite 100
Berwyn, PA 19312
www.chartwellip.com

From: Jessica Diaz <jdiaz@ips-net.com>
Sent: Tuesday, November 03, 2020 9:21 AM

Investment Performance Services, LLC

Real Estate Quarterly Compliance Checklist
Period Ending September 30, 2020

To: American Realty Advisors

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund - Real Estate - American Core Realty Fund - Account No. 1351

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

Yes

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, limit, or change the current liquidity offered to investors?

Due to the disruption in the financial markets related to COVID-19, the American Core Realty Fund restricted redemptions for the 3Q 2020 and paid a portion of timely redemption requests on October 2, 2020. Unpaid portions of timely redemption requests will be considered for December 31, 2020.

4.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No

5.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.
- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives.

This is not applicable as no derivative securities were held in the portfolio during Third Quarter 2020.

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No. There were no changes or departures this past quarter in the Core Fund's portfolio management team or in other key personnel within the firm.

3.) Have any ownership changes in the firm occurred during the quarter?

No

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund?

No

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

Yes. The deductible for the Errors and Omission insurance coverage increased from $250,000 to $350,000.

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes

Certified For The Firm By:

Name: Kristin Adrian

Signature: Kristin Adrian

Title: Chief Compliance Officer

Firm: American Realty Advisors

Date: October 15, 2020

Investment Performance Services, LLC
Real Estate Quarterly Compliance Checklist
Period Ending September 30, 2020

To: U.S. Real Estate Investment Fund, LLC

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund Real Estate

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

Yes No (please explain)

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes No (please explain)

Insofar as Intercontinental Real Estate Corporation, as Manager, has a mandate to operate U.S. Real Estate Investment Fund (U.S. REIF) as a "real estate operating company (REOC)" pursuant to ERISA regulations, the assets of the Fund are not "plan assets" therefore the Manager of the Fund does not act as an ERISA fiduciary. The Manager does however operate the Fund pursuant to the "prudent man rule" which is the same standard applicable to ERISA fiduciaries. Furthermore, in the event that assets of the Fund are deemed "plan assets", then the Manager would undertake operating the Fund as an ERISA fiduciary.

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, limit, or change the current liquidity offered to investors?

No Yes (please explain)

4.) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No Yes (please explain)

N/A (If you have not signed an addendum to the Fund's investment policy statement

5.) In regard to derivative securities that may be held in the portfolio, do you attest that the following statements are true?

- The March 28, 1996, Letter of Guidance and Statement on Derivatives has been read and reviewed by personnel of this firm. We accept full responsibility for complying with all aspects of derivative investment outlined therein.
- We certify that the subject derivatives are considered by this firm as suitable for the Fund given known actuarial and economic factors. In our analysis of the suitability of derivatives for the Fund, these positions have been stress tested under varying interest rate scenarios.
- Our firm has experienced personnel in place and the investment processes and the controls to prudently invest in the derivatives.

Yes No (please explain)

Not applicable - The Fund does not trade derivatives.

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

3.) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **If you are not required to file Form ADV, please explain why.**

No **Yes (provide details)**

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes **No (please explain)**

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

Certified For The Firm By:

Name: Paul Nasser

Signature: Paul J. Nasser

Title: Chief Financial Officer and Chief Operating Officer

Firm: Intercontinental Real Estate Corporation

Date: October 15, 2020

Investment Performance Services, LLC

Fund of Hedge Funds Quarterly Compliance Checklist
Period Ending September 30, 2020

To: Corbin Capital Partners, L.P.

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund- Hedge Fund of Funds
Corbin ERISA Opportunity Fund, L.P.

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

<u>Yes</u> **No (please explain)**

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

<u>Yes</u> **No (please explain)**

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, gate, or change the current liquidity offered to investors?

<u>No</u> **Yes (please explain)**

4.) Do you see a need for a change in the Fund's current investment policy or your addendum to the Fund's investment policy?

<u>No</u> **Yes (please explain)**

N/A (If you have not signed an addendum to the Fund's investment policy statement

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

<u>No</u> **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

<u>No</u> **Yes (provide details)**

3.) Have any ownership changes in the firm occurred during the quarter?

<u>No</u> **Yes (provide details)**

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

<u>No</u> **Yes (provide details)**

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

<u>No</u> **Yes (provide details and current status)**

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

<u>No</u> **Yes (provide details)**

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

<u>Yes</u> **No (please explain)**

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

<u>Yes</u> **No (please explain)**

.

Certified For The Firm By:

Name: John Maguire

Signature: John Maguire

Title: Chief Compliance Officer
Firm: Corbin Capital Partners, L.P.
Date: October 14, 2020

Investment Performance Services, LLC

Fund of Hedge Funds Quarterly Compliance Checklist
Period Ending September 30, 2020

To: EnTrust Global

Re: Mid-Atlantic UFCW and Participating Employers Pension Fund- Opportunistic Special Opportunities Fund IV

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1.) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

Yes

2.) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes

3.) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, gate, or change the current liquidity offered to investors?

No

4.) Do you see a need for a change in the Fund's current investment policy or your addendum to the Fund's investment policy?

No

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

Yes (provide details)

In connection with the transaction by which EnTrust Global reacquired Legg Mason's interest in EnTrust Global, we conducted an analysis of job redundancies across business units, the result of which was a job redundancy plan implemented in June 2020 which resulted mostly in junior level back office departures.

3.) Have any ownership changes in the firm occurred during the quarter?

Yes (provide details)

On July 31, 2020, EnTrust Global completed its return to an independent, private company after closing on the previously reported transaction with Franklin Resources, Inc. pursuant to which the firm reacquired the 65% interest that Legg Mason, Inc. held in EnTrust Global.

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

Yes (provide details)

<u>August 2020 Update</u>

The last version of Form ADV Part 2 was dated August 2020, to reflect the ownership change noted above.

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

Yes

Following the completed transaction noted above, EnTrust Global established a new insurance program for the firm, which is summarized in **Exhibit 1 EnTrust Global Insurance Coverage**.

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

Yes

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes

Certified For The Firm By:

Name: Bruce Kahne

Signature:

Title: General Counsel/CCO

Firm: EnTrust Global

EnTrust Global

EnTrust Global Partners Offshore LP
Blue Ocean GP LLC
375 Park Avenue, 24th Floor
New York, NY 10152
T: 212.888.1040
F: 212.888.0751
www.entrustglobal.com

FORM ADV PART 2A: Firm Brochure

EnTrust Global Partners Offshore LP

Blue Ocean GP LLC

August 2020

This brochure provides information about the qualifications and business practices of EnTrust Global Partners Offshore LP (formerly known as EnTrustPermal Partners Offshore LP) (the "Advisor") and Blue Ocean GP LLC (the "Relying Advisor"). If you have any questions about the contents of this brochure, please contact Bruce Kahne, General Counsel/Chief Compliance Officer at 212.224.5548 or bkahne@entrustglobal.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 the Advisor and the Relying Advisor is also available on the SEC's website at www.adviserinfo.sec.gov. Please note that registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

Item 2. Material Changes

The Advisor's last version of Form ADV Part 2 was dated July 2020. On July 31, 2020, EnTrust Global ("EG" or the "Firm") completed its return to an independent, private company after closing on the previously reported transaction with Franklin Resources, Inc. pursuant to which EG reacquired the 65% interest that Legg Mason, Inc. held in EG.

EnTrust Global

Item 3. Table of Contents

Item 4 Advisory Business

The Advisor, a Delaware limited partnership, was formed in January 2011 as the successor to EnTrust Partners Offshore LLC, a Delaware limited liability company registered as an investment advisor with the SEC under the Investment Advisers Act of 1940, as amended ("Advisers Act"), that commenced business operations in December 1999. The Relying Advisor, a Delaware limited liability company, was formed and commenced business in June 2018 and is an investment advisor relying on the Advisor's registration with the SEC.

On May 2, 2016, the EnTrust business combined with that of the Permal Group, a Legg Mason subsidiary and global alternative asset manager that was established in 1973 and acquired by Legg Mason in 2005. Gregg S. Hymowitz, the Managing Partner of EnTrust, or entities controlled by him, received a 35% ownership stake in the combined group of companies. Legg Mason retained a 65% ownership stake.

On February 18, 2020, EnTrust Global announced that it had entered into an agreement with Franklin Resources, Inc. ("Franklin Templeton") to reacquire the 65% interest that Legg Mason held in EnTrust Global. This transaction, along with Franklin Templeton's purchase of Legg Mason, closed on July 31, 2020.

Mr. Hymowitz, founder of the Advisor, is the Chairman and Chief Executive Officer of EnTrust Global, oversees the investment management function of the Advisor and is responsible for managing the EnTrust Global business on a day to day basis. The Management Committee and Global Investment Committee of EnTrust Global are chaired by Mr. Hymowitz and are comprised of senior professionals from both legacy firms.

Description of Advisory Services

The Advisor manages assets for institutional and private client investors across a multitude of investment vehicles focused on hedge fund and alternative fund strategies, ranging from diversified or single strategy multi-manager commingled private vehicles ("Commingled Funds") to customized portfolios for single investors, managed account solutions, and direct hedge fund and alternative fund offerings.

Commingled Funds: These refer to EnTrust Global-sponsored products generally organized as offshore corporations (domiciled outside the US) or US limited partnerships. Certain of the Commingled Funds may invest all or substantially all of their assets in a master fund.

- Offshore Private Funds: The Advisor acts as investment manager to certain offshore private Commingled Funds. In addition, the Advisor's affiliate, EnTrust Global Ltd., a UK-based, Financial Conduct Authority ("FCA") regulated investment manager, acts as the investment manager for certain other offshore private Commingled Funds where the investment management services are delegated to the Advisor.
- US Private Funds: The Advisor serves as investment manager to certain US private Commingled Funds where an affiliate of the Advisor serves as the General Partner.

Strategic Partnerships/Separately Managed Accounts: The Advisor offers institutional clients the flexibility of investing through individually customized managed accounts or single investor fund structures (collectively, "Strategic Partnerships"), which invest directly in underlying investment vehicles, special purpose funds, and/or the Commingled Funds and/or co-investment opportunities. The Strategic Partnerships, which may invest pari-passu with the Commingled Funds, may follow a strategy sub-set or may follow another investment strategy more specifically tailored to suit the investor's investment objectives and guidelines. The Advisor may provide these advisory services on a discretionary or non-discretionary basis.

Direct Private Funds: EnTrust Global also provides investment advisory services to certain investment vehicles focused on direct lending to the maritime sector (collectively, the "Blue Ocean Funds"). The Blue Ocean Funds primarily engage in lending to and investing in shipping companies, offshore oil services companies and other maritime businesses. The strategy is managed by the Firm's Blue Ocean Team, which has a dedicated Investment Committee for the Blue Ocean Funds. The Relying Advisor serves as the general partner/discretionary manager for the US-domiciled Blue Ocean Funds.

The Blue Ocean team is in the process of launching its next fund, BO 4Impact, which intends to exclusively own environmentally-advanced ships that are leased to large ship operators and end-users. BO 4Impact will seek to help reduce the shipping industry's significant contribution to two of the world's great challenges: climate change and pollution.

The Firm also recently launched the first of the Blue Sky Aviation Funds, the investment strategy for which is the financing of commercial aircraft through debt and lease investments. The strategy is managed by the Firm's Blue Sky Aviation Team, which has a dedicated Investment Committee for the Blue Sky Aviation Funds.

The Advisor may manage other funds in the future with investment strategies that may or may not be similar to those of the Funds, including funds with a strategy of making direct investments in securities, loan portfolios or other financial products. Certain of the Funds may invest all or substantially all of their assets in a master fund.

Unless otherwise noted, references to "Funds" generally refer only to the Commingled Funds and Strategic Partnerships (and exclude the Blue Ocean Funds and the Blue Sky Aviation Funds).

The Funds invest in a diversified mix of hedge funds, alternative funds and co-investments and are managed according to the objectives and policies described in their respective offering documents (discussed more fully in Item 8). The Advisor may manage other funds in the future with investment strategies that may or may not be similar to those of the Funds, including funds that make direct investments in securities, loan portfolios or other financial products.

The Advisor also provides certain administrative and managerial services as management company to certain domestic private funds. EnTrust Global Partners LLC (formerly EnTrust Partners LLC), an SEC-registered affiliate of the Advisor, serves as the general partner of the domestic Funds.

Investor transparency and communication have been a cornerstone of the Advisor's culture since inception. The Advisor strives to be at the forefront of investor transparency and communication by providing to investors information received from underlying managers, aggregated and summarized in a clear and concise fashion, and distributed on a timely basis. These investor communications include not only monthly and quarterly reports regarding investment performance, but also direct access to underlying managers and EnTrust Global investment team members via a monthly conference call, updates regarding significant events in the financial markets and the opportunity to attend an annual "Investor Summit" where underlying managers discuss market views and investment strategies (the Summit did not take place as scheduled in March 2020 due to the COVID-19 pandemic). In addition, the Advisor takes a proactive approach to risk management and, through the use of third-party software and a dedicated internal operational due diligence team, has instituted extensive risk management procedures that pervade all aspects of the initial and ongoing due diligence process as it relates to the selection and monitoring of underlying managers (See Item 8). The Advisor has a formal Global Investment Committee ("GIC") and Risk Committee ("RC"), with the RC having the power to veto any new investment or additional allocation decision made by the GIC.

Internal Controls

The Advisor has established a Compliance and Conflicts Committee to enhance the independence of oversight and controls relating to the Advisor's compliance policies and procedures and to identify, address and resolve existing and potential conflicts of interest that may arise across the Advisor's business practices.

The Committee includes senior members of the Legal and Compliance Team and John H. Walsh (former Associate Director-Chief Counsel for the SEC's Office of Compliance Inspections and Examinations and a current Partner at the law firm of Eversheds Sutherland) as Independent Legal/Compliance Advisor to the Committee. Issues may be identified for consideration by the Committee through senior management's daily interaction with employees, as well as the regular meetings of the RC and the GIC (discussed below).

Formal meetings are generally conducted on a monthly basis, even when no particular issue is identified for consideration, although the Committee may meet more frequently as issues arise. Notes of meetings are prepared and maintained. In addition, the Independent Legal/Compliance Advisor typically conducts quarterly training sessions for the Advisor's personnel regarding compliance issues and considerations.

Finally, the Committee discusses on an ongoing basis the Firm's business practices and relationships as well as how to best mitigate and monitor the inventory of identified and anticipated risks.

In addition, in 2019, although not required, at the request of the Advisor, EisnerAmper LLP, the Funds' independent auditor, began a SOC 1 Type 2 Report (formerly known as a SSAE16 Report) on Controls Placed in Operations. This Report is used by the Advisor to further review and assess its own operational controls on an ongoing basis. Copies of SOC 1 Type 2 Reports are available upon request.

COVID-19

Since the end of February 2020, the Advisor has taken numerous steps to protect employees and to ensure that business operations continue seamlessly throughout the COVID-19 pandemic. These steps included, among other things, restricting and then prohibiting business travel, activation of the Firm's business continuity plan, closing all offices and requiring all employees to work remotely, the formation of a new internal group dedicated solely to monitoring business operations during the pandemic, increased oversight of critical vendors, enhanced communications with and disclosure to investors, making medical experts available on a series of calls with our investors to provide the latest information regarding the pandemic and correspondence with regulators.

The Legal/Compliance Group also monitored and addressed ongoing pandemic-related regulatory developments while working remotely. On March 23, 2020, the SEC issued a release highlighting certain compliance issues that warranted closer scrutiny while working remotely, including the sharing of confidential information and selective disclosure prohibitions. The SEC release was the focus of several different compliance measures taken. The CCO circulated this release and other emails to the Firm as a training exercise. Disclosure regarding increased market volatility and general unpredictability in the financial markets as a result of the pandemic was included in all investor reports beginning in late April. The Legal/Compliance Group also responded accordingly to inquiries from the Financial Industry Regulatory Authority, Inc. ("FINRA") and the Autorité des marchés financiers in France, each of which inquired about the activation of the Firm's business continuity plan and as to how business was being conducted remotely. The CCO and Deputy CCO also participated in three conferences conducted by FINRA for small firms as well as pandemic-related compliance sessions hosted by law firms and compliance consultants. On May 1, 2020, the CCO conducted a compliance training session for the Firm. This session covered insider trading, investor communication, marketing material and firmwide systems and controls.

As noted in Item 8, although EnTrust Global has implemented numerous steps to protect employees and ensure business operations continue seamlessly throughout the COVID-19 pandemic, there is no assurance that such measures will work effectively at all times in the future.

Cybersecurity

In response to the increasing number of cyber-attacks across different industries and increased regulatory focus on financial firms' preparedness to protect information and systems and to respond to such attacks, the Advisor conducts an ongoing assessment of its technology systems and controls.

Our assessment particularly focuses on supervisory controls over, and protection of, systems and confidential information, operational capabilities of systems and where these systems could be improved to provide better protection, preparedness to respond to cyber-attacks, the drafting of written policies and procedures and vendor management.

No cybersecurity program can anticipate and prevent all types of cyber-attacks (please refer to "Cybersecurity Risk" under Item 8). The Advisor has invested significant time and resources in strengthening and upgrading its internal controls and systems. This includes an entire infrastructure upgrade of its server environment, having an external vulnerability assessment conducted and strengthening the monitoring of potential threat activity and other controls. The Advisor will continue to monitor its cybersecurity program and spend the necessary time and resources to implement upgrades as necessary.

Availability of Customized Vehicles

The Advisor may establish individually customized managed accounts or single investor fund structures for certain investors. Customization can assume various forms based on specific investor preferences relating to, among other things: (a) returns; (b) liquidity; (c) volatility; (d) exposure to specific investment strategies, asset classes, managers, and/or geographies; (e) exposure to more opportunistic co-investment opportunities; (f) tail risk protection solutions for a strategic partner's broader portfolio; and/or (g) middle and back office solutions. Aside from portfolio construction and composition issues, such arrangements may afford transparency through periodic calls and meetings with the Advisor's key investment professionals and its underlying managers and a web-based portal to provide real-time information regarding the strategic partner's particular investments, account balances, specific trades, liquidity analyses, risk aggregation analyses and performance on portfolio- and manager-specific levels. Additionally, one of the Advisor's investment analysts is assigned to each such arrangement to handle questions and issues that may arise on a day-to-day basis.

The terms of such arrangements are subject to negotiations between the Advisor and the investor and, as such, will vary across such arrangements and may be different than the terms for the Funds, including, without limitation, the right to receive reports on a more frequent basis or to receive reports that include information not provided to other investors, the right to pay a reduced incentive allocation/fee and/or management fee and such other rights as may be negotiated between the Advisor and such investor.

The establishment of such customized vehicles may involve the withdrawal and/or the transfer of investments in underlying investment vehicles or direct investments within a timeframe or in a manner outside of the terms set forth in the Fund's offering documentation or on terms not offered to other investors. In considering whether to effect such a withdrawal/transfer, the Advisor will consider the impact, if any, on remaining investors in the Fund regarding additional expenses to be borne, portfolio concentration or otherwise, will, as applicable, consult the Fund's independent Board of Directors and will endeavor, where possible, to make such terms available to other investors in the Fund.

Such customized arrangements will not be entered into if the Advisor determines that any such proposed arrangement disadvantages or otherwise negatively impacts the ability of the Advisor to provide the desired level of advisory services to other investors.

Customized arrangements may create potential conflicts of interest in the allocation of investment opportunities among the various customized arrangements and between the customized arrangements and the Advisor's Commingled Funds. The Advisor has adopted an allocation policy intended to mitigate such potential conflicts of interest. (See item 6).

Co-investments

The Advisor carefully considers investment opportunities presented by managers to source and gain exposure to more concentrated opportunistic investments. The Advisor constantly evaluates ideas and asset classes for potential co-investment opportunities, which may be investments that require additional capital in excess of the amount that an underlying portfolio may be able or willing to invest or may be an independent investment opportunity. Typically, co-investment opportunities are sourced in response to market dislocations or involve manager led catalysts. Co-investments may be accessed through a particular Fund, or a dedicated portfolio within a Fund, or through a special purpose fund or other investment vehicle that invests in an investment vehicle managed by an underlying manager, through a direct Investment by a Fund or through taking an ownership interest in a management company of a third-party investment manager or otherwise.

With respect to investing in co-investments, the Advisor will generally seek to make investment decisions on a fair and equitable basis over time, based on the respective investment guidelines of the relevant Funds and after taking into account such factors as the Advisor deems appropriate, including without limitation, the relative amounts of capital available for investment, capital contributions or outflows, the investment programs, strategies, guidelines and restrictions of each Fund, the existing portfolio composition of the Fund, the sizing of the positions, relative weightings of the positions in the respective portfolios, price targets or stop-loss targets of the position as it relates to the particular Fund or co-investor, legal, tax and regulatory considerations of each Fund, the potential impact an investment could have on subsector distribution, liquidity, exposure guidelines, concentration limits, diversification needs and other portfolio characteristics and other relevant considerations. For example, the Advisor may choose to trim a position in one Fund because it is hitting a concentration limit but hold the same position in the other Funds or for other co- investors.

There are certain conflicts of interest that investors should be aware of as a result of these co-investment arrangements from both a preferential treatment standpoint, as well as conflicts resulting from side-by-side management of co-investment vehicles alongside the Funds. The Advisor could be incentivized to over-allocate well performing investments to co-investment vehicles in order to increase receipt of performance compensation. The Advisor has addressed these conflicts by adopting its Allocation Policy, which outlines the general allocation procedures regarding investments, including co-investments (See Item 6 below).

Generally, the Advisor will seek to fully exit or realize the investment at the same time and price for all investment vehicles participating in the co-investment Funds and co-investors on a pro rata basis, but may take into account liquidity of the position, the pressure that large sales may place on the stock price, regulatory filing obligations and other relevant factors.

Certain co-investors, based on, among other things, the structure of the vehicle through which they are investing and the applicable investment mandate, may receive earlier and/or more detailed reporting than Fund investors. As a result of having potentially greater transparency on co-investment(s), such co-investor may have the ability to make decisions with respect to its investment distinct from, and potentially advantageous to, that of those co-investing through other structures or with other investment mandates.

Expenses associated with a proposed co-Investment opportunity that does not come to fruition, such as where the purchase price moves drastically so the investment thesis is no longer compelling, will only be borne by the eligible Funds and investors that would have participated in such investment.

Managed Account Platform

Permal Managed Account Platform (the "Platform"): Originally part of the legacy Permal business prior to the business combination with EnTrust in 2016, these are Funds managed by unaffiliated third-party investment managers (each, a "PMAP Fund") for which the Advisor serves as a portfolio monitor. The Platform is used by EnTrust Global and may be offered to investors to obtain enhanced transparency and reporting from underlying managers, among other features. A separate investment vehicle is organized for each third-party investment manager and is used to aggregate investments made with that manager by multiple clients of the Advisor and its investment advisory affiliates. In its capacity as portfolio monitor to the PMAP Funds, the Advisor performs various tasks, including, but not limited to, conducting due diligence of the third-party investment managers, internal legal, compliance, accounting and other services and making recommendations to the independent Board of Directors for each PMAP Fund (the "Board") regarding the hiring and retention of the relevant manager and the appropriate investment strategy for such PMAP Fund. The Board for each PMAP Fund retains the ultimate authority regarding such PMAP Fund's investment strategy and its hiring and retention of the third-party investment manager.

As compensation for providing portfolio monitoring services, the Advisor receives an expense reimbursement or "chargeback" from the PMAP Funds, a fixed fee currently set at 10 bps of average assets under management for each PMAP Fund investor in any year (the "Chargeback"). The Chargeback is intended to be sufficient to cover the costs attributable to the time spent by the Advisor's personnel in providing the portfolio monitoring services, as well as to systems or data used to assist in monitoring the Platform. The amount of the Chargeback is subject to the sole discretion and approval of the independent Board for the PMAP Funds, on an annual basis, based on their review and assessment of the reasonableness of the Chargeback, taking into consideration, among other things, the amount and nature of the portfolio monitoring services provided by the Advisor. PMAP Fund investors will be notified of any change in the Chargeback prior to its implementation. The Chargeback is in addition to any management and incentive fees and expenses borne by PMAP Fund investors, both at the EnTrust Global Fund level and at the third-party investment manager level.

Certain PMAP Fund investors do not pay the Chargeback because of regulatory or other restrictions. Although PMAP investors could pay a higher or lower fee under the historical Chargeback methodology, the rationale for converting the Chargeback to a fixed fee is to remove the Advisor's discretion by fixing the fee annually subject to the review and approval of the independent Board for the PMAP Funds. Portfolio Monitoring services provided to any particular PMAP Fund in any given year may not be the same as provided to other PMAP Funds, may vary from year to year and services may not be provided to a particular PMAP Fund in a given year. The Advisor has sole discretion in deciding whether to allocate investment assets to the Platform or to another investment vehicle managed by the same third-party investment manager that may follow a substantially similar investment strategy to that of a PMAP Fund and may have an overall lower cost structure to investors. EnTrust Global investors will not be notified by the Advisor of its decision to invest a portion of such investor's assets in a PMAP Fund or of the factors that led to this decision. In exercising its discretion in this regard, the Advisor will consider the relative value of the benefits offered by the Platform as it relates to a particular investor and in view of any additional costs to be incurred by the investor. Notwithstanding any decision by the Advisor to invest an investor's assets in a PMAP Fund, there is no guarantee that enhanced transparency and/or reporting will be provided by any PMAP Fund, at what level or frequency that transparency and/or reporting may occur, or that such transparency/reporting will actually exceed the level/frequency provided by the third-party investment manager in a commingled investment vehicle it manages that follows a substantially similar investment strategy to that of a PMAP Fund. Additionally, there is no guarantee that should enhanced transparency be received, that such transparency will result in additional portfolio gains or mitigation of losses in the relevant PMAP Fund. The Advisor has a conflict of interest because it is incentivized to allocate such assets to the Platform because of its ability to receive the Chargeback from investors that invest in the PMAP Fund. Although it is intended that this conflict of interest is mitigated by the veto power of the Advisor's RC over any new investment or additional allocation made by the Advisor's GIC, there is no guarantee that this will occur. The roles of the RC and the GIC are more fully discussed in Item 8 below.

EnTrust Special Opportunities Funds II, III and IV, the Blue Ocean Funds and the Blue Sky Aviation Funds do not currently invest in the Platform and, therefore, are not subject to the Chargeback. Any questions regarding the Chargeback, including the investors to which the Chargeback applies, should be directed to the CCO.

As of March 31, 2020, the Advisor managed approximately $6,200,005,126 in assets on a discretionary basis and approximately $333,524,981 on a non-discretionary basis.

Item 5. Fees and Compensation

The fee structure for each Fund is set forth in the offering documents for that Fund, or in the managed account agreement for a separately managed account, as the case may be. The management fee paid to the Advisor (the "Management Fee") is generally payable quarterly and is prorated for periods less than a full quarter. The Management Fee may vary for different classes of shares in the Funds (collectively, the "Shares"), but generally ranges from 0.10% to 0.50% (per quarter), of the net asset value of a particular class of Shares, measured as of the last day of the quarter, although some Funds may pay a monthly Management Fee. In certain Funds, the Management Fee is calculated based on invested capital.

In addition, the Advisor may receive an incentive fee/allocation (the "Incentive Fee") on an annual basis (or, in some cases, quarterly or as agreed to with investors) in certain share classes or for certain Funds (generally ranging from 5% to 20% per annum) of net profits. As set forth more fully in the offering documentation for a particular Fund, the Incentive Fee in some share classes or Funds is subject to hurdle rates or clawback provisions. The Incentive Fee is generally subject to the recoupment of unrecovered net losses incurred previously. For the Blue Ocean and Blue Sky Aviation Funds, the Incentive Fee is typically structured as a carried interest, payable after investors have received all of their capital contributions back, plus a preferred return.

Investors in Funds where the Incentive Fee is charged at the overall Fund level or to a particular class or series of shares should note that as equalization or series accounting is not used, the Incentive Fee will be based on the overall performance of the Fund or class or series of shares, as applicable, as opposed to the specific performance of the shares held by a particular Investor. Depending upon the circumstances, certain Investors may be advantaged while others may be disadvantaged depending on the calculation methodology being used.

The Advisor, in its sole discretion, may waive or reduce all or any portion of the Management Fee and/or Incentive Fee for certain investors in the Funds. New classes of Shares may also be created with different fee structures. For separately managed accounts, fees generally will track the range of Management Fees/Incentive Fees for the Funds depending on the amount of assets in the account or as may be negotiated. Any Incentive Fee for a managed account will be subject to negotiation between the Advisor and the investor.

In addition, the Advisor and/or Funds may, without notice to investors, enter into agreements with certain investors who, in the Advisor's judgment, make a significant investment in a Fund, granting them, among other things, greater portfolio transparency, fee waivers or reductions, additional rights to reports or other information and other more favorable investment terms than the terms associated with an investment by investors pursuant to the offering documentation. The Funds have the power to create different classes of interests for certain substantial investors and may create additional classes having different rights for the purpose of implementing such agreements. For example, such additional classes of interests may have different voting rights, management fees or incentive compensation arrangements. In offering more favorable investment terms to certain investors, the Advisor and/or Funds shall have no obligation, subject to any applicable "most favored nations" agreements, to offer such additional rights, terms or conditions to all investors.

Each Fund's expenses are set forth in the respective offering documents for the particular Fund and may include, the Management Fee and the Incentive Fee (if applicable); fees of the Fund's independent auditors, legal counsel and Administrator; fees for the maintenance of the Fund's books and accounts, including license fees and costs associated with any software used to maintain the books and records for the Fund, including portfolio management, risk management and investor reporting and technology expenses; fees of any separate accountants retained for the Fund and fees paid pursuant to the Services Agreement (see discussion below on the Services Agreement); registration, licensing and custodian fees; directors' fees; taxes (including withholding and transfer taxes); bank service fees; insurance premiums; organizational expenses; governmental fees, preparation and distribution of Shareholders' reports and other communications with Shareholders and the public, the costs incurred in connection with marketing the Fund Shares (including travel, car service, car rental and parking and lodging expenses incurred in attending conferences and presentations with investors and prospective investors), the cost of updating the Fund's offering documents, professional fees of consultants (including risk management and compliance consultants and, where appropriate/applicable, valuation experts, agents and ratings agencies) incurred in connection with the operations of the Fund, manager research costs and background checks, subscription fees for market data services, databases and related research expenses and other due diligence tools (including travel and expenses in connection with monitoring and conducting due diligence on investments) and the costs and expenses of securing and maintaining any line of credit or liquidity facility, including interest expense and commitment fees. All travel and lodging expense reimbursements are subject to the Advisor's Code of Ethics and its Travel Reimbursement Policy, which limit the types of expenses that may be incurred and provides that expenses will only be reimbursed if they are ordinary and reasonable.

In addition to the fees and expenses described above, the Funds (including the Blue Ocean Funds and the Blue Sky Aviation Funds) will bear, directly and indirectly, certain additional expenses, which are described in the relevant offering documentation or separately managed account agreement. Some of these expenses may include, as applicable:

- Dealing fees for subscribing to/redeeming from the Funds – depending upon the share class subscribed to and amount purchased, dealing fees, such as front end or back end sales charges, may apply to the investor. These amounts are not typically paid to EnTrust Global but are charged and retained by financial intermediaries who offer the Funds for sale to their clients.
- Distribution fees – for Investors subscribing into a share class of a Fund with a back-end sales charge, an ongoing distribution fee of 1% will be charged. This fee is also generally paid to the financial intermediary that made the Fund available for sale.
- Underlying Fund fees and expenses - a pro rata portion of the expenses of each underlying fund in which it invests, including the management fees and incentive fees payable to the managers of such funds. In certain cases, the Advisor has been able to negotiate more favorable fee terms than those otherwise payable by an investor in such fund.

In addition, as discussed further in Item 12 – Brokerage Practices, the Advisor may, on occasion, buy and sell securities traded in secondary markets, including exchange traded funds ("ETFs"), open-end and closed-end funds and other securities. In these cases, investors will bear the costs and expenses (such as commissions or spreads) associated with such trading.

Each Fund also bears a pro rata portion of the expenses of each underlying fund in which it invests, including the management fees and incentive fees payable to the managers of such funds. In certain cases, the Advisor has been able to negotiate more favorable fee terms than those otherwise payable by an investor in such fund.

For those expenses which relate to or which benefit one or more specifically identifiable Funds, each such expense will be allocated solely to those Funds. For those expenses which cannot reasonably be allocated to a Fund or specific Fund(s) or which benefit all Funds, the expense will be allocated across all Funds on a pro rata or other basis that is fair and equitable to all clients.

In addition, the Advisor's Compliance Manual contains an expense allocation policy. This policy provides, among other things, for periodic review and testing of expense allocations to assess whether such allocations are consistent with disclosure in the relevant offering documentation.

Certain of the Funds (including the Blue Ocean Funds and Blue Sky Aviation Funds) have entered into or are expected to enter into a Services Agreement with the Advisor or a former affiliate of the Advisor, pursuant to which certain personnel of the Advisor perform services for both the Advisor and the Funds, including accounting, legal and compliance (including but not limited to oversight of certain risk management and ancillary services). Under the Services Agreement, fees are payable by the relevant Funds and are currently set at 10 basis points per annum of a Fund's Net Asset Value (the "Fee"). The amount of the Fee is subject to adjustment (up or down) on an annual basis, subject to the sole discretion and approval of the independent board of directors for the offshore Funds based on its assessment of the reasonableness of the Fee, taking into consideration, among other things, the cost to EnTrust Global to provide the services. The Fee is intended to be sufficient to cover the total compensation and benefit costs and the Advisor's share of taxes for such personnel who typically also provide significant services to the Advisor. Services provided to any particular Fund in any given year may not be the same as provided to other Funds and, from time to time, no services may be provided to a particular Fund in a given year. Certain investment vehicles managed by the Advisor or its investment advisory affiliates may not pay the Fee but may, nonetheless, receive the services set forth above. Investors will be notified of any change in the Fee prior to its implementation. The Services Agreement is available upon request.

In addition, as discussed further in Item 4 – Advisory Business, as compensation for providing portfolio monitoring services to the PMAP Funds, the Advisor receives an expense reimbursement or "chargeback" from the PMAP Funds, a fixed fee currently set at 10 bps of average assets under management for each PMAP Fund investor in any year and reviewed on an annual basis by the independent Board of the PMAP Funds.

The offering documents for a particular Fund, or the managed account agreement for a separately managed account, specify the redemption terms for such Fund or account, as the case may be. In general, no redemption is permitted other than as set forth in such governing documents, subject to the right of the Advisor or the Fund, as applicable, in its sole discretion and without notice to other investors, to waive such requirements for investors on a case by case basis.

In addition, EnTrust Global Securities LLC (formerly EnTrustPermal Securities LLC), an affiliate of the Advisor, is a Delaware limited liability company registered with the SEC as a broker-dealer (the "Broker-Dealer") and a member firm of the Financial Industry Regulatory Authority ("FINRA") and the Securities Investor Protection Corporation ("SIPC"). The Broker-Dealer does not hold securities or customer accounts, nor does it clear or execute any trades on behalf of the Funds or otherwise. The sole business purpose of the Broker-Dealer is to introduce prospective investors to the investment vehicles managed by the Advisor and its affiliates.

The decision to form the Broker-Dealer, which commenced operations in July 2009, reflected a view on the part of senior management consistent with the "black letter" of the law as it relates to Firm employees whose primary function is to raise capital for the Funds, including the Blue Ocean and Blue Sky Aviation Funds. Specifically, the law requires that such employees who receive transaction-based compensation attributable to investors they refer to the Funds must be registered and licensed with a broker-dealer because the recommendation of a Fund investment is a recommendation of a security. It is the shared view of senior management and outside counsel that this approach is consistent with the Firm's culture of continuing to operate the business as conservatively as possible.

Registered representatives of the Broker-Dealer may be compensated under a variety of compensation arrangements, including base compensation and/or a bonus or by payment of a percentage of the fee attributable to investors they refer to a particular Fund. Such dedicated business development professionals may be part-time or full-time employees of the Broker-Dealer and may provide information about a particular marketplace (e.g., Taft Hartley, State or local governments) with which they are familiar and may have other relationships with a prospective investor.

The Broker-Dealer provides these services to the Advisor pursuant to an agreement that provides that the Broker-Dealer receives a certain percentage of the Management Fees attributable to investors it refers to the Funds and may receive a portion of the Incentive Fee (if any) as determined on an investor-by-investor basis. All fees payable to the Broker-Dealer and its registered representatives by virtue of this arrangement are the responsibility of the Advisor (and/or its investment advisory affiliates) and are not passed through to the Funds or to investors. Such registered representatives are in-house firm employees and are subject to supervision and oversight in accordance with the written supervisory procedures of the Broker-Dealer.

In addition, EnTrust Global utilizes Best Alternative Outsourcing Services ("Best"), based in India, for support regarding fund accounting, operations, compliance/regulatory surveillance and client reporting. Best has a team of people dedicated solely to the EnTrust Global business. EnTrust Global personnel work collaboratively with Best on a daily basis and across different business units to attempt to achieve operational efficiencies in the areas noted above.

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

The Advisor's fee structure, including as it relates to performance-based fees, is set forth in response to Item 5 above. All Funds generally follow the same investment strategy for each separate class of Shares within that particular Fund, so that the same underlying managers and investments are selected for each actively investing class of Shares within each Fund regardless of fee structure (subject to any investment restrictions pertaining to that class). Accordingly, the Advisor is not incentivized to favor or pursue more speculative investment strategies for those classes of Shares for which it may receive an Incentive Fee.

In any event, any potential conflict of interest in this regard is mitigated by the veto power of the Advisor's RC over any new investment or additional allocation made by the GIC. The Risk Committee's role is more fully discussed in Item 8 below.

Statement of Allocation Policy and Procedure. It is the Advisor's policy that no Fund or other account for which the Advisor has investment discretion (collectively, "EnTrust Global Clients") shall receive preferential treatment over any other EnTrust Global Client. In allocating securities among EnTrust Global Clients with a substantially similar investment strategy, it is the Advisor's policy that all such EnTrust Global Clients should be treated fairly and equitably over time and that, to the extent possible, all EnTrust Global Clients with a substantially similar investment strategy should receive equivalent treatment.

Investment opportunities generally will be allocated among those EnTrust Global Clients for which participation in the respective opportunity is considered appropriate by the Advisor taking into account, among other considerations:

(a) the nature of the proposed investment and the size of the aggregate position available to EnTrust Global Clients;

(b) each EnTrust Global Client's investment objective and strategies;

(c) whether the risk-return profile of the proposed investment is consistent with the EnTrust Global Client's objectives, whether such objectives are considered (i) solely in light of the specific investment under consideration or (ii) in the context of such EnTrust Global Client's overall holdings;

(d) existing exposure to the proposed investment, if any, and the potential for the proposed investment to create an imbalance in the EnTrust Global Client's portfolio;

(e) liquidity requirements of the EnTrust Global Client;

(f) the EnTrust Global Client's available cash to invest;

(g) tax considerations;

(h) legal and/or regulatory restrictions that would or could limit an EnTrust Global Client's ability to participate in a proposed investment;

(i) the risk parameters for the EnTrust Global Client's portfolio;

(j) overall portfolio construction for the EnTrust Global Client; and

(k) other criteria the Advisor deems relevant (the nature and extent of the differences will vary from client to client).

As a result of the application of these factors, allocations and performance across EnTrust Global Clients that are similarly situated will differ for particular investments or over time.

Where an underlying manager or other investment opportunity has limited capacity and the investment is suitable for more than one EnTrust Global Client: (i) the Advisor is not obligated to cause an EnTrust Global Client that invested first to redeem to free up capacity for another EnTrust Global Client; (ii) where two or more EnTrust Global Clients are considering the investment at the same time, the investment generally will be made pro rata based on the capital available among the participating EnTrust Global Clients for the proposed investment and on assets under management, but in consideration of the factors listed above.

Item 7. Types of Clients

The Advisor's clients are noted in response to Item 4 above. The minimum initial investment amount for the Funds (or capital commitment amount, as applicable) is set forth in the offering documentation for the particular Fund. Minimum investment requirements are subject to waiver or reduction in the sole discretion of the Advisor (subject to any requirements imposed by applicable law). The Advisor may refuse to permit a partial redemption if the value of the redeeming investor's Shares would be less than an amount set forth in the offering documentation, as applicable. In addition, each prospective investor must satisfy the accreditation requirements set forth in the offering documents of each Fund in which the Investor intends to invest.

Investors in the Funds may include public, corporate and Taft-Hartley pension funds, foundations, endowments, sovereign wealth funds, insurance companies, high net worth individuals and families or other investors. In addition, the Advisor may provide investment advisory services to separately managed accounts for the benefit of such types of investors. Minimum account sizes for such accounts are subject to negotiation.

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

Methods of Analysis

Funds

Although a particular Fund may be strategy specific or specific to a defined universe of investment strategies, the primary objective of the Advisor is to construct a portfolio of managers with consistent risk-adjusted rates of return within different non-correlated investment strategies, thereby seeking to diversify risk and down-side exposure. Position sizing is determined by the Advisor's Global Investment Committee ("GIC") based on quantitative analysis, as well as information gained from feedback from investment analysts during their regular contact with underlying managers, from the GIC members' interaction with portfolio managers and industry investment professionals and from any macro market conditions that the GIC believes may impede or enhance specific strategy investment opportunities.

In selecting managers for a portfolio, the Advisor does not follow a rigid asset allocation policy but instead seeks diversification through a combination of managers trading a range of strategies. The Funds are designed not only to utilize expert managers but also to deploy and redeploy investment capital within a range of investment strategies which the Advisor regards as likely to provide favorable opportunities in changing economic environments. Certain Funds may have more restrictive investment guidelines.

The screening process for underlying managers includes a review of a number of different factors, the most important being:

A definable investment strategy and process - Each manager must have a clearly defined investment strategy, process and methodology. Just as importantly, the Advisor verifies that the manager has consistently maintained its investment strategy throughout various market conditions.

A consistent, risk-adjusted historical performance record – The Funds typically invest with managers who have historical risk-adjusted performance records of significant duration and which are uncorrelated to returns of other managers in the portfolio. Such performance records must demonstrate an ability to achieve returns during both favorable and unfavorable market cycles.

Disciplined risk management techniques - Managers are also evaluated on their ability to manage risk to an acceptably low level. Each prospective manager is required to complete the Advisor's proprietary due diligence questionnaire, which is extensive and incorporates questions related to investment strategy, exposures, concentrations, leverage, transparency and performance, as well as risk management, valuation procedures, pricing policies, cash controls and service providers. Once invested with a manager, the Advisor regularly reviews the overall market risk exposure, hedging and other risk management techniques utilized by the manager to limit market exposure and downside risk.

A commonality of financial interests – The Funds typically invest with managers who have meaningful financial commitments jointly with their clients, demonstrated by having significant amounts of their personal capital invested in their own portfolios.

The members of the investment team meet regularly to discuss the allocation and sizing of particular investments, the status of investments being considered and matters concerning the investment portfolio generally. Such meetings may also include the Chief Risk Officer ("CRO"), the Chief Compliance Officer ("CCO") and applicable members of the Legal Team. The portfolio is reviewed regularly and rebalanced by the GIC on a monthly basis. In addition, members of the investment team also meet regularly and more informally with the CRO, the CCO, the Advisor's financial controllers and members of the operational due diligence team to share information and thoughts across different business units regarding, among other things, portfolio positioning, construction and, risk parameters.

Operational Due Diligence

The Advisor takes a proactive approach to risk management and the extensive risk management procedures it has implemented are critical to, although independent of, the investment process.

Managers are sourced from referrals from the Advisor's network of investment professionals, existing managers and hedge fund databases (i.e., Preqin and HFR among others). Once a prospective investment manager is identified, members of the Advisor's team meet and interview the prospective investment manager(s). Through the interview process, the Advisor garners an in-depth understanding of the manager's investment thesis and processes. As investment due diligence progresses, the Advisor performs in-depth operational due diligence (as set forth in more detail below).

Investment managers complete an extensive proprietary due diligence questionnaire, which incorporates questions related to investment strategy, as well as risk management, valuation procedures, pricing policies, cash controls, cybersecurity and service providers.

The Advisor's operational due diligence team, which includes CPAs with hedge fund audit experience, will meet with accounting and operations personnel on-site to determine the scope and adequacy of the back-office infrastructure, internal controls, valuation and pricing procedures, financial reporting, disaster recovery plans and service providers.

Information obtained from the on-site meeting, the questionnaire and other materials available are reviewed and outstanding questions are resolved via follow-up calls, meetings or e-mails. Typically, the Advisor's team will meet with a manager a minimum of three times before investment (one initial meeting, one investment team/in-depth strategy review and an operational due diligence review).

Prior to making an investment with any new manager, members of the Advisor's team contact individuals within its network for background checks/referrals and the Advisor's operational due diligence team contacts the administrator and other key service providers of the underlying portfolio to confirm the relationship. The Advisor utilizes certain independent investigative firms to perform background checks on all prospective managers, senior members of their management teams and any personnel in an existing manager's firm with signatory authority over cash accounts or trading authority. These background checks are also conducted on new personnel in a firm with signatory authority.

The exact nature of operational due diligence conducted and the amount of time devoted to operational due diligence in any particular circumstance can vary depending on a number of factors, including but not limited to familiarity with, and operational infrastructure of, an underlying manager.

Final decisions regarding initial Fund investments or co-investments with managers and any additional capital allocations are made by the Advisor's GIC based on meetings with the managers and input from various members of the Advisor's team. However, the Risk Committee ("RC") has the power to veto any new investment or additional allocation decision made by the Advisor's GIC.

The RC is responsible for identifying and addressing inherent and exogenous risk factors in the portfolio, as well as mitigation methodologies. The RC generally meets formally on a bi-monthly basis and may meet more frequently on an informal basis. Notes are maintained of the formal RC meetings. The RC includes the CRO (Committee Chair) as well as senior members of the Firm, including members of the Risk Team, Operational Due Diligence and Legal/Compliance.

COVID-19

While working remotely during the COVID-19 pandemic, the Operational Due Diligence team began virtual due diligence meetings of managers in lieu of on-site meetings. In addition, the team conducted sweeps of managers to inquire about their COVID-19 responses. Information requested included details about managers' COVID responses related to staffing and work-from-home approaches; service providers; trade errors; cybersecurity breaches; process adjustments and valuation profiles of portfolios, among other information. At this time, no material issues regarding the managers' approach and methodologies were noted. The team also followed up with the Fund controllers' team to confirm that no delays in computing net asset value or other similar issues had been identified.

Blue Ocean Funds

The Blue Ocean Funds' deal workflow is typically a four-step process: Sourcing, Underwriting, Closing and Post-Funding. The Blue Ocean team will actively assess and closely monitor the loans/leases throughout the tenor of the loans/leases. The primary purpose of the review is to reassess and monitor the borrowers' continuing credit quality and to conduct ongoing stress testing at the portfolio level. Reviews will typically include financial performance, covenants, collateral and liquidation analysis and a market summary. The Blue Ocean team will actively monitor the financial and reporting covenants established in the loan agreements or security documents.

The Blue Ocean Executive Committee meets to help oversee the origination, purchase, sale or other disposition (among other actions) regarding the Blue Ocean Funds' investments. The Blue Ocean Executive Committee consists of Gregg S. Hymowitz, Chairman and Chief Executive Officer of EnTrust Global, Svein Engh, Committee Chair and Portfolio Manager of the Blue Ocean Funds, and Omer Donnerstein, Managing Director, Investment Research. The Blue Ocean Executive Committee approves investment decisions for the Blue Ocean Funds.

Blue Sky Aviation Funds

The Blue Sky Funds' deal workflow is typically a four-step process: Sourcing, Underwriting, Closing and Post-Funding. The Blue Sky team will actively assess and closely monitor the loans/leases throughout the tenor of the loans/leases. The primary purpose of the review is to reassess and monitor the borrowers' continuing credit quality and to conduct ongoing stress testing at the portfolio level. Reviews will typically include financial performance, covenants, collateral and liquidation analysis and a market summary. The Blue Sky team will actively monitor the financial and reporting covenants established in the loan agreements or security documents.

The Blue Sky Investment Committee meets to help oversee the origination, purchase, sale or other disposition (among other actions) regarding the Blue Sky Funds' investments. The Blue Sky Investment Committee consists of Gregg S. Hymowitz, Chairman and Chief Executive Officer of EnTrust Global, John Morabito, Committee Chair and Portfolio Manager of the Blue Sky Funds, and Adam Cooperstock, Senior Vice President, Investment Research. The Blue Sky Investment Committee approves investment decisions for the Blue Sky Funds.

Investment Strategies

The Advisor seeks to select individual managers that offer a variety of different skills in an effort to further balance the Funds' investment portfolios and to provide for the preservation of capital while maximizing opportunities for growth. The Advisor considers a number of factors in selecting managers, including, but not limited to: the manager's basic investment strategy and policies; reputation; prior performance; use of fundamental analysis and other analytical methods; use of leverage and other techniques; and trading acumen. There are no limitations on the investment strategies or techniques that may be employed by the Advisor, the portfolios selected or the structure utilized by the Advisor to access an underlying manager. In most cases, Funds managed by the Advisor invest in commingled private investment funds advised by underlying managers. However, in appropriate cases, other vehicles may be utilized. By way of example only, the Advisor may invest, through a manager or directly, in illiquid securities, special purpose vehicles, single investor vehicles or separately managed accounts. Prospective investors are urged to address any questions regarding strategies (and related risks) that may be employed by managers of the Funds' assets with the Advisor prior to investment.

The core investment strategies pursued by the underlying managers for the Funds are set forth below, although the investment strategy for a particular Fund is set forth in that Fund's offering documentation:

Global Long/Short Equity – Long/Short Equity managers combine a portfolio of long equity positions with a portfolio of short equity positions. Long equity positions are expected to appreciate in value and short equity positions are expected to decrease in value. A manager can look to add value on both the long and short positions, or can simply use a short position to hedge market exposure by shorting a security or index which has a high degree of correlation to the portfolio's long positions. Managers may be anywhere from net long to net short depending on market conditions, and generally increase net long exposure when markets are expected to rise and decrease net long exposure when markets are expected to fall. Strategies can be value or growth oriented and may invest in equities across the market capitalization spectrum and across multiple countries and regions.

Credit & Special Situations – Credit strategies refer to any strategies that utilize credit related securities such as various fixed income instruments and derivative instruments such as credit default swaps. Common credit strategies include distressed investing and credit arbitrage. Distressed securities strategies invest in companies affected by an adverse financial or operating situation such as bankruptcies, debt restructuring, over-levered balance sheets, corporate reorganizations, poor operating results and/or the distressed sale of assets. A manager may invest in distressed securities believed to be selling at a price below the value of such securities after a reorganization or liquidation of the company. At times, the distressed manager may take an active role in creditor committees during the bankruptcy or reorganization process to work towards a favorable outcome for the securities being held. Depending on the manager's style, investments may be made in bank debt, corporate debt, trade claims, common stock, preferred stock and/or warrants. Returns from distressed securities strategies are usually dependent on the outcome of the bankruptcy or reorganization process. Credit arbitrage strategies attempt to exploit pricing inefficiencies between similarly structured credit sensitive securities of different issuers. For example, although the bonds of two different companies may have comparable duration, coupon rates and credit ratings, one bond may trade at a premium to the other. Generally, credit instruments used may include loans, bonds and credit default swaps. A variety of hedging techniques are employed to reduce certain risks, including interest rate and credit risk. A manager may look to exploit the pricing discrepancy by buying the undervalued security and shorting the overvalued security, expecting to make a profit as the prices of the two securities begin to converge. Managers employing a special situations strategy generally utilize distressed-type analysis in order to analyze companies that are not in bankruptcy but are undergoing other event driven transactions such as restructurings, turnarounds and spin-offs.

Event Driven, Multi-Strategy & Arbitrage – Event driven investing is also referred to as corporate life cycle investing and focuses on opportunities created by transactional events such as spin-offs, consolidations, mergers and acquisitions, liquidations, recapitalization, bankruptcies and other significant corporate transactions. Event driven strategies analyze these transactions in order to predict the outcome and commit capital in a way that benefits from that outcome. Event driven strategies are broad in scope and employ a diverse set of securities including common and preferred stock, debt securities, warrants, stubs and derivatives. More focused event driven type strategies include merger arbitrage, distressed securities and special situations. The success of the strategy primarily relies on the accurate assessment of the outcome and timing of the transactions and the proper deployment of capital. Multi-strategy managers may engage in a variety of these investment strategies.

Activist – Activist managers focus on long-term undervalued strategic investments and work to proactively create a catalyst to unlock value. Activist managers attempt to unlock value in companies by developing relationships with management and seek to implement strategic changes that are expected to lead to higher share prices, such as changes in corporate direction and management, corporate restructuring, recapitalization and share buybacks, improvement of operations or a sale of the company. Profits are made when successful value enhancing activities lead to an increase in the price of the company's securities.

The Advisor expects that Funds will hold interests in an entity that are of a different class, type or seniority from, or otherwise adverse to, the class, type or seniority of interests held by other Funds. Similarly, from time to time Funds will hold multiple investments across the capital structure of an issuer of varying classes, types or seniorities, but will hold different proportions of each such investment or differing priorities of loans or equity. It is possible that the trading and investment activities of any Fund could conflict with the activities and strategies employed in managing the assets of any other Fund and affect the prices and availability of the securities and instruments in which a Fund invests. For example, from time to time, one Fund may hold unsecured debt or a junior tranche of debt of a borrower, or may become a counterparty to a finance lease with a borrower, while another Fund holds secured debt of the same borrower. This would result in one Fund being senior or junior to another Fund in the capital structure of such entity. In a restructuring, workout or other distressed scenarios the interests of such Funds would likely be adverse to one another, and one such Fund might recover all or part of their investment while the other would not. Decisions about what action should be taken in a troubled situation, including whether to enforce claims, whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, raise conflicts of interest. Furthermore, in circumstances where the Advisors are negotiating the terms of different investments across the capital structure – for instance, where the Advisors are simultaneously negotiating terms of a senior loan and a junior loan (and/or the related intercreditor agreement) on behalf of different Funds - additional conflicts of interest may arise.

In addressing certain of the potential conflicts of interest described herein, the Advisors and/or the applicable underlying manager may, but shall not be obligated to, take one or more actions on behalf of a Fund, including any one or more of the following: (i) causing a Fund to remain passive in a situation in which it is otherwise entitled to vote, (ii) referring the matter to one or more persons that are not affiliated with the Advisors to review or approve of an intended course of action with respect to such matter; (iii) consulting with the Fund on such matter or otherwise requesting that the investors (or an advisory board) approve such matter; (iv) establishing ethical screens or information barriers to separate Advisors' investment professionals or assigning different teams of the Advisors' investment professionals, in each case, to Funds that hold different classes, series or tranches of an issuer's capital structure; (v) as between two Funds, ensuring (or seeking to ensure) that the underlying investors therein own interests in the same securities or financial instruments are in the same proportions so as to preserve an alignment of interest; or (vi) causing a Fund to divest itself of a security or financial instrument or particular class, series or tranche of an issuer's capital structure it might otherwise have held, including causing a Fund to sell a security or financial instrument to one or more other Funds (or vice versa),or third party investors or (vii) in circumstances where the Advisors are simultaneously negotiating the terms of potentially conflicting investments (such as negotiating the terms of a senior loan and a junior loan (and/or the related intercreditor agreement)) on behalf of different Funds, taking actions such as (A) retaining separate external counsel for the potentially conflicting investments, (B) seeking consent from an independent third party or the investors themselves, or (C) having separate investment professionals within the Advisors be responsible for the negotiation and approval of the terms of each investment.

The Advisor may invest in public or private equities, public or private credit, derivatives of either, commodities or other various financial instruments, based on the various investment strategies employed by underlying managers. In each of these instances, underlying managers may take hedged or unhedged positions, depending on the mandates of their underlying accounts. Such investment strategies may be, but are not limited to macro (both discretionary and systematic), credit (distressed, structured, investment grade and/or high yield), and other strategies. Each of these asset classes have their own bespoke set of risks, some of which may or may not be offset through the diversification employed by the underlying manager and/or by EnTrust Global. Risks associated with such investments may include counterparty risk, market risk, credit risk, interest rate risk and currency risk, among others. Additionally, there may be unforeseen risks that are not hedged and cannot be mitigated by the underlying manager.

Risks

Investments in the Funds are speculative and involve a substantial degree of risk, including the risk that an investor could lose some or all of its investment in the Fund. An investment in the Funds should be made only after consulting with independent qualified sources of investment, legal, tax, accounting and other advice. A non-exhaustive list of risks is set forth below including, where applicable, a description of the risk management techniques utilized by the Advisor/underlying managers to attempt to mitigate such risks. For a more comprehensive listing of risk factors relating to an investment in a particular Fund, please refer to the offering documentation for such Fund.

COVID-19

As the potential impact on global markets from COVID-19, or future epidemics, pandemics or other health crises, is impossible to predict, the extent to which any such crisis may negatively affect the Funds' performance or the duration of any potential business disruption is uncertain. Precautions or restrictions imposed by governmental authorities and public health departments related to this pandemic are expected to result in indeterminate periods of decreased economic activity throughout the U.S. and globally, including reduced or ceased business operations, decline in international trade and shortages of supplies, goods and services. An outbreak such as COVID-19, and the reactions to such an outbreak, are expected to cause uncertainty in the markets and businesses and are generally expected to adversely affect the performance of the U.S. and global economy, including due to market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees to work at external locations and extensive medical absences among the workforce. As a reaction to such an outbreak, it is possible that governmental fiscal and economic measures will lead to an increase in spending and other forms of financial stimuli, and it is difficult to predict what effect such measures will have on the U.S. and global economies.

The impact that pandemics and other public health events will have on the performance of the Funds in particular is uncertain, and it will depend to a large extent on future developments and new information that may emerge regarding the duration and severity of the coronavirus or other health crisis, and the actions taken by authorities and other entities to contain such crisis or treat its impact, all of which are beyond the Funds' control. While the Advisor believes that the dislocation is likely to present potentially attractive investment opportunities, there is no guarantee that this will occur.

Although EnTrust Global has implemented its business continuity plan to permit personnel to work remotely and effectively, there is no assurance that this will work effectively at all times. Also, although EnTrust Global will continue to perform due diligence and monitor the Fund's underlying managers, COVID-19 and resulting limitations on travel will affect the ability of EnTrust Global to meet in person with the companies in which the Funds invest. EnTrust Global reserves the right to change its protocols with respect to travel and working remotely, in its sole discretion, taking into account the guidance of the government and health organizations such as the Centers for Disease Control and Prevention.

A.) Fund Management Risks

Legal, tax, and regulatory changes, as well as judicial decisions, could adversely affect the Fund, the Advisor, and/or the investment strategies used to implement a Fund's trading program. The regulatory environment for private investment funds continues to evolve, and changes in the regulation of private investment funds may adversely affect the value of a Fund's investments and the ability of a Fund to implement its investment strategy. The financial services industry generally and the activities of private investment funds and their investment advisers, in particular, have been the subject of increasing legislative and regulatory scrutiny. Such scrutiny may increase legal, compliance, administrative and other related burdens and costs as well as regulatory oversight or involvement in a Fund and/or the Advisor or result in ambiguity or conflict among legal or regulatory schemes applicable to a Fund, or the Advisor. In addition, securities and futures markets are subject to extensive statutes, regulations and margin requirements. Various U.S. federal and state regulators, including the SEC, the CFTC, self-regulatory organizations and exchanges, are authorized to take extraordinary actions in the event of market emergencies. Alternative US or non-US rules or legislation regulating a Fund or the Advisor may be adopted, and the possible scope of any rules or legislation is unknown. There can be no assurances that a Fund or the Advisor will not in the future be subject to regulatory review or discipline. The effects of any regulatory changes or developments on a Fund may affect the manner in which it is managed and may be substantial and adverse.

B.) Fund of Hedge Funds Risks

Market (beta) Risk. The Funds' primary mission is to build a portfolio of managers within a range of non-correlated investment strategies that the Advisor regards as likely to provide favorable investment opportunities in most economic environments. Notwithstanding this goal, there is a risk that a manager's performance will be more closely correlated with the broader markets than was anticipated. Different measuring techniques are employed to monitor market correlations and manager correlations, and stress tests are performed relating to potential changes in market conditions on a regular basis in order to assist in limiting the Funds' exposure to market (beta) risk. The Funds' managers perform their own analyses of market exposure and risk and utilize market risk evaluation tools, which vary from manager to manager but incorporate measuring/monitoring risks by asset class, strategy, geographic region and industry sector, as appropriate. Within the Advisor's due diligence questionnaire are extensive questions related to how the manager measures and monitors risk, and members of the Advisor's operational due diligence team follow-up whenever meeting with managers to determine if they have made any changes to their processes or systems.

Liquidity Risk. The Advisor maintains a schedule of the liquidity provisions for each of the underlying portfolios (including notification dates) and the start dates of the Funds' investments as well as redemption dates. The Funds' managers also have systems which track the amounts of potential investor redemptions. Many of these managers have funding capabilities from their prime brokers and/or financial institutions for a certain percentage of the fund's capital (usually 10-15%). Unlike a single hedge fund investment, the Funds are able to redeem from several invested hedge funds simultaneously to meet redemption requests which minimize the potential adverse impact on any single manager. Nevertheless, there is a risk that due to market conditions, one or more underlying managers may be unable to honor a redemption request and will, as a result, impose a gate or suspend redemptions, or take other actions which limit the ability of a Fund to obtain the cash required to fund redemptions. In order to obtain access to a reliable source of working capital, particular Funds may have secured a line of credit, intended to serve as a prudent means of assuring a source of working capital for temporary and emergency purposes, such as funding investments in advance of receiving redemption proceeds from underlying managers, to meet unanticipated or large-scale redemption requests and to fund managers in anticipation of impending capital contributions.

Uncertainty as to the Value of Certain Portfolio Investments. Investments into investment vehicles are valued on the basis of the most recent confirmed price or valuation provided by the relevant manager or administrator, or if unavailable, the estimated price or valuation provided by the relevant manager or administrator. Certain of the investments held by underlying funds will take the form of securities, loans or other assets that are not publicly traded or are illiquid. The fair value of such investments may not be readily determinable and will require the exercise of some measure of discretion in arriving at a valuation. Underlying managers or independent third parties generally will value these investments at fair value, including to reflect significant events affecting the value of investments.

Where assets of a Fund are invested either partly or wholly through subsidiary companies or in segregated portfolios, the above policy also applies for the valuation of the investments held by those subsidiary companies or segregated portfolios.

Because such valuations, and particularly valuations of private securities and private companies, are inherently uncertain, they may fluctuate over short periods of time and may be based on estimates, models or the value of other securities believed to be comparable, all of which require the exercise of judgment by the party establishing value. In those circumstances in which the valuation is performed by the manager, the manager faces a conflict in establishing value because the valuations have an impact on the fees received by the manager. Even in those circumstances in which a third party establishes the valuation, the conflict may be eliminated, but the valuation may not necessarily be a more accurate reflection of the securities' fair value. Determinations of fair value may differ materially from the values that would have been used if a ready market for these loans and securities existed. Moreover, the actual price at which a security is sold (or could be sold) may differ from the value used by the underlying investment vehicle for purposes of striking the vehicle's net asset value. As a result, an investor redeeming from a Fund prior to realization of such an investment may not participate in the ultimate gains or losses therefrom and Net Asset Value could be adversely affected if determinations regarding the fair value of investments were materially higher than the values that are ultimately realized upon the disposal of such loans and securities.

Operational Risk. Inherent in a fund of funds' structure is the operational risk that the policies and procedures of underlying managers may not be followed or, even if followed, may not adequately mitigate a particular risk. The Advisor's operational due diligence team conducts due diligence and regularly monitors the operational infrastructure of managers. However, due diligence is not foolproof and there can be no assurance that the Advisor's due diligence will be sufficient to ensure that all internal controls are being followed and that a fraudulent scheme devised by an underlying manager will be detected.

Valuation Risk. The Funds will have limited or no ability to assess the accuracy of valuations received from the underlying managers. Many of the positions held by the underlying vehicles are not traded on an exchange or organized market. In some cases, values are based on pricing models and will be subject to the judgment and discretion of the underlying managers. No assurance can be given that such positions can be sold for the amounts at which they are valued. Moreover, the underlying managers may receive performance-based compensation with respect to such positions based upon unrealized gains. No assurance can be given that such unrealized gains will ultimately be realized. In addition, although the Advisor has a valuation policy, there is no guarantee that the procedures set forth in this policy will be followed or, even if followed, the valuations will be accurate.

Access to Information from underlying managers. The Advisor requests information from each underlying manager regarding the underlying manager's historical performance and investment strategy. The Advisor also requests detailed portfolio information on a continuing basis from each underlying manager retained on behalf of a Fund. However, the Advisor may not always be provided with such information because certain of this information may be considered proprietary information by the particular underlying manager. This lack of access to information may make it more difficult for the Advisor to select, allocate among, and evaluate underlying managers. In addition, the Funds do not control any of the underlying managers, their choice of investments, or any other investment decisions. The investments of a Fund are made pursuant to written disclosures from, and/or agreements with, any underlying manager that will provide, among other things, guidelines by which the underlying manager will make its investment decisions. However, while each underlying manager undertakes to follow specified investment programs, it is possible that an underlying manager could deviate from such program, and such deviation could result in a loss of all or a part of a Fund's investment.

Volatility. Volatility both for the Funds and their underlying managers is measured and monitored by members of the Advisor's investment team on a regular basis utilizing various volatility measurements such as standard deviation and beta. However, at times, market conditions may introduce significant volatility to a Fund's performance.

Concentration Risk. This risk is assessed at the Fund level and on the underlying manager level within the analyses of market risk. Exposure reports, position limits and sector analyses are all reviewed and assessed on a regular basis.

Leverage. The Funds generally do not employ leverage. Depending on their investment strategy, underlying managers employ leverage to varying degrees. On a monthly basis, the Advisor receives information regarding managers' gross long and gross short exposures. The use of leverage will magnify gains but will also magnify losses. The expense paid on borrowings will erode the income and gains generated by leveraged positions. If asset values decline, a manager may be forced to unwind and liquidate leveraged positions at an inopportune time.

Credit Risk. On the Fund level, there is no credit risk exposure to significant counterparty risk. The Funds do not extend or receive credit from any counterparty. Underlying managers measure and monitor credit risk in many ways. Often, they limit their exposure to any one counterparty, they receive copies of their counterparties' annual financial statements and review these to assess creditworthiness and, where appropriate, they arrange collateral agreements with counterparties.

C.) Blue Ocean Funds Risks

In addition to the general risk factors set forth in Item 8, investors should be aware of the following additional risk factors, which are specific to the Blue Ocean Funds. Please refer to the offering documents of the Blue Ocean Funds for more details regarding these risk factors.

Risks Related to Investment Activities. The Blue Ocean Funds may be subject to certain investment risks such as risks associated with senior secured loans, mezzanine debt, leasing of commercial cargo vessels and private debt securities that may be below-investment grade. Among other things, these risks may include the reliance on the Advisor to adequately diligence and monitor borrowers (which are often private companies) in the maritime industry, the potential impact of bankruptcy/insolvency of borrowers, and the typically illiquid nature of the loans and other investments made by the Blue Ocean Funds. In addition, the Blue Ocean Funds may also make select equity investments, which may not appreciate in value prior to disposition.

Maritime Industry Risks. The maritime industry is subject to various risks, each of which could have a material, adverse effect on the Blue Ocean Funds' investments, including, without limitation: events such as marine disasters, bad weather, mechanical failures, structural failures, human error, war, terrorism, piracy and other circumstances or events; compliance with various laws and regulations, including federal, state and local laws and regulations affecting the marine transportation industry, all of which are subject to amendment or changes in interpretation; requirements to obtain and maintain permits, licenses and certificates and perform routine inspections, monitoring, recordkeeping and reporting with respect to vessels and operation; and global trade agreements, tariffs and subsidies that adversely affect the flow of import and export tonnage and the demand for marine transportation services. If the maritime industry continues to experience dislocation, the Blue Ocean Funds' ability to achieve their investment objectives may be adversely affected.

Additional Shipping Industry Risks. The Blue Ocean Funds will have a limited number of investments, all of which will be in the maritime industry, primarily in shipping companies and offshore oil services companies. As a result, the Blue Ocean Funds will be particularly vulnerable to economic conditions in the shipping industry, including declines in export/import volumes, strikes, increases in fuel costs, uninsured casualties and the difficulties associated with enforcing liens on liquidating collateral in foreign jurisdictions. The Blue Ocean Funds may make loans to special purpose vehicles that own one or more vessels where the borrower's revenues are limited to income derived from such vessels. If the vessels are not deployed for a period of time, or if revenues fall, the borrower may not have sufficient income to pay operational expenses or to service the debt.

Credit Risk. Debt securities are also subject to other creditor risks, including (a) the possible invalidation of an investment transaction as a "fraudulent conveyance" under relevant creditors' rights laws, (b) so-called "lender liability" claims by the issuer of the obligations and (c) environmental liabilities that may arise with respect to collateral securing the obligations. In addition, in connection with investments in loans there exists the possibility of material misrepresentations or omissions on the part of the borrower. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the loans or may adversely affect the ability of the Fund to perfect or effectuate a lien on any collateral securing the loan. The Blue Ocean Funds cannot guarantee the accuracy and completeness of representations made by borrowers.

D.) Blue Sky Aviation Funds Risks

In addition to the general risk factors set forth in Item 8, investors should be aware of the following risk factors, which are specific to the Blue Sky Aviation Funds. Please refer to the offering documents of the Blue Sky Aviation Funds for more details regarding these risk factors.

General Airline Industry Risks. Airline business is dependent on the price and availability of aircraft fuel. Continued periods of high fuel costs, significant disruptions in the supply of aircraft fuel or significant further increases in fuel costs could have a significant negative impact on air carriers' operating results. In addition, certain airlines continue to experience significant operating losses (and others may experience such losses in the future). Union disputes, employee strikes and other labor-related disruptions may adversely affect airlines' operations. The travel industry is materially adversely affected by terrorist attacks and continues to face on-going security concerns and cost burdens associated with security. Increases in insurance costs or reductions in insurance coverage may adversely impact airlines operations and financial results. Changes in government regulation could increase airlines' operating costs and limit their ability to conduct their business. The airline industry is intensely competitive. It is at risk of losses and adverse publicity stemming from any accident involving any of the aircraft and is subject to weather factors and seasonal variations in airline travel, which cause financial results to fluctuate. Any of these factors can affect the value of investments.

Aviation Investments. The Blue Sky Aviation Funds will invest in aviation assets including aircraft and related aviation interests such as aircraft leases. Airline business and results of operations are significantly impacted by general economic and industry conditions. The airline industry is highly cyclical, and the level of demand for air travel is correlated to the strength of the U.S. and global economies. Robust demand for air transportation services depends on favorable economic conditions, including the strength of the domestic and foreign economies, low unemployment levels, strong consumer confidence levels and the availability of consumer and business credit. In addition, airlines are subject to extensive regulatory oversight. Compliance with U.S. and international regulations imposes significant costs and may have adverse effects on an airline. In addition to factors linked to the aviation industry, other factors that may affect the value of an aircraft at any time include: (i) the particular maintenance and operating history of the related airframe and engines; (ii) manufacture and type or model of aircraft or engines, including the number of operators using such type or model; (iii) whether the aircraft is subject to a lease and, if so, whether the lease terms are favorable to the lessor; (iv) the age of the aircraft; (v) the advent of newer models of such aircraft or aircraft types competing with such aircraft; (vi) any tax, customs, regulatory and legal requirements that must be satisfied when an aircraft is purchased, sold or re-leased; (vii) compatibility of aircraft configurations or specifications with other aircraft operated by operators of that type of aircraft; (viii) regulatory actions, including mandatory grounding of the aircraft; (ix) any renegotiation of a lease on less favorable terms; (x) decreases in creditworthiness of lessees; and (xi) the availability of spare parts. Any decrease in values of and lease rates for used commercial aircraft which may result from the above factors or other unanticipated factors may have a material adverse effect on the investments.

Management of Aviation Assets. The Blue Sky Aviation Funds will enter into arrangements with industry specialized management or advisory teams to acquire, manage and dispose of aviation assets, which can include fixed payments and/or profit-sharing arrangements with such persons, and bearing expenses incurred by such persons, all of which will impact net returns. The selection and oversight of industry specialists is expected to be a function delegated to the Advisor. The failure on the part of the Advisor to select the right management or advisory team for an investment and/or to establish a governance and compensation structure that provides for the appropriate balance of economic incentives to the team and oversight by the Advisor, or to provide servicing with respect to certain assets on its own, would have a material adverse effect on the investment in such assets. To the extent permitted by applicable law, subject to the board of managers' approval, the Advisor may use affiliated service providers with respect to all or any portion of aviation assets. Such affiliated service providers can receive compensation from the Fund, which will generally be subject to terms no less favorable to the Fund than those that can be obtained from third parties on an arm's length basis. Such costs borne by the Fund, can include the overhead costs of an affiliated service company in Ireland or another foreign jurisdiction.

Lessee Credit Risk. The Advisor will be tasked by the Blue Sky Funds with evaluating the credit risk associated with each of the prospective operators/lessees, and their respective ability to properly maintain the aircraft and comply with all the provisions incorporated into the lease. In addition to the Advisor's independent assessment of the lessee's credit standing using public information, data provided by the operator, financial institutions, industry periodicals, trade references, and/or regulatory authorities, the Blue Sky Funds expect that the Advisor will utilize, when it deems appropriate and practicable, credit and rating agency reports and/or research reports published by investment banks or other providers to get a better understanding of the operator's financial condition and viability. On the basis of such review, the Advisor will assess the credit rating of the operator and weigh that credit evaluation against the asset risk, the lease rate, and the lease structure, in determining whether the operator meets the Blue Sky Funds' criteria. Nonetheless, many factors can dramatically and quickly impact an individual airline's viability. These include fuel prices, pandemics, labor disruptions, air crashes, and new or intensified competition. Should a lessee file for a re-organization under bankruptcy statutes, there is the added risk the lessor/owner may be at least temporarily prohibited from foreclosing on or repossessing its aircraft. Most developed countries, like the U.S. (which affords lessors and other secured parties certain protection and certain rights pursuant to Section 1110 of the U.S. Bankruptcy Code), have specific laws that determine how and when a secured party or a lessor in a bankruptcy can repossess an aircraft. Although the process is improving due to the approval of, and certain parties joining, the Cape Town Convention on International Interests in Mobile Equipment and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment, the process can be slow, expensive, and in some instances may result in lost revenue and thus negatively impact the proceeds that would otherwise be received by such Blue Sky Fund.

E.) Market and Investment Risks

Credit Default Swaps. Certain underlying portfolios may enter into credit default swap agreements. The "buyer" in a credit default swap contract is obligated to pay the "seller" a periodic stream of payments over the term of the contract provided that no event of default on an underlying reference obligation has occurred (a "credit event"), in return for a contingent payment upon the occurrence of a credit event with respect to the underlying reference obligation. Generally, a credit event means bankruptcy, failure to pay, obligation acceleration or modification or restructuring.

An underlying portfolio may be either the buyer or the seller in the transaction. As a seller, the underlying portfolio receives a fixed rate of income throughout the term of the contract, which typically is between one month and five years, provided that no credit event occurs. If a credit event occurs, the underlying portfolio, as a seller, typically must pay the contingent payment to the buyer, which is typically the "par value" (full notional value) of the reference obligation. The contingent payment may be either a cash settlement or physical delivery of the reference obligation in return for payment of the face amount of the obligation. If an underlying portfolio is a buyer and no credit event occurs, the portfolio will lose its investment and recover nothing. However, if a credit event occurs, the underlying portfolio, as buyer, will receive the full notional value of the reference obligation that may have little or no value.

Credit default swap agreements may involve greater risks than those associated with a direct investment by the underlying portfolio in the reference obligation. Credit default swap agreements are subject to general market risk, liquidity risk and credit risk. As noted above, if an underlying portfolio is a buyer and no credit event occurs, it will lose its investment. In addition, the value of the reference obligation received by an underlying portfolio as a seller if a credit event occurs, coupled with the periodic payments previously received, may be less than the full notional value paid to the buyer, resulting in a loss of value to such underlying portfolio and the Fund.

Short Selling. Certain of the underlying managers engage in short selling or selling securities they do not own. While short selling may be used for risk management or hedging purposes, as well as to create profit opportunities, there is substantial risk to this strategy because the manager may be required to cover its short positions (the purchase of the securities to replace those borrowed and delivered on sale) involuntarily or otherwise and there is no limitation on the potential upward movement of the purchase price. Short selling can also involve significant borrowing and other costs which can reduce the profit or create losses in particular positions.

Options and Other Derivatives. One or more of the underlying managers may invest for speculative and/or risk management purposes in options, financial futures and/or other derivative instruments (collectively, "Derivatives"). The amount of leverage and volatility on Derivatives and, therefore, potential for gain and risk of loss, may be substantially greater than that of the underlying asset. Derivatives may also be more volatile and less regulated than traditional debt and equity securities.

Options trading entails an entirely distinct set of risks. Options positions may include both long positions, where the underlying portfolio is the holder of put (an option to sell a security at a specified price) or call (an option to buy a security at a specified price) options, as well as short positions, where the underlying portfolio is the seller ("writer") of an option. Although option techniques can increase investment return, they can also involve a relatively higher level of risk. The expiration of unexercised long option positions effectively results in the loss of the entire cost or premium paid for the option. The writing or selling of an uncovered put or call option can involve, similar to short selling, a theoretically unlimited risk of an increase in the cost of selling or purchasing the underlying securities in the event of exercise of the option.

Hedging Limitations. Although the Advisor may seek one or more managers who employ various hedging techniques, the extent and effectiveness of such hedging strategies may vary substantially. Moreover, not all managers retained by the Advisor will necessarily employ fully hedged or "market-neutral" strategies. Most hedging techniques of managers will be directed primarily toward general market risks or certain issuer risks. Typically, there are numerous investment risks which will not be hedged or necessarily capable of being hedged as a practical matter. To the extent unhedged, investment positions of managers will, in general, be fully exposed to market and investment risks. Hedging techniques have a variety of limitations. Hedging against a decline in the value of a portfolio position by selling short, for example, does not eliminate fluctuations in the values of portfolio positions or prevent losses if the values of such positions decline, but establishes other positions designed to gain from those same developments, thus moderating the decline in the overall portfolio positions' value. Hedging through market index options may only protect against an overall market downturn, as compared with price declines in specific securities.

Hedge transactions generally also limit the opportunity for gain if the value of the portfolio position should increase, due to the hedging cost or price decline in the hedging position. For a variety of reasons, a manager may not seek or be able to establish a sufficiently accurate correlation between hedging instruments and the portfolio holdings being hedged. Such imperfect correlation may prevent an underlying portfolio from achieving the intended hedge or may expose the Funds to risk of loss. Such losses can include losses on the hedged position, and could be substantial. There can be no assurance, therefore, that investment positions of underlying portfolios will be significantly hedged against investment risks or that such hedging strategies, if any, will in fact prove successful.

Futures and Options on Futures. One or more of the underlying managers may invest in certain futures contracts, including stock index futures contracts, futures contracts on government securities, interest rates, foreign currencies, metals and energy products, and may trade options on such futures contracts, including purchasing call options, writing (selling) naked or covered call options and purchasing or selling put options on such futures contracts. The underlying managers may also purchase or sell options on securities and securities indices. In addition, they may enter into forward contracts, currency transactions and various swap and swap-like arrangements.

Futures contracts markets are highly volatile and are influenced by a variety of factors, including national and international political and economic developments. In addition, because of the low margin deposits normally required in futures trading, a high degree of leverage is typical of a futures trading account. As a result, a relatively small price movement in a futures contract may result in substantial losses to the underlying portfolio. Moreover, futures positions are marked to market each day and variation margin payment must be paid to or by the underlying portfolio.

Prior to exercise or expiration, a futures or option position can be terminated only by entering into an offsetting transaction. This requires a liquid secondary market on the exchange on which the original position was established. If a liquid secondary market does not exist for such futures or options, it might not be possible for the underlying portfolio to liquidate a position. No assurance can be given that an active market will exist for the contracts at any particular time. Certain futures exchanges do not permit trading in particular futures contracts at prices that represent a fluctuation in price during a single day's trading beyond certain set limits. If prices fluctuate during a single day's trading beyond those limits, the underlying manager could be prevented from promptly liquidating unfavorable positions and thus be subjected to substantial losses. In addition, the CFTC and various exchanges impose speculative position limits on the number of positions a person or group may hold or control in particular commodities.

Unlike trading on domestic futures exchanges, trading on foreign futures exchanges is not regulated by the CFTC and may be subject to greater risks than trading on domestic exchanges. For example, some foreign exchanges are principal markets so that no common clearing facility exists and a trader may look only to the broker for performance of the contract. In addition, unless the underlying portfolio hedges against fluctuations in the exchange rate between the U.S. dollar and the currencies in which trading is done on foreign exchanges, any profits that the underlying portfolio might realize in trading could be eliminated by adverse changes in the exchange rate, or the underlying portfolio could incur losses as a result of those changes.

Use of other derivative instruments presents many of the same risks as those discussed above regarding futures contracts, including those risks relating to volatility, liquidity, hedging and foreign trading.

Event Driven Investing. The Funds utilize managers that employ various investment strategies. The ability of a manager to obtain a profit from these investment strategies may often depend upon factors that are intrinsic to the particular issuer, rather than the market as a whole. Appreciation in the value of such securities may be contingent upon the occurrence of certain events, such as a successful reorganization or merger. If the expected event does not occur, the underlying portfolio may incur a loss on the position.

Purchases of Securities and other Obligations of Financially Distressed Companies. Underlying portfolios may purchase securities and other obligations of companies that are experiencing significant financial or business distress, including companies involved in bankruptcy, or other reorganization and liquidation proceedings. Acquired investments may include senior or subordinated debt securities, bank loans, promissory notes and other evidences of indebtedness, as well as payables to trade creditors. Although such purchases may result in significant returns to the Fund, they involve a substantial degree of risk and may not show any return for a considerable period of time. In fact, many of these securities and investments ordinarily remain unpaid while the company is in bankruptcy and may not ultimately be paid unless and until the company reorganizes and/or emerges from bankruptcy proceedings. As a result, such securities may have to be held for an extended period of time. The level of analytical sophistication, both financial and legal, necessary for successful investment in companies experiencing significant business and financial distress is high. There is no assurance that the nature and magnitude of the various factors that could affect the prospects for a successful reorganization or similar action will be correctly evaluated.

Activist Strategy Risks. The underlying portfolios in which the Funds invest may invest a material portion of their capital in publicly traded equity and debt securities of companies that the applicable underlying manager believes are undervalued by the marketplace and are likely to appreciate, including as a result of a change in ownership, corporate direction or management, or as a result of operational improvements. In making such investment, the applicable underlying portfolio may act alone or together with one or more other investors or investment managers acting as a group. In order to implement any actions deemed necessary to maximize value, the underlying manager, or other members of the investing group, may work with the management team of the target company to design an alternate strategic plan and assist them in its execution and may secure the appointment of persons selected by the underlying manager or other members of the group to the company's management team or board of directors. If necessary, the underlying manager either alone or as part of a group, may also initiate shareholder actions (including those that may be opposed by company management) seeking to maximize value. Such shareholder actions may include, among other things, re-orienting management's operational focus, initiating the sale of the company (or one or more of its divisions) to a third party, or an acquisition by the underlying portfolio or other members of the investing group. Such an acquisition may be accomplished either by the underlying portfolio (or the members of the investing group) acting alone, or acting in conjunction with management through a leveraged buyout. In order to accomplish the foregoing, the Fund, either alone or together with other members of a group, may acquire a "control" position in the company's securities.

This activist investment strategy may require, among other things: (i) that the underlying manager properly identify portfolio companies whose securities prices can be improved through corporate and/or strategic action; (ii) that the underlying portfolio acquire sufficient securities of such portfolio companies at a sufficiently attractive price; (iii) that the underlying portfolio avoid triggering anti-takeover and regulatory obstacles while aggregating its position; (iv) that management of portfolio companies and other security holders respond positively to the underlying manager's proposals; and (v) that the market price of a portfolio company's securities increases in response to any actions taken by portfolio companies. There can be no assurance that any of the foregoing will occur.

Corporate governance strategies may prove ineffective for a variety of reasons, including: (i) opposition by the management or shareholders of the subject company, which may result in litigation and may erode, rather than increase, shareholder value; (ii) intervention of a governmental agency; (iii) efforts by the subject company to pursue a "defensive" strategy, including a merger with, or a friendly tender offer by, a company other than the offeror; (iv) market conditions resulting in material changes in securities prices; (v) the presence of corporate governance mechanisms such as staggered boards, poison pills and classes of stock with increased voting rights; and (vi) the necessity for compliance with applicable securities laws. In addition, opponents of a proposed corporate governance change may seek to involve regulatory agencies in investigating the transaction or the underlying portfolio and such regulatory agencies may independently investigate the participants in a transaction as to compliance with securities or other law. Furthermore, successful execution of a corporate governance strategy may depend on the active cooperation of shareholders and others with an interest in the subject company. Some shareholders may have interests which diverge significantly from those of the applicable underlying portfolio, and some of those parties may be indifferent to the proposed changes. Moreover, securities that the underlying manager believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the timeframe the underlying manager anticipates, even if a corporate governance strategy is successfully implemented. Even if the prices for a portfolio company's securities have increased, no guarantee can be made that there will be sufficient liquidity in the markets to allow the applicable underlying portfolio to dispose of all or any of its holdings therein or to realize any increase in the price of such securities.

The Advisor may, on behalf of a Fund, pursue an activist investment strategy as a direct investment and initiate or pursue any of the actions or strategies set forth above.

Foreign Securities. Underlying managers may invest in non-U.S. companies where the protections afforded by the laws of the U.S. do not apply. The Funds are subject to various risks inherent in investing in foreign companies, including fluctuations in currency exchange rates, exchange controls, expropriation, burdensome or confiscatory taxation, moratoria, or political or economic events, all of which could have an adverse effect on the Funds' ability to generate gains. As the Funds determine their gains or losses in U.S. dollars (other than certain Funds), they will be subject to the risk of fluctuations in currency exchange rates between the local currency and dollars and to foreign exchange controls. There can be no assurance that the Funds would not incur losses as a result of adverse changes in currency exchange rates and foreign exchange controls. The Funds are unable to predict the nature of future exchange controls. The imposition of significant increases in the level of exchange controls or other restrictions could have an adverse effect on the Funds.

Mortgage-Backed Securities. Price movements of residential and commercial mortgage-backed securities are influenced by, among other things, interest rates, housing price changes, unemployment, wage growth, availability and cost of credit, complexity of the assets and their associated legal documentation, loan level performance data, structuring models, and performance models, counterparty risk including, but not limited to, mortgage originators, mortgage servicers, mortgage insurance providers, and bond insurers, supply and demand in the housing market, changing supply and demand relationships for these assets, level of available leverage for these assets, trade, fiscal, monetary, regulatory and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in the mortgage origination and RMBS markets. Such intervention often is intended directly to influence prices and may, together with other factors, materially impact asset prices in unpredictable ways or in a direction harmful to the performance of the Funds.

Small and Medium Capitalization Companies. Certain managers may invest in the securities of companies with small- to medium-sized capitalizations. While the securities of such companies often provide significant potential for appreciation, smaller-capitalization securities involve higher risks in some respects than do investments in the securities of larger companies. For example, prices of small-capitalization and even medium-capitalization securities are often more volatile than prices of large-capitalization securities, and the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) is higher than that for larger, "blue-chip" companies. In addition, due to thin trading in some small-capitalization securities, an investment in such securities may be relatively illiquid.

Illiquid Portfolio Securities. To the extent that underlying managers invest in private securities or restricted securities, the valuation of such securities will be determined by the applicable manager, whose determination, despite the conflict to which the manager is subject when establishing such values, will be final and conclusive as to all parties. The value established may not reflect accurately the amount that could be realized if the securities were sold. Due to the lack of an established trading market it could take a significant amount of time to find a buyer or buyers for such securities, and such sale may be at a significant discount to the perceived value of the security.

Uncertainty relating to the LIBOR Calculation Process. On July 27, 2017, the United Kingdom's Financial Conduct Authority, which regulates LIBOR, announced that it intends to phase out LIBOR by the end of 2021. It is unclear if at that time whether or not LIBOR will cease to exist or if new methods of calculating LIBOR will be established such that it continues to exist after 2021. The U.S. Federal Reserve, in conjunction with the Alternative Reference Rates Committee, a steering committee comprised of large U.S. financial institutions, is considering replacing U.S. dollar LIBOR with a new index calculated by short-term repurchase agreements, backed by Treasury securities. The future of LIBOR at this time is uncertain. Potential changes, or uncertainty related to such potential changes, may adversely affect the market for LIBOR-based securities, including any Fund's portfolio of LIBOR-indexed and floating-rate debt securities. In addition, changes or reforms to the determination or supervision of LIBOR may result in a sudden or prolonged increase or decrease in reported LIBOR, which could have an adverse impact on the market for LIBOR-based securities, including the value of the LIBOR-indexed and floating-rate debt securities in the Funds. Additionally, if LIBOR ceases to exist, a Fund may need to renegotiate the credit agreements extending beyond 2021 with its portfolio companies that utilize LIBOR as a factor in determining the interest rate and certain of its existing credit facilities to replace LIBOR with the new standard that is established.

Risks of Concentration of Investments. While the Advisor will seek to diversify the assets of the Fund, there is a risk inherent in the fund of hedge funds approach that the Funds will inadvertently have excess concentration and therefore excess exposure to a particular issuer, security, industry sector or geographic region. Additionally, underlying portfolios, particularly co-investments, may be relatively concentrated as to investments. Limitations as to strategy, amount of capital or analytical resources can lead to significant concentration practices by a particular manager. Concentration of investments in a limited number of issuers or securities, industries or industry groups, or countries or regions, particularly in the context of event-related investing, can increase investment risk and portfolio volatility. Accordingly, the Funds' assets may be subject to greater risk of loss than if they were more widely diversified, and the failure or poor performance of any one manager could have a material adverse effect on the Fund. Oversight of positions of underlying managers is conducted on an ongoing and real-time basis by research analysts and the operational due diligence team, although even such oversight cannot be a guarantee against investment losses.

Collateralized Debt Obligations. Underlying portfolios may invest in collateralized debt obligations (including without limitation collateralized loan obligations ("CLO") and collateralized bond obligations ("CBO")(collectively, "CDOs"). CDOs may be fixed pools or may be "market value" or managed pools of collateral which entitle the holders thereof to receive payments that depend primarily on the cash flow from the pool of assets, which may include commercial loans, high yield and investment grade debt, Structured Securities (as defined below) and derivative instruments relating to debt. Holders of CDOs bear various risks, including, among other risks, credit risk, liquidity risk, interest rate risk, market risk, operations risk, structural risk and legal risk. The debt securities issued by CDOs are typically separated into tranches representing different degrees of credit quality, with lower rated tranches of debt securities being subordinate to senior tranches. The senior tranches of debt securities of CDOs, which represent the highest credit quality in the pool, have the greatest collateralization and pay the lowest spreads over LIBOR. Lower rated CDO tranches represent lower degrees of credit quality and pay higher spreads over LIBOR to compensate for the attendant risks. The bottom tranches specifically receive the residual interest payments (i.e., money that is left over after the higher tiers have been paid) rather than a fixed interest rate. The returns on the junior tranches of CDOs are especially sensitive to the rate of defaults in the collateral pool.

Structured Securities Generally. Underlying portfolios may invest in interests in securitization vehicles organized and operated solely for the purpose of restructuring the investment characteristics of other debt securities, mortgage-backed securities, CDOs, etc. (collectively, "Structured Securities"). This type of restructuring generally involves the deposit with or purchase by an entity, such as a corporation or trust, of specified instruments and the issuance by that entity of one or more classes of securities backed by, or representing interests in, the underlying instruments. The cash flow on the underlying instruments may be apportioned among the newly issued security to create securities with different investment characteristics such as varying maturities, payment priorities and interest rate provisions, and the extent of the payments made with respect to such securities is dependent on the extent of the cash flow on the underlying instruments. Certain classes of such securities may be subordinated to the right of payment of another class. Subordinated structured investments typically have higher yields and present greater risks than unsubordinated structured investments.

Many Structured Securities are highly complex instruments and may be sensitive to changes in interest rates, prepayment rates or both. There is no guarantee that a liquid market will exist for any Structured Securities that an underlying portfolio may wish to sell.

E.) Structural and Operational Risks

Other Clients of Managers; Performance May Vary from Period to Period. Underlying managers generally make trading decisions on behalf of the underlying portfolios in which the Funds invest. These managers may also manage other accounts (including other funds and accounts in which the managers may have an interest) which, together with the Funds could increase the level of competition for the same trades, including the priorities of order entry. This could make it difficult to take or liquidate a position in a particular security.

The managers and their principals may employ different trading methods, policies and strategies for different funds or accounts. Therefore, performance results for the Funds may differ from those of the other accounts traded by the same managers. As the funds under management by a particular manager increase, the manager may have increasing difficulty implementing an investment strategy which may have been successful in the past, or difficulty finding sufficient investment opportunities which are attractive. Alternatively, a manager who has been successful may limit the amount of capital it is willing to manage and may decline to accept an additional investment from the Funds.

There can be no assurances that a manager's future results will be similar to his or her past performance. Moreover, even where a manager has achieved excellent results over an extended period, because of cyclical movements and volatility, period to period results may differ materially.

Due Diligence in Portfolio Manager Selection Process. The Advisor conducts due diligence which it believes is adequate to select managers with which to invest Fund assets. However, due diligence is not foolproof and may not uncover problems associated with a particular manager or its investment strategies. The Funds and the Advisor may rely upon representations made by hedge fund managers, accountants, attorneys, prime brokers and/or other investment professionals. If any such representations are misleading, incomplete, or false, the Advisor may select a manager that may otherwise have been eliminated from consideration had fully accurate and complete information been made available to the Funds. Similarly, the Advisor conducts ongoing due diligence in an effort to detect material changes in a manager's personnel or operations which could be material to the Funds. However, such diligence may not be effective in identifying all material problems before they occur or promptly after they have occurred. In addition, although the Advisor intends to employ reasonable diligence in evaluating and monitoring managers, no amount of diligence can eliminate the possibility that one or more managers may engage in improper or fraudulent conduct, including unauthorized changes in investment strategy, misappropriation of assets and unsupportable valuations of portfolio securities.

Direct Investments. Though the Funds generally invest through private investment entities and/or separately managed accounts managed by third-party investment management professionals specializing in various alternative investment strategies, in certain instances the Funds may make investments directly. In such instances, investment teams within EnTrust Global serve in the capacity of manager for the relevant investments. In general, the Funds may invest directly where EnTrust Global internal investment teams have proprietary access to appropriate investments or where it is otherwise deemed efficient to do so. The risks set forth with respect to underlying funds managed by third-party managers would also apply generally to the Funds' direct investments, where applicable and as the context requires.

Risk Management. The sophistication of the risk management techniques employed by managers varies from manager to manager. However, even the most sophisticated risk management techniques cannot protect against loss in all circumstances. All risk management models are premised upon assumptions with respect to economic and political conditions, market sentiment, correlations among securities and other assets and other factors. The occurrence of an aberrational event not anticipated by a model can cause a portfolio to sustain a significant loss. Such events may include volatility in energy prices, sharp swings in interest rates or other factors.

Cybersecurity Risk. As part of its business, the Advisor processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of investors. Similarly, service providers for the Advisor may process, store and transmit such information. The Advisor has procedures and systems in place that it believes are reasonably designed to protect such information and prevent data loss and security breaches. However, such measures cannot provide absolute security. The techniques used to obtain unauthorized access to data, disable or degrade service, or sabotage systems change frequently and may be difficult to detect for long periods of time. Hardware or software acquired from third parties may contain defects in design or manufacture or other problems that could unexpectedly compromise information security. Network connected services provided by third parties to the Advisor may be susceptible to compromise, leading to a breach of the Advisor's network. The Advisor's systems or facilities may be susceptible to employee error or malfeasance, government surveillance, or other security threats. On-line services provided by the Advisor to the investors may also be susceptible to compromise. Breach of the Advisor's information systems may cause information relating to the transactions of the Funds and personally identifiable information of the investors to be lost or improperly accessed, used or disclosed.

The service providers of the Advisor are subject to the same electronic information security threats as the Advisor. If a service provider fails to adopt or adhere to adequate data security policies, or in the event of a breach of its networks, information relating to the transactions for the Funds or personally identifiable information of investors may be lost or improperly accessed, used or disclosed.

The loss or improper access, use or disclosure of the Advisor's or the Funds' proprietary information may cause the Advisor or the Fund to suffer, among other things, financial loss, the disruption of its business, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing events could have a material adverse effect on the Fund and the investors' investments therein.

Risks Related to Electronic Communications. The Advisor, a Fund and/or the Fund's administrator will provide to investors statements, reports and other communications relating to a Fund and/or the Interests/Shares in electronic form, such as e-mail or through the use of an electronic investor portal ("Electronic Communications"). The foregoing use of an electronic investor portal (despite being password protected) involves the risk that statements, reports and other communications relating to a Fund and/or the Interests/Shares may be stolen or otherwise obtained by unauthorized parties. In addition, Electronic Communications may be modified, corrupted, or contain viruses or malicious code, and may not be compatible with an investor's electronic system. Furthermore, Electronic Communications may be intercepted, deleted or interfered with without the knowledge of the sender or the intended recipient. In addition, reliance on Electronic Communications involves the risk of inaccessibility, power outages or slowdowns for a variety of reasons. These periods of inaccessibility may delay or prevent receipt of reports or other information by the investors.

Substantial Fees, Expenses and Incentive Compensation. By investing in the Funds, which in turn employ managers, an investor will, in effect, incur two forms of investment management services, namely, the services provided by the Advisor in identifying managers, performing due diligence and making investment decisions and the services provided by the managers in selecting investments on behalf of their portfolios. Managers will likely receive incentive based compensation or allocations from or with respect to the Funds' investment in their portfolios. It is possible that, in any accounting period, one or more managers may receive incentive compensation even though a Fund as a whole suffers a loss. Incentive fees may encourage a manager to make riskier or more speculative investments than would be the case in the absence of such arrangements or to allocate investment opportunities to one underlying portfolio instead of another.

Additionally, the fees and expenses of operating the Funds may be substantial. The Funds may incur fees and expenses including, without limitation, the fees and expenses set forth in Item 5 and the fee under the Services Agreement.

Non-Disclosure of Other Arrangements. One or more managers may, without notice to the Funds, enter into agreements with certain investors granting them, among other things, greater portfolio transparency, fee waivers or reductions, shares having different voting rights or restrictions, additional rights to reports and other information and other more favorable investment terms (including redemption rights) than the terms offered to the Funds. Such manager shall have no obligation to offer such additional rights, terms or conditions to all of its investors, including the Funds.

Classes of Shares are not Separate Legal Entities. Other than as set forth in the offering documentation for a particular Fund, the Funds are single legal entities and creditors of a Fund may generally enforce claims against all assets of such Fund. In the unlikely event that the assets attributable to one Class of Shares were completely depleted by trading losses and a trading deficit remained, a creditor could enforce a claim against the assets of the other Classes.

Effects of Substantial Redemptions. Substantial redemptions by investors at any one time could require the Funds to liquidate their positions more rapidly than otherwise would be desirable, which could adversely affect the value of both the Shares being redeemed and the remaining Shares. In addition, this could make it more difficult for the Funds to generate profits or recoup losses, and could even cause the Funds to liquidate its positions prematurely.

Potential Conflicts of Interest. There are several potential conflicts of interest between the Advisor and the Funds. Among those that should be considered are:

Possible Conflicts with Other Investment Entities or Clients. Mr. Hymowitz is also Chief Executive Officer of EnTrust Global and will devote a substantial amount of time to the operations and management of other investment vehicles that have objectives similar to or different from, any particular Fund.

Senior management of the Advisor devotes such time to the business of the Funds as it deems necessary. However, additional clients or other business responsibilities at the Firm may have the effect of reducing the time devoted to the investment activities of any particular Fund.

In addition to responsibilities with respect to the management and investment activities of any particular Fund or account, the Advisor will have similar responsibilities with respect to various other existing and future pooled investment vehicles. The existence of such multiple vehicles and accounts necessarily creates a number of potential conflicts of interest. Due to various fee schedules among the various Funds, the Advisor may be incentivized to favor one portfolio over another. From time to time, different Funds with different fee schedules may invest in similar products.

The Advisor, Mr. Hymowitz and employees (or employees of the Advisor's affiliates) may invest in one or more classes, tranches or series of the Funds (collectively, "Tranches"). In order to better align his interests with those of investors, Mr. Hymowitz has made substantial investments/commitments to certain of the Funds and may be the largest investor in a Tranche. While such investment may not represent a material portion of the total assets of the Fund, being the largest investor in the Tranche may create certain conflicts in the allocation of investment opportunities and other matters. The Advisor intends to mitigate any such conflict in a manner which is fair to and does not disadvantage other investors. The Advisor, Mr. Hymowitz and such employees also provide similar services to, or fulfill similar roles in respect of, other investment vehicles managed by the Advisor and its investment advisory affiliates (collectively, "EnTrust Global"). Accordingly, although it is anticipated that the Tranches and other investment vehicles will participate in investments that are appropriate for the particular Fund and such other investment vehicles on a pari passu basis, other investment vehicles may produce investment results that are substantially different from those of a particular Fund. To the extent that other investment vehicles managed by EnTrust Global trade in similar markets and investments at or about the same time, these other investment vehicles may compete with the Tranches with respect to those investments. Investment opportunities will be allocated in accordance with the Fund's and such investment vehicles' respective investment objectives and strategies and the Advisor's investment allocation policy. In accordance with such policy, there may be circumstances in which one or more accounts or vehicles do not participate in particular investment opportunities on a pro rata basis with the Fund, or at all.

In addition, and as noted above, the Broker-Dealer, an affiliate of the Advisor, is registered with the SEC as a broker-dealer and is a member firm of FINRA and SIPC. The Broker-Dealer does not hold securities or customer accounts, nor does it clear or execute any trades on behalf of the Funds or otherwise. The sole business purpose of the Broker-Dealer is to introduce prospective investors to the investment funds managed by the Advisor and its affiliates.

Registered representatives of the Broker-Dealer may be compensated under a variety of compensation arrangements, including base compensation and/or a bonus or a percentage of the fee attributable to investors they refer to a particular fund. Such dedicated business development professionals may be part-time or full-time employees of the Broker-Dealer and may provide information about a particular marketplace (e.g., Taft Hartley, State or local governments) with which they are familiar and may have other relationships with a prospective investor. Because of the manner in which they are compensated, registered representatives of the Broker-Dealer may have an incentive to encourage prospective investors to invest in an investment fund managed by the Advisor or one of its affiliates.

Customized Arrangements. The Advisor provides advice to certain investors as part of a customized arrangement reflective of such investor's particular objectives and overall profile. These investment vehicles established for such arrangements may or may not invest side-by-side (*i.e.*, in parallel) with one or more of the Funds or accounts managed by the Advisor. The agreements entered into with such investors may grant rights not afforded to other investors. Such rights may include, without limitation, increased transparency (*e.g.*, the right to receive reports on a more frequent basis or to receive reports that include information not provided to other investors), the right to withdraw capital on a more frequent basis than other investors, the right to terminate the arrangement on short notice and such other rights as may be negotiated between the Advisor and such investor. In addition, the fees and expenses paid by such investors may be less than those paid by other investors in the Funds.

Possible Conflict with Portfolios Managed by a Client of the Advisor or its Affiliates. The Advisor, in its sole discretion, may invest the assets of the Funds in underlying portfolios in which clients of the Advisor or its affiliates are sponsors, or in which clients, principals or employees of the Advisor or its affiliates have a financial or investment interest. In such instance, the clients, principals or employees of the Advisor or its affiliates may directly or indirectly benefit from such financial or investment interest even though the Funds may never realize any gain from such underlying portfolio. Additionally, when the availability of an investment with a particular manager is limited, the Advisor may allocate such opportunity, among the Funds and other appropriate EnTrust Global investment vehicles or managed accounts, in such manner as the Advisor deems equitable to all parties. No Fund will be entitled to priority as among available managers or participate as a client of every manager selected by the Advisor for its managed vehicles.

Potential Conflicts Regarding Political and Charitable Contributions. Neither the Advisor nor its employees are permitted to make political contributions (subject to any exceptions granted by the CCO). The Advisor and/or its affiliates may make charitable contributions pursuant to requests by potential or existing investors or their representatives. Such contributions, while made for charitable or philanthropic purposes, have the potential to influence such investor's or potential investor's decision on whether the Advisor and/or its affiliates manage their assets, continue to manage their assets or the amount of assets managed by the Advisor and/or its affiliates as well as, in certain circumstances, the ability of prospective investors to invest in the Fund. Prospective investors should consider this before investing in the Funds.

Potential Conflicts Regarding Timing of Investments. The Funds or other investment vehicles managed by the Advisor and/or its investment advisory affiliates may invest in the same underlying portfolio with respect to the same investment idea at different times, generally because of differences across such Funds/other investment vehicles in the availability of cash or the timeframe in which capital can be called from investors as set forth in the offering documentation. In such circumstances, the net asset value at which the particular Fund/other investment vehicle subscribes for an interest in the underlying portfolio may vary because of different net asset values of the underlying portfolio on different days or may reflect an average of the cost basis of subscribing to the underlying vehicle at different times.

Potential Conflicts Regarding Incentive-Based Compensation. Because certain investment personnel of the Advisor or its investment advisory affiliates will receive incentive-based compensation, investors and such personnel have a conflict of interest between their responsibility to manage a Fund for the benefit of investors and their interest in maximizing the compensation that the Advisor will receive. For example, carried interest to the Advisor or its investment advisory affiliates may create an incentive for the Advisor to engage in riskier or more speculative investments than might be the case if the Advisor, its affiliate or such personnel were compensated on a basis not tied to the performance of the Fund.

F.) Regulatory Risks

ERISA Plans and Tax-Exempt Entities. A tax-exempt entity may be subject to Federal and state laws, rules and regulations that regulate its participation, or its ability to engage directly or indirectly through an investment in the Funds, in investment strategies of the types which the Funds' underlying portfolios may utilize from time to time. Tax exempt entities are encouraged to consult with their own advisers as to the advisability and tax consequences (and, if applicable, ERISA consequences) of an investment in the Funds. Trustees or administrators of ERISA entities, owners of individual retirement accounts and other tax-exempt or tax-deferred entities are urged to carefully review potential investments in the Funds.

ERISA Compliance. The Funds may be subject to the fiduciary, prohibited transaction, reporting and disclosure rules of ERISA. Accordingly, to the extent necessary, the Advisor intends to manage the assets of the Funds in accordance with these rules. Although the Advisor believes it to be unlikely, this may require the Advisor to forego, from time to time, investments or other arrangements on behalf of the Funds that might otherwise have been desirable for the Funds. In addition, the pool of available managers may be limited which may in turn limit the Funds' ability to invest in accordance with their investment objective and strategy.

Consequences for Investors as a result of Automatic Exchange of Information (AEOI). "AEOI" means one or more of the following, as the context requires:

1. sections 1471 to 1474 of the US Internal Revenue Code of 1986, as amended, and any associated legislation, regulations or guidance, commonly referred to as the US Foreign Account Tax Compliance Act, the Common Reporting Standard ("CRS") issued by the Organisation for Economic Cooperation and Development or similar legislation, regulations or guidance enacted in any other jurisdiction which seeks to implement equivalent tax reporting and/or withholding tax regimes;

2. any intergovernmental agreement, treaty or any other arrangement between the Cayman Islands and any of the US, the UK or any other jurisdiction (including between any government bodies in each relevant jurisdiction), entered into to facilitate, implement, comply with or supplement the legislation, regulations or guidance described in paragraph (1.); and

3. any legislation, regulations or guidance implemented in the Cayman Islands to give effect to the matters outlined in the preceding paragraphs.

A Fund may take such action as it considers necessary in relation to an investor's holdings or redemption proceeds, as a result of relevant legislation and regulations, including but not limited to, disclosure by a Fund, the Fund's administrator or such other service provider or delegate of a Fund, of certain information relating to an investor to the Cayman Islands Tax Information Authority or its delegate or equivalent authority and any other foreign government body as may be required by AEOI. Such information may include, without limitation, confidential information such as financial information concerning an investor's investment in the Fund, and any information relating to any investors, principals, partners, beneficial owners (direct or indirect) or controlling persons (direct or indirect) of such investor.

A Fund may also compulsorily redeem any Shares held by an investor in accordance with the terms of the applicable Offering Memorandum and may deduct relevant amounts from a recalcitrant investor so that any withholding tax payable by the Fund or any related costs, debts, expenses, obligations or liabilities (whether internal or external to the Fund) are recovered from such investor(s) whose action or inaction (directly or indirectly) gave rise or contributed to such taxes, costs or liabilities. Failure by an investor to assist the Fund in meeting its obligations pursuant to AEOI may therefore result in pecuniary loss to such investor.

Rules and regulations similar to the above may apply to investors in Funds domiciled in other jurisdictions.

Item 9. Disciplinary Information

There are no legal or disciplinary events believed to be material to a client's evaluation of EnTrust Global.

Item 10. Other Financial Industry Activities and Affiliations

EnTrust Global is a global organization with affiliates regulated by the SEC, FINRA, the U.S. Commodity Futures Trading Commission ("CFTC"), the National Futures Association ("NFA"), the U.K. Financial Conduct Authority ("FCA"), the Hong Kong Securities & Futures Commission, the Korean Financial Supervisory Commission, the French Authorité des Marchés Financiers, and the Securities Commission of the Bahamas.

In January 2020, EnTrust Global acquired a 25% interest in Alma Capital Management, a Luxembourg based and Commission de Surveillance du Secteur Financier regulated fund management company. The Advisor expects that this acquisition will expand its ability to offer investors more liquid alternative strategies, including UCITS funds.

EnTrust Global Partners LLC (formerly EnTrust Partners LLC) ("Partners") is a Delaware limited liability company and an investment adviser also registered with the SEC. Partners is under common control with the Advisor. Partners may provide discretionary investment advisory services as general partner to domestic private investment funds of hedge funds and investment vehicles making direct investments and may provide discretionary or non-discretionary advisory services in offering customized strategic alternative solutions through a multi-strategy platform or otherwise. The domestic funds, all Delaware limited partnerships offered to taxable institutions and eligible high net worth individuals, invest in a diversified mix of hedge funds and securities, as applicable, and are managed according to the objectives and policies described in their respective offering documents. Partners also serves as the general partner to certain Cayman Islands limited partnerships and limited partnership master funds. The feeder funds in these master-feeder structures are Cayman Islands corporations managed by Partners' investment advisory affiliate. Partners may manage other funds in the future with investment strategies that may or may not be similar to that of the Funds, including but not limited to funds registered under the Investment Company of 1940, as amended. Domestic funds managed by Partners are generally the domestic counterpart funds to the offshore funds managed by the Advisor that pursue the same investment strategy. Clients of Partners may be solicited to invest in the Funds.

EnTrust Global Securities LLC (formerly EnTrustPermal Securities LLC) ("Securities") is registered with the SEC as a broker-dealer and is a member firm of FINRA and SIPC. The business purpose of the Broker-Dealer is set forth under "Conflicts of Interest" (Item 8) above. Bruce Kahne, the General Counsel/CCO of the Advisor, is also the General Counsel/CCO of the Broker-Dealer. The Broker-Dealer is under common control with the Advisor.

EnTrust Global Ltd. (formerly EnTrustPermal Ltd.)("EGL") is regulated by the UK FCA as a full service Alternative Investment Fund Manager ("AIFM"), holds an Australian Wholesale Client Exemption, and is authorized by the Central Bank of Ireland to serve as investment manager to Irish domiciled funds. EGL acts as investment manager to certain offshore products where the Advisor is the sub-advisor. EGL may provide discretionary investment advisory services as investment manager to offshore private investment funds and may provide discretionary or non-discretionary advisory services in offering customized strategic alternative solutions through a multi-strategy fund of hedge funds platform or otherwise. EGL is also registered as a commodity pool operator with the CFTC and is a member firm of the NFA, currently in connection with two PMAP Funds. Historically, EGL delegated day-to-day discretionary management for certain of its clients, including the EnTrust Global Funds, to the Advisor, which receives a percentage of EGL's gross revenue with respect to these clients as a fee for its services.

BO Cayman GP LLC, a wholly-owned subsidiary of EGL, serves as general partner of Blue Ocean France, a French specialized professional fund that participates in EnTrust Global's maritime lending strategy through a "fund of funds" structure.

EnTrust Global SAS (formerly EnTrustPermal SAS)("SAS") is regulated by the French Authorité des Marchés Financiers (AMF), including full AIFM authorization. SAS may provide discretionary investment advisory services as investment manager to offshore private investment funds and may provide discretionary or non-discretionary advisory services in offering customized strategic alternative solutions through a multi-strategy fund of hedge funds platform or otherwise. SAS is under common control with the Advisor.

EnTrust Global (Singapore) Pte. Ltd. provides regional business development support and is under common control with the Advisor. The entity's registration with the Monetary Authority of Singapore is pending.

EnTrustPermal (Hong Kong) Ltd is regulated by the Securities & Futures Commission of Hong Kong and provides regional business development support and is under common control with the Advisor.

EnTrust Global Business Consulting (Beijing) Company Ltd (formerly EnTrustPermal Business Consulting (Beijing) Company Ltd.) incorporated in China, provides regional business development support.

SaintCo Ltd., a Bahamian corporation regulated by the Securities Commission of the Bahamas and a subsidiary of EnTrust Global, provides directorship services for a fee to certain private investment funds in which certain investment vehicles managed by EnTrust Global invest and for which the Advisor serves as portfolio monitor. These portfolio monitoring services, for which the Advisor is reimbursed for certain expenses, are provided in connection with our Permal Managed Account platform in which the investment vehicles are managed by unaffiliated third-party managers.

In addition to responsibilities with respect to the management and investment activities of any particular Fund or account, senior management will have similar responsibilities with respect to various other existing and future pooled investment vehicles and separately managed accounts and will devote such time to the business of the Funds as is deemed necessary. However, additional clients or other business responsibilities at the Firm may have the effect of reducing the time devoted to the investment activities of any particular Fund.

As a large asset management firm, EnTrust Global, from time to time, provides information to various government agencies and regulators in response to information requests, document requests, subpoenas, or requests for interviews from various government agencies and regulators.

Refer to Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss and Item 11 – Code of Ethics for a further discussion on potential conflicts of interest.

Item 11. Code of Ethics, Interest in Client Transactions and Personal Trading

The Advisor recognizes that, as a fiduciary, it must serve the interests of its clients. The Advisor further recognizes that it must adhere to the highest standard of care and diligence in conducting its business activities and must be particularly sensitive to situations in which the interests of its advisory clients may be directly or indirectly in conflict with those of the Advisor. Compliance obligations are a priority of the Advisor and, as such, the Advisor has adopted written policies and procedures in accordance with those standards.

In addition, the Advisor has adopted a Code of Ethics intended to limit or mitigate potential conflicts of interest arising from ownership of securities by the Advisor's employees that may also be purchased or sold for advisory clients (either directly or through an underlying portfolio). The Code of Ethics may generally be summarized as a "no trading" policy, although it also contains guidelines and reflects expectations regarding business entertainment, gifts and the standard of conduct required of employees.

The Code of Ethics is based on the notion that the Advisor's employees must act in the best interests of advisory clients and should avoid engaging in business activities, including making personal investments, that create or appear to create a conflict of interest, and is intended to prevent and detect such conflicts or potential conflicts of interest. The Code of Ethics generally prohibits employees of the Advisor from purchasing or selling securities on a discretionary basis for their own accounts, including all securities accounts in their own name and under their control or management. This does not include accounts that hold exclusively mutual funds, exchange-traded funds or notes or government securities or other accounts over which the employee has no direct or indirect investment discretion. On a quarterly basis, employees submit to the CCO or his designee "no trading" statements to confirm that they are in compliance with the policy. In addition, employees are required to complete periodic reports listing their brokerage accounts and provide links to such accounts that hold any "reportable" securities. The CCO or his designee reviews such reports and information on a periodic basis. The CCO may also grant exceptions to the Code of Ethics and take appropriate corrective action with respect to any violations of the Code of Ethics.

Notwithstanding the foregoing, the Advisor believes that it is important that employees invest in securities that the Advisor purchases for clients and, therefore, align their interests with and share in the same investment risks and benefits as clients. Accordingly, the Advisor permits eligible employees to invest in any of its Funds.

Copies of the Code of Ethics are available upon request by contacting Bruce Kahne, General Counsel/CCO (tel. 212.224.5548).

The Advisor may determine that it would be in the best interests of one Fund and one or more other Funds to transfer an investment from one account to another (each such transfer, a "Cross Trade") for a variety of reasons, including, without limitation, tax purposes, liquidity purposes, to rebalance the portfolios of the Funds, or to reduce transaction costs that may arise in an open market transaction. If the Advisor decides to engage in a Cross Trade, the Advisor will determine that the trade is in the best interests of both Funds involved and take steps to ensure that the transaction is permitted under all applicable laws and regulations and is consistent with the Advisor's fiduciary duties.

In addition, the Advisor and its employees may invest personally in certain outside business activities alongside clients with whom the Advisor or its employees have long-standing personal and business relationships ("Joint Investments"). This could create potential conflicts of interest including, among others, the risk that the Advisor may favor such investors relative to other investors. The CCO or his designee reviews in advance any potential Joint Investments to identify any potential conflicts of interest.

For any such Joint Investments, the Advisor and its employees: (i) may not earn a fee or be otherwise compensated with respect to such investment; (ii) must invest in the Joint Investment on the same terms as other investors; and (iii) may not have an active, day-to-day management role with respect to such investments. In addition, the CCO or his designee periodically monitors the accounts of such clients to ensure that they do not receive favorable treatment relative to other investors regarding the payment of fees and redemptions.

In an effort to avoid any potential conflicts of interest, employees of the Advisor are prohibited from using their position at the Advisor to give to or receive from any person or company that does business with the Advisor or that the employee hopes to do business with on behalf of the Advisor, including prospective investors, their consultants or representatives, a gift, favor, special accommodation or similar item of value, so frequently or of such high value as to raise a question of impropriety. Gifts and business entertainment must be consistent with customary business practices and employees are instructed that care should be taken that the entertainment or gift does not appear to be intended to unduly influence the recipient in the exercise of his or her judgment and discretion. The Advisor maintains a suite at Madison Square Garden, the purpose of which is to help establish and maintain business relationships with prospective and existing investors, investment consultants or other representatives. From time to time, where the Advisor has long-standing business and personal relationships, tickets to sporting events, concerts or other forms of business entertainment may be provided to such persons. Unused tickets generally are made available to the Advisor's employees, donated to charity or sold. The CCO or his designee will periodically review these arrangements to determine whether any potential conflicts of interests are presented or whether a change in this policy is warranted.

The Advisor does not permit employees to make political contributions, although the CCO has the ability to grant exceptions to this policy.

The Advisor also has a policy prohibiting the use of social media for business purposes.

In addition to the policies described above, the Advisor has adopted and implemented written policies and procedures designed to prevent the misuse of material nonpublic information by the Advisor or persons associated with the Advisor (pursuant to Section 204A of the Advisers Act), as well as the intentional spreading of misinformation or rumors intended to influence the market price of a security. The Advisor's Insider Trading Policy explains the concepts of an "insider" and "material, nonpublic information," contains procedures for employees to evaluate the types of information received and requires employees immediately, and prior to affecting any trade or communicating such information, to notify the CCO.

The Advisor's policies and procedures regarding the making of political contributions, social media, and insider trading, among others, are reinforced in training sessions and by the execution of quarterly employee certifications confirming compliance with such policies and procedures.

Violations of the Advisor's Code of Ethics or other policies and procedures may be addressed by various corrective measures. The nature of the corrective action will depend on the severity of the violation committed, in the judgment of the CCO, senior management, the Compliance and Conflicts Committee and, as appropriate, outside counsel. Factors to be considered in determining the appropriate corrective action may include, but not be limited to, whether investors were harmed, whether the violation was intentional, whether the incident was isolated or part of a pattern, and recidivism on the part of the employee.

Item 12. Brokerage Practices and Trade Error Policy

In providing investment advisory services to the Funds, the Advisor generally does not select broker-dealers to execute securities transactions. Broker-dealers are selected by the underlying managers. For Funds that may make direct investments in securities, the Advisor will select broker-dealers. This includes trading for the Blue Ocean Funds and the Blue Sky Aviation Funds, in addition to the below:

- Underlying funds that are closed to new investors but available for purchase on the secondary market;
- Closed-ended funds listed on a securities exchange;
- ETFs;
- US or foreign listed and private securities; and
- Securities received in lieu of or as part of a distribution or liquidation from an underlying fund or special purpose fund.

The CCO or his designee will periodically evaluate the nature and amount of such direct trading to determine the additional compliance obligations to be conducted regarding the necessary monitoring and oversight of such direct trading. To fulfill any applicable "best execution" obligation, the Advisor generally must execute securities transactions in such a manner that the clients' total cost or proceeds in each transaction is the most favorable under the circumstances. In deciding what constitutes best execution, the determinative factor is not the lowest possible commission cost but whether the transaction represents the best qualitative execution. In seeking best execution, the Advisor will take into account such relevant factors as price of the security, commission rate, the broker's facilities, reliability and financial responsibility, confidentiality, the ability of the broker to handle execution of aggregated or volume orders and research and other services provided by such broker to the Advisor. In no event will the Advisor utilize its affiliated broker-dealer to effect a trade for a client account. For certain funds, trade execution and best execution obligations may be outsourced to a third party.

Soft Dollars

The Advisor's current policy is not to use commissions generated by trading for client accounts to pay for third party research services.

Brokerage for Client Referrals

The Advisor does not use brokerage relationships for client referrals. However, the Advisor does have distribution relationships and placement agreements with broker-dealers as further discussed in Item 14 – Client Referrals and Other Compensation.

Item 13. Review of Accounts

Review and Monitoring of Underlying Managers

Mr. Hymowitz and the Advisor's investment analysts monitor positions of underlying managers on a regular basis and contact managers frequently to discuss, among other things, strategy developments, market outlook and current thinking. Meetings are held periodically with managers as appropriate.

One of the Advisor's key investment criteria is transparency, and the Advisor's investment team has established relationships with underlying managers such that there is ongoing communication concerning specific investment ideas, their market views/opinions and business issues in order to gain a better sense of their outlook regarding the general investment environment. The Advisor requires managers to comply, at a minimum, with regular, basic exposure requirements that portray an accurate snapshot of the portfolio. The Advisor receives performance updates from all underlying managers on a monthly basis with most providing information more frequently. Additionally, the Advisor generally (although not in all cases) receives exposure reports, risk management reports, and a listing of the largest positions, both long and short and, where available, full position reports. The investment team reviews and analyzes this data and, in instances where there are divergences from customary trading, unusual position sizes, or types of securities, members of the investment team will speak with the underlying managers to understand the underlying reasons for them. The effects of any divergences are monitored closely and members of the investment team remain in direct contact with the managers.

In addition, the Advisor takes a proactive approach to risk management and, through the use of proprietary software and a dedicated operational due diligence team, has instituted extensive risk management procedures which pervade all aspects of the initial and ongoing due diligence process as it relates to the selection and monitoring of underlying managers. The Advisor uses internally and externally developed systems to monitor risk on both the individual manager level as well as the fund of funds level.

Model portfolios of managers and strategies are constructed within varying parameters, and these model portfolios are measured for correlations, risk and performance. The models are employed to analyze how the prospective fund would optimally impact the relevant portfolio vis-à-vis correlation, volatility and performance.

Investor Communications

The Advisor strives to provide investors with a high level of transparency by generally providing a variety of communications on a timely basis. A summary of these communications (depending on the particular Fund, the timing and frequency of reports may vary) is set forth below:

Performance Update – On a monthly or quarterly basis, depending on the Fund, clients receive a preliminary performance summary.

NAV Statement – Additionally, the independent administrator(s) for the Funds sends out a monthly NAV statement including the value of the Shares and account balance at month-end.

Annual Summit – An Annual Summit meeting is generally held each year to give investors a chance to personally interact with the underlying managers. The Annual Summit gives underlying managers and other thought leaders the opportunity to present new ideas and have in depth discussions on current market opportunities.

Monthly Investor Conference Call – To further enhance communication, the Advisor conducts monthly conference calls with investors. The calls consist of brief overviews of the broader markets as well as strategy-specific updates for the month. Calls are led by Mr. Hymowitz or another member of the Investment team. In addition to a review of the Funds, each call profiles one of the Funds' underlying managers. The featured manager reviews his/her portfolio and discusses the opportunity set for his/her respective investment strategy. Each call is recorded and is available for playback on our password protected client portal for a period of time after the call.

Performance Summary – On a monthly or quarterly basis, depending on the Fund, clients receive a written performance summary, which may include, depending on the Fund, information such as detailed performance and portfolio exposure information, including attribution analysis, underlying manager allocations and strategy exposures.

Market Developments Summaries – The Advisor provides clients with a written summary of newsworthy market developments as they occur and invites clients to ask questions concerning such developments. Such summaries were provided, for example, regarding newsworthy events such as the 2008 credit crisis or the 2020 global pandemic.

Website - The Advisor also makes available to Fund investors and distributors certain information on a, password protected portion of its website (www.entrustglobal.com). This information generally includes: Funds' monthly balances and monthly performance of the Funds and underlying investments, fund updates and the like.

Item 14. Client Referrals and Other Compensation

As noted in response to Item 8 above, the sole business purpose of the Broker-Dealer is to introduce prospective investors to the investment funds/accounts managed by the Advisor and its affiliates. Employees of the Broker-Dealer may be compensated under a variety of compensation arrangements, which may involve base compensation and/or a bonus or a percentage of the fee attributable to investors they refer to a particular Fund. Any such compensation is paid by the Broker-Dealer and not the Funds. The business development activities of the Broker-Dealer are overseen by Jill Daschle, the Broker-Dealer's Chief Executive Officer. It is important that any prospective investor in the Funds consider the nature of the referral or recommendation to the Advisor and its affiliates in determining whether to make an investment.

In addition, the Advisor has arrangements with third-party placement agents where the Advisor may compensate such agents for referring prospective investors to the Funds. Any such compensation is paid by the Advisor and not the Funds, the amount of which is negotiated by the Advisor. All such arrangements are memorialized in a written agreement subject to the prior review and approval of the CCO or his designee and in compliance with relevant anti-fraud requirements.

The Advisor also has agreements in place with certain banks/financial intermediaries for the distribution of Funds domiciled outside the US to clients (predominantly non-US) of such banks/financial intermediaries. This forms part of the Advisor's global fund distribution network worldwide. Any compensation paid by the Advisor to these financial intermediaries is generally paid by the Advisor out of the investment management fee it receives from the Funds.

The Advisor has also engaged third-party solicitors to market its services and such solicitors may receive a fee based on the average net asset value of a referred client's account. Any such arrangement is disclosed to the relevant client. The Advisor pays the solicitors' fees directly and the client is not subject to any increased or additional fees nor will the use of a solicitor, if any, be a factor in fee negotiations.

Item 15. Custody

The Advisor may be deemed to have custody of client assets as a result of serving as investment manager or general partner of the Funds, the Blue Ocean Funds and the Blue Sky Aviation Funds. The Advisor generally complies with the custody requirements of the Advisers Act by providing GAAP compliant audited financial statements for the Funds to their respective clients within the required time period following the end of the fiscal year. Additionally, SAS 99 requires auditors to plan and perform their audit to obtain reasonable assurances about whether the financial statements are free of material misstatements, whether caused by error or fraud. Investors in the Funds receive account statements directly from the independent administrator for those Funds. Investors should carefully review all account statements they receive.

Assets of these Funds are custodied with an independent third-party custodian by registering the ownership of each underlying portfolio in which these Funds invest with the custodian for the benefit of these Funds.

The Advisor may also be deemed to have custody of some or all the assets of clients if one or more of the following apply:

- the Advisor or an affiliate serves as managing member for client portfolios organized as an LLC;
- employees of the Advisor or an affiliate serve on the Board of Directors for client portfolios organized as corporate entities;
- clients are invested in special purpose funds; or
- employees of the Advisor or its affiliates are authorized to move cash to pay expenses or open accounts on behalf of the clients.

Item 16. Investment Discretion

The Advisor and its affiliates exercise investment discretion in managing the Funds, the Blue Ocean Funds and the Blue Sky Aviation Funds which is established through the investment management agreement or equivalent document. In exercising discretion, the Advisor will observe the investment policies, limitations and restrictions imposed by the relevant Fund. In the case of a separately managed account, discretionary authority is set forth in the managed account agreement, which the client may limit as set forth in that agreement.

Under certain circumstances, the Advisor may only provide non-discretionary or advisory services to a client.

Item 17. Proxy Voting

In providing investment advisory services to the Funds, the Advisor generally does not vote proxies with respect to the securities held by the underlying portfolios. Proxies are typically voted by underlying managers in accordance with their proxy voting policies. From time to time, the Advisor may receive requests for consent from underlying managers with respect to the underlying portfolios managed by such managers in which the Funds invest. All such requests are evaluated by the General Counsel or his designee, and outside counsel will be consulted as necessary, with respect to whether providing such consent: (i) is in the best interest of the Fund; and (ii) raises any potential conflict of interest with respect to the Advisor's/Fund's relationship with such underlying manager or portfolio. At all times, the Advisor will be guided by a determination based on the best interest of the Funds.

The Advisor will view proposals as being in the best interests of the Fund and generally will vote in favor of proposals that:

- maintain or strengthen the shared interests of Fund investors and management of the underlying portfolio;
- increase shareholder value;
- maintain or increase shareholder influence over the underlying portfolio's board of directors and management;
- maintain or increase the rights of shareholders generally; and
- allow the underlying manager to take advantage of investment opportunities believed to be attractive.

Votes generally will be cast against proposals having the opposite effect, or proposals that increase fees, restrict liquidity or increase risk in an inappropriate or unacceptable manner.

With respect to Funds that make direct investments in securities and the Blue Ocean Funds and Blue Sky Aviation Funds, as applicable, the Advisor may vote proxies. The Advisor may elect to not vote on routine, non-contested matters. These Proxy Voting Policies and Procedures are designed to ensure that proxies are voted in an appropriate manner and should complement the Advisor's investment policies and procedures.

The Advisor will abstain from voting proxies when the Advisor believes it is appropriate.

In exercising its voting discretion, the Advisor shall identify and avoid any direct or indirect conflict of interest raised by such voting decision and will resolve such conflicts before voting. Such conflicts of interest may result from any personal or business relationship between the Advisor, its employees or affiliates, and the underlying manager. In such circumstances, prior to voting, the Advisor will present the matter to the Advisor's Compliance and Conflicts Committee for a determination. If the conflict is not material, the Committee may determine the manner in which the proxy is voted. In the case of a material conflict, the Committee may direct the Advisor to submit the matter to the Fund's investors for a determination. If the investors consent or fail to respond within a reasonable time, the Advisor will vote the proxy as described above. If a majority of investors object to the Advisor's proposed vote response, the proxy will be voted according to the investors' direction.

Alternatively, the Advisor may, in lieu of pass-through voting, elect to vote the interests held by the Fund in the same manner as other investors (i.e., in the same proportion as the "yes" and "no" votes provided by other investors in the underlying portfolios).

In all cases, the Advisor will evaluate the facts and circumstances specific to the Funds before deciding whether and how to vote.

As applicable, in voting proxies issued by US registered investment companies, the Advisor has previously delegated to Institutional Shareholder Services (“ISS”), an independent service provider, the administration of proxy voting. ISS, a Delaware corporation, provides proxy-voting services to many asset managers on a global basis. Specifically, ISS has assisted the Advisor in the proxy voting and corporate governance oversight process by developing and updating the “ISS Proxy Voting Guidelines,” and by providing research and analysis, recommendations regarding votes, operational implementation, and recordkeeping and reporting services. When the ISS Proxy Voting Guidelines do not cover a specific proxy issue and ISS does not provide a recommendation: (i) ISS will notify the Advisor; and (ii) the Advisor will use its best judgment in voting proxies on behalf of the Funds.

The Advisor will evaluate its proxy voting policy on an ongoing basis to determine whether any policy change is warranted.

Item 18. Financial Information

The Advisor is not aware of any financial condition reasonably likely to impair its ability to meet contractual commitments to clients and has not been the subject of any bankruptcy petition.

Item 19. Requirements for State-Registered Advisers

This section is not applicable to the Advisor.

EnTrust Global

INSURANCE COVERAGE

Type of Insurance	Insurer	Limit of Liability	Retention / Deductible
policies expire 08/01/2021 unless otherwise noted			
Investment Adviser and Fund Professional Liability/Director and Officers Liability*	Chubb – $5,000,000	$5,000,000	$1,500,000
Excess Investment Adviser and Fund Professional Liability/Director and Officers Liability*	Berkshire Hathaway – $5,000,000 x $5,000,000 CNA – $5,000,000 x $10,000,000 Sompo International – $5,000,000 x $15,000,000	$15,000,000	N/A
Side 'A' Directors and Officers Excess and Lead Difference-in-Conditions ("DIC") policy	Lloyd's of London	$20,000,000	N/A
Fidelity Bond/Computer Crime Bond	Chubb	$10,000,000	$150,000
Employment Practice*	Chubb	$20,000,000	$250,000 all claims
Fiduciary Liability*	Chubb	$20,000,000	$25,000
ERISA Bond (expires 05/02/2021)	Federal Insurance Company ("Chubb") Berkley Regional Insurance Company ("Berkley") Continental Casualty Company ("CNA") XL Specialty Insurance Company ("XL") (each 1/4 of total coverage)	In accordance with ERISA, the bond provides for coverage of the lesser of 10% of client assets or $500,000 EXCEPT for clients which have their own securities in their plans. For those clients, the bond provides for coverage of the lesser of 10% of client assets or $1 million.	None
Information Security and Privacy Liability Insurance (Cyber Policy)	Everest National Insurance Company	$1,000,000	$10,000

*One blended policy for Fund/RIA D&O and E&O, EPLI, and Fiduciary Liability

Investment Performance Services, LLC
Fund of Hedge Funds Quarterly Compliance Checklist
Period Ending September 30, 2020

To: Grosvenor Capital Management, LP

Re: **Mid-Atlantic UFCW and Participating Employers Pension Fund (the "Fund") - GCM Grosvenor Secondary Opportunities Fund II, LP ("GSF II")**

The Notes and Disclosures that accompany this response are an integral part of this response and must be read in connection with your review of this response. Data provided as of September 30, 2020 or October 1, 2020, unless otherwise noted. Data are estimated and unaudited.

As an authorized representative of the firm I certify the following answers are accurate and attest that our firm has provided/attached all required explanations and/or supporting documents.

Part A: Account

1) Do you verify the portfolio is currently, and has been during the past quarter, in compliance with your firm's commingled investment vehicle guidelines and/or offering document governing the management of the investment?

Yes **No (please explain)**

2) With respect to the portfolio(s) under your management, do you acknowledge sole fiduciary responsibility under ERISA for adherence with the commingled investment vehicle and/or offering document guidelines?

Yes **No (please explain)**

3) Has there been a significant change in the liquidity of the commingled investment vehicle which may cause you to suspend, gate, or change the current liquidity offered to investors?

No **Yes (please explain)**

4) Do you see a need for a change in the Fund's current investment policy statement under which you are working?

No **Yes (please explain)**

Part B: Firm

1.) Have significant changes been made in the firm's investment management process during the quarter?

No **Yes (provide details)**

2.) Have any changes or departures occurred in the investment team or other key personnel within the firm during the past quarter?

No **Yes (provide details)**

Additions:

Pamela Bentley joined the firm as Managing Director of Finance and will assume the role of Chief Financial Officer effective January 1, 2021. She is a member of the firm's Operations Committee and is responsible for managing the financial functions of the firm including overseeing activities related to corporate and fund accounting, treasury and cash management, financial planning and reporting, tax, and operational due diligence while also playing a vital role in the firm's strategic initiatives. She will report to Jon Levin, President of GCM Grosvenor.

Ms. Bentley brings more than 25 years of financial and accounting experience to GCM Grosvenor. She joins GCM Grosvenor after 15 years with The Carlyle Group, a publicly traded global investment firm, where in her most recent role she served as the Chief Accounting Officer and Managing Director. She previously held senior finance roles at Transaction Network Services, Inc. and prior to that worked for Arthur Andersen.

Ms. Bentley earned her B.B.A. from the University of Michigan's Ross School of Business. She is a Certified Public Accountant and is also a member of the American Institute of Certified Public Accountants.

Departures:
None

3.) Have any ownership changes in the firm occurred during the quarter?

No **Yes (provide details)**

GCM Grosvenor has been management controlled and majority management-owned since its founding in 1971. Entities managed by Hellman & Friedman LLC currently have a passive, minority investment in GCM Grosvenor. In August 2020, GCM Grosvenor announced its intention to become a public company through a merger with a special purpose acquisition company, CF Acquisition Corp. ("CFAC") (NASDAQ: CFFA). GCM Grosvenor's existing senior management team will continue to lead the business, which will operate as GCM Grosvenor Inc.

Upon the completion of the transaction, the GCM Grosvenor team will own in excess of 70% of the equity interests of the company – consistent with its historical ownership level of the firm – and will continue to lead all functions of the business. H&F will also sell their minority equity interest in connection with the completion of the transaction.

The transaction is expected to be completed in the fourth quarter of 2020, subject to approval by the stockholders of CFAC, the effectiveness of a registration statement to be filed with the SEC in connection with the transaction, and other customary closing conditions.

4.) Have there been significant changes to your Form ADV from the last copy delivered to the Fund? **<u>If you are not required to file form ADV, please explain why.</u>**

No **Yes (provide details)**

GCMLP's Form ADV Part 1, which is several hundred pages in length, can be found online at www.adviserinfo.sec.gov; Part 2A can be accessed via the SEI Investor Dashboard/ Client Web Portal. Any material changes in the Part 2A are listed in Item 2 of the Part 2A.

5.) Has your firm or any individual (employee) at the present or during the past quarter been named in litigation, a regulatory enforcement action, or investigation related to investment activities? Please include any updates on any pending litigation that has been previously reported.

No **Yes (provide details and current status)**

6.) Have any changes occurred in the Errors and Omission insurance coverage provided by your firm over the last quarter?

No **Yes (provide details)**

7.) Does the amount of insurance coverage meet or exceed the minimum amount required through your investment management contract with the Fund and the minimum amount required through the Fund's Investment Policy Statement?

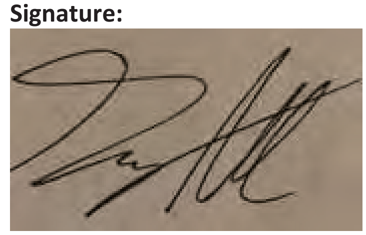
Yes **No (please explain)**

8.) Is your firm adhering to the communication and reporting requirements as defined in the Fund's investment policy statement?

Yes **No (please explain)**

We believe the Fund is receiving all reporting it requires or has requested, but as the general partner and a fiduciary to GSF II and its investors, the firm cannot be bound by the terms and conditions of the Fund's investment policy statement.

Certified for The Firm By:
Name: Greg Antell
Signature:



Title: Principal
Firm: GCM Grosvenor

GCM GROSVENOR

Grosvenor Capital Management, L.P.
SEC Form ADV, Part 2A

March 30, 2020

Item 1 – Cover Page

GROSVENOR CAPITAL MANAGEMENT, L.P.

900 North Michigan Avenue
Suite 1100
Chicago, Illinois 60611
312-506-6500
www.gcmgrosvenor.com

March 30, 2020

GCM Grosvenor provides investment management and advisory services for hedge fund investments primarily through Grosvenor Capital Management, L.P. (**GCMLP**) and private equity, real estate, and infrastructure investments primarily through GCM Customized Fund Investment Group, L.P. (**GCM CFIG**, and together with GCMLP and their affiliates, **GCM Grosvenor**). Additional information about GCMLP is available on the United States Securities and Exchange Commission's (**SEC**) website at www.adviserinfo.sec.gov.

References to "we," "us," and "our" in this Brochure are to GCMLP, and references to "client accounts" are to accounts that we manage, advise, or sub-advise for our clients on a discretionary or non-discretionary basis. (See Item 16 of this Brochure for a description of the manner in which we characterize client accounts as "discretionary.")

This Brochure provides information about the qualifications and business practices of GCMLP. If you have any questions about the contents of this Brochure or the additional information about GCMLP made available on the SEC's website, please contact GCMLP at client.services@gcmlp.com. Note that the information in this Brochure has not been approved or verified by the SEC, any state securities authority or any other governmental authority or any regulatory or self-regulatory organization. For information relating to the AML compliance officer (AMLCO), money laundering reporting officer (MLRO), and deputy MLRO for GCM Grosvenor-advised Cayman Islands-domiciled funds, please contact compliance@gcmlp.com.

We are registered with the SEC as an investment adviser under the U.S. Investment Advisers Act of 1940 (**Advisers Act**). Registration with the SEC as an investment adviser under the Advisers Act does not imply a certain level of skill or training, nor has any of the foregoing approved or disapproved of our qualifications.

Item 2 – Material Changes

This Brochure contains the following material change to our Brochure dated March 29, 2019:

- In Item 5, we updated the language relating to Expenses borne by GCMLP Funds.
- In Item 8, we updated the discussion of the risks and conflicts of interest associated with investments in GCMLP Funds.
- In Item 11, we added discussion about GCM Grosvenor employees' serving as directors of public companies.

Item 3 – Table of Contents

Item 4 – Advisory Business

Our Business

GCMLP (including its predecessors) has been in business since 1971.

GCMLP provides the following investment management and advisory services for hedge fund and alternative investments to investment vehicles and separately managed accounts (**GCMLP Funds**):

- Multi-investor GCMLP Funds managed or advised by GCMLP (**Commingled GCMLP Funds**)

  We offer investment vehicles designed for multiple investors who seek ease of investment, diversification, and choice of strategy.

  Investors who wish to invest in our Commingled GCMLP Funds currently choose from multi-strategy, credit-focused, equity-focused, macro-focused, commodity-focused, and other specialty portfolios.

- Single-investor GCMLP Funds managed or advised by GCMLP (**Customized GCMLP Funds**)

  We offer customized investment vehicles and separate accounts designed for investors seeking a customized mandate, control over structure, and/or involvement in the investment process.

  We collaborate with investors to design, implement, and monitor customized portfolios tailored to the investor's needs.

Most GCMLP Funds invest primarily in hedge fund or alternative investment vehicles or accounts (**Underlying Funds**) managed by third-party investment managers (**Investment Managers**). Certain GCMLP Funds directly invest in trading and/or investment positions, portfolio companies, real assets, market exposures, debt, and/or various sources of risk premia (**Direct Investments**) or do so indirectly through investments in one or more managed accounts or limited liability vehicles, instruments, or investment structures managed by GCMLP or third-party firms (**Co-Investments**, collectively with Direct Investments, **Strategic Investments**).

Although investors in the GCMLP Funds that are organized as legal entities are not, in their capacity as such, our clients for regulatory purposes, we sometimes refer to those investors as our clients.

Advisory Services

GCMLP offers clients who seek assistance in designing, building, and managing their hedge fund or alternative investment programs a wide range of tailored, non-discretionary services in the following areas:

Program Design – We work with clients to design the framework of their hedge fund or alternative investment programs. We also help clients define and document policies for their overall programs and/or individual portfolios.

Operational Infrastructure – We work with clients to design and implement the operational infrastructure for their hedge fund or alternative investment programs. To achieve their operational goals, clients sometimes build in-house capabilities, leverage our administrative services, and/or engage third-party service providers.

Due Diligence – Clients may access our research, due diligence, and views about Investment Managers and Underlying Funds through our due diligence reports and conversations with our staff. Investment Managers and Underlying Funds may be sourced by us or the client. We sometimes conduct due diligence and monitoring jointly with the client's staff.

Structuring – We assist clients who are developing their hedge fund or alternative investment programs in assessing and selecting the appropriate structures for their hedge fund or alternative investments. Clients building direct investment programs and customized portfolios do under certain circumstances benefit from our experience negotiating advantageous terms with Investment Managers, which may include lower effective fees, improved terms, separate accounts, and/or other side letter provisions. In addition, we may permit clients to participate in investments that reflect customized structures or terms negotiated between us and certain Investment Managers.

Portfolio and Risk Management – We offer clients advice on constructing and managing customized portfolios. Under certain circumstances, clients sometimes access our portfolio management tools to manage their portfolios with the assistance of our investment professionals. Our risk aggregation and analytical capabilities help clients measure, monitor, and stress test certain risks associated with investments in their hedge fund or alternative investment programs.

Technology Solutions – We provide a range of technology solutions to assist clients in managing their hedge fund or alternative investment processes.

Knowledge Transfer – We offer clients formal educational and training sessions to assist in the development of their in-house hedge fund or alternative investment knowledge and capabilities.

Transition Services – We assist clients in managing the orderly liquidation or transfer of hedge fund or alternative investment portfolios previously managed by clients or other investment managers.

Ancillary Information Provided as a Courtesy

At a client's request, GCMLP may provide information, advice, opinions, evaluations, recommendations, forecasts, or suggestions (**Ancillary Information**) that relate to matters outside the scope of GCMLP's management of the client's assets. Ancillary Information typically is general in nature and does not take into account a client's particular circumstances or needs. Therefore, Ancillary Information is not, and should not be considered, advice with respect to the purchase, sale, holding, or management of securities or other assets. Unless we expressly agree otherwise with a client, we provide Ancillary Information solely as a courtesy, and do not assume any duties to the client other than the duty to act in good faith in connection with providing Ancillary Information to the client.

Administrative Services

GCMLP provides a broad range of accounting and financial reporting services, tax reporting services, administrative support services, and client services (collectively, **Administrative Services**) for GCMLP Funds, as well as for certain investment funds whose investment portfolios are managed or advised by parties other than us (**Administered Funds**). These services include, but are not necessarily limited to, the following:

Accounting and Financial Reporting – maintaining the official books and records of certain GCMLP Funds and Administered Funds and reporting various financial information to investors on an interim and annual basis, including the preparation of annual financial statements and the coordination of the audits of such financial statements by an independent public accounting firm.

Tax Reporting – preparing, in collaboration with an independent public accounting firm, required statutory tax filings and disclosures.

Administrator Relationship Management – selecting, evaluating, coordinating, and monitoring the services of independent administrators for certain GCMLP Funds and Administered Funds.

Treasury Operations – authorizing or executing the movement of funds directly or through the use of administrators, as well as managing short-term cash balances, negotiating and managing credit facilities, and monitoring counterparty risk for certain GCMLP Funds and Administered Funds.

Investment Implementation – Evaluating and implementing investment decisions, including executing the appropriate investment documentation for subscriptions to and withdrawals from underlying funds in which GCMLP funds invest.

Client Services – assisting clients in reviewing subscription documents and processing contribution or subscription and withdrawal or redemption requests, as well as distributing regular investment performance reporting and responding to periodic client inquiries and requests.

Our Assets Under Management

As of December 31, 2019, our assets under management were approximately $28.9 billion. The methodology used to calculate the net asset value of client accounts that we manage differs from the methodology used to calculate "regulatory assets under management" for purposes of responding to Item 5.f(2) of Part 1 of our SEC Form ADV. Additional detail concerning the methodology is available upon request.

Additionally, we provide advice on a non-discretionary basis to clients separate from such client accounts.

Our Principal Owner

Our principal owner is Grosvenor Capital Management Holdings, LLLP (**GCM Holdings**), an Illinois (USA) limited liability limited partnership. Employees and former employees of companies associated with GCM Grosvenor, as well as certain other persons formerly associated with us, indirectly own a majority interest in GCM Holdings. Michael J. Sacks, our Chairman and Chief Executive Officer owns a controlling interest in GCM Holdings through several intermediate entities that he controls and of which he is the principal owner.

Item 5 – Fees and Compensation

Fees in General

Except as discussed herein, GCMLP charges one of, or a combination of, the following management fees or performance-based fees or allocations to a client in connection with managing or advising a GCMLP Fund:

- a percentage of the cost or value of assets invested or committed, of up to 2% per annum, which:
  - in some cases is on a sliding or tiered scale
  - in some cases is subject to a minimum, expressed in dollars or as a percentage of assets under management
- a percentage of capital appreciation or profits, of up to 20%, which may be subject to a hurdle, a high watermark and/or a preferred return or outperformance of a particular benchmark return, and that may be a fixed percentage or based upon a variable index rate
- an agreed-upon fixed amount

In the case of the GCMLP Funds (**GCMLP Seed Funds**) that primarily invest capital (**Seed Capital**) in Underlying Funds (each, a **Seed Manager Fund**) managed by Investment Managers (each, a **Seed Manager**) that either have not yet established investment advisory firms or that operate investment advisory firms that have yet to achieve a critical mass of assets under management, in addition to one or more of the fees and allocations described above, we participate, alongside investors in GCMLP Seed Funds, in the revenue or other economics of the Seed Managers with whom GCMLP Seed Funds invest.

In certain instances, GCMLP Funds are subject to a fee from which GCMLP Funds compensate both GCMLP and the Investment Managers of the Underlying Funds.

Fees for Commingled GCMLP Funds

Each Commingled GCMLP Fund sets forth its fee structure, including how and when fees are calculated, charged, and paid, in an offering document (together with private placement memorandum, investment management agreement or similar, **GCMLP Fund Documents**) provided to each prospective investor in the GCMLP Fund prior to the prospective investment in such fund.

Management fees typically are payable monthly or quarterly, either in advance or in arrears, and typically are not negotiable.

Certain investors, including seed or early investors, strategic partners, and persons associated or formerly associated with us, and members of their families, as well as certain friends of such persons, may invest in GCMLP Funds on a non-fee-paying basis or at fee rates that are lower than those charged to other investors in such GCMLP Funds, in our discretion.

Fees for Customized GCMLP Funds

Each Customized GCMLP Fund sets forth its fee structure—including how and when fees are calculated, charged, and paid— in the GCMLP Fund Documents provided to the prospective investor in the GCMLP Fund prior to the prospective investor’s investment in the GCMLP Fund.

Fees and other terms for each Customized GCMLP Fund are negotiated on a case-by-case basis with the investors in such Customized GCMLP Fund. Management fees typically are payable monthly or quarterly, either in advance or in arrears.

Fees for Advisory Services

Fees for Advisory Services, which are discussed in Item 4 of this Brochure, are negotiated on a case-by-case basis and depend upon the range of hedge fund or alternative investment program advisory services and other services that we provide to a client. Depending on the scope of such services and the overall size and nature of GCMLP's relationship with a particular client, in our discretion, we may determine not to charge additional fees for certain additional services.

Aggregation of Certain Accounts for Fee Purposes

If a GCMLP Fund maintains a tiered fee structure, such that the fees payable by the investor in the GCMLP Fund vary depending on the amount of the investor's investment in or commitment to the GCMLP Fund, we may in our discretion, agree with an investor to treat investments or commitments by the investor, its affiliates, and/or certain other persons in one or more GCMLP Funds and/or funds or accounts managed by a GCMLP affiliate as a single investment for purposes of determining the effective fee rate for such investors in respect of the GCMLP Fund. Such aggregation of an investor's assets will result in an overall fee that is lower than would be the case in the absence of such aggregation.

Deduction of Fees from GCMLP Funds

In the case of Commingled GCMLP Funds, GCMLP invoices GCMLP Funds for its fees, typically monthly or quarterly, and instructs that such fees be remitted to GCMLP from the assets of such GCMLP Funds.

In the case of Customized GCMLP Funds, depending on its agreement with the relevant investor, typically monthly or quarterly, GCMLP:

- invoices the relevant GCMLP Fund and/or instructs that such fees be remitted to GCMLP from the assets of such GCMLP Fund; or
- invoices the relevant GCMLP Fund and, upon the investor's approval of its invoice, receive its fees either from the relevant GCMLP Fund or directly from the investor.

Fee Refunds

In cases in which an investor in a GCMLP Fund pays fees in advance and the investor terminates its investment in such GCMLP Fund in accordance with the termination provisions governing such GCMLP Fund prior to the expiration of the period for which the advance fee was paid, except as otherwise agreed with the investor, we pay an appropriate pro rata refund to the investor, or provide a pro rata credit to the investor, designed to ensure that the investor pays a fee only for the portion of the period preceding the effectiveness of the termination.

Expenses

Each GCMLP Fund typically pays its organizational and initial offering costs out of the proceeds of the initial offering of its securities.

Each GCMLP Fund typically pays such costs and expenses as are necessary, advisable, or convenient for the conduct of its business, including, without limitation:

- all costs and expenses incurred in the identification, evaluation, selection, purchase, management, sale, or exchange of investments, whether or not ultimately consummated), including, without limitation, brokerage commissions, broken-deal costs, due diligence costs, investment banking fees, monitoring costs, sourcing or finder's fees, and research costs, including research terminals
- expenses relating to any Underlying Fund including, without limitation, organizational and offering expenses
- the interest expense, fees, and other expenses associated with any borrowing facility
- profit participations or other compensation of the general partners, advisers, or managers of entities in which a GCMLP Fund invests or of advisers or managers of managed accounts
- fees and expenses in connection with the custody of assets of a GCMLP Fund
- legal, accounting, auditing, tax and financial statement preparation, consulting, and other professional fees and expenses, including out-of-pocket expenses of a third party engaged by a GCMLP Fund or by GCMLP itself for purposes of providing these services to one or more GCMLP Funds
- administrative expenses and costs, including the fees and out-of-pocket expenses of a GCMLP Fund's administrator
- computer software licensing, development, purchasing, programming, and operating costs

- fees and expenses associated with reporting to clients
- other operating or administrative fees and expenses related to accounting, research, due diligence, reporting, and portfolio management services
- valuation fees and expenses
- Third-Party Costs as defined herein
- taxes and similar amounts (if any)
- extraordinary expenses (if any), including any costs and expenses arising out of a GCMLP Fund's litigation and indemnification costs and obligations
- costs and expenses of consultants engaged by GCMLP or its affiliates in connection with services provided by GCMLP or its affiliates to the GCMLP Fund
- regulatory or other governmental fees and charges, including regulatory or governmental fees and charges resulting from the offering or sale of a GCMLP Fund's securities in a non-U.S. jurisdiction
- certain travel and entertainment expenses incurred in connection with a GCMLP Fund's affairs, including in connection with investments, and potential investments, and meetings with investors or their representatives, to the extent permissible in such GCMLP Fund's governing documents and to the extent such expenses comply with GCMLP's Travel and Expense Policy
- reimbursement of GCMLP or its affiliates for administrative and overhead expenses related to overseeing administrative services, including, without limitation, an allocable portion of the cost of compensation (including benefits) and related expenses of employees performing such oversight, which reimbursement may take the form of a general charge intended to cover such expenses as determined by GCMLP in its reasonable discretion
- all other costs specifically described in the particular GCMLP Fund's offering documents
- all other costs related to a GCMLP Fund's investment activities

GCMLP typically does not charge and is not reimbursed for its own overhead or other internal costs except as agreed upon in connection with a particular GCMLP Fund.

In accordance with our policies and procedures and the documents governing certain GCMLP Funds, payments made to independent third-party vendors, consultants, or professional advisers (including providers of outsourced accounting, administrative, or reporting services) that directly support the ongoing management, administration, and operations of such GCMLP Funds (**Third-Party Costs**) are borne by such GCMLP Funds. Third-Party Costs may include, among others:

- insurance expenses, which consist primarily of premium payments made to third-party insurance underwriters and brokers related primarily to fiduciary liability coverage, professional liability coverage, ERISA fidelity bond if applicable, errors and omissions coverage, and directors' and officers' liability coverage
- operational due diligence expenses, which consist primarily of legal expenses and professional fees paid to third-party investigation firms to conduct background investigations on existing and potential Investment Managers
- technology expenses, which consist primarily of software and data licensing, development, programming and operating costs paid to third-party vendors to support the operating platforms of the GCMLP Funds, as well as costs related to the licensing, usage, and redistribution of data and performance benchmarks
- risk-aggregation reporting expenses, which consist primarily of fees payable to organizations that collect and aggregate exposure data from Underlying Funds and provide related reports to us in connection with our risk management process
- industry expert expenses, which consist primarily of fees payable to firms that source through their member networks professionals with expertise relevant to the GCMLP Funds' investment activities

Third-Party Costs, to the extent allocable, are generally allocated to the GCMLP Funds or related groups of GCMLP Funds (e.g., all GCMLP Funds pursuing a particular strategy) on a pro rata basis in accordance with their respective net asset values or commitment amounts, unless we decide, in our discretion and as permitted by the various GCMLP Funds' Documents, to specially allocate such expenses to a subset of GCMLP Funds to which such expenses more specifically relate, even though they may not benefit from such expenses on a strictly pro rata basis.

All costs and expenses directly attributable to one or more GCMLP Funds, and not to any other GCMLP Fund, including the costs of background investigations directly attributable to such GCMLP Funds, are charged to those GCMLP Funds and are not allocated pro rata among other GCMLP Funds in the manner discussed above.

In certain limited cases, GCM Grosvenor bears all or a portion of the Third-Party Costs that otherwise would be borne by a GCMLP Fund pursuant to the principles discussed above.

As an investor in Underlying Funds, each GCMLP Fund typically bears its allocable share of the Underlying Funds' respective organizational, offering, investment, and operating expenses, including taxes, interest due on borrowings, brokerage and other transaction costs, the fees, expenses, and profit participations of the Investment Managers and any extraordinary costs incurred. The advisory fees charged by Investment Managers vary in type, amount, and structure; for example, certain performance fees or allocations are paid or made only after achieving a hurdle rate of return and others are calculated period-to-period without a high water mark. Moreover, some performance fees or allocations are calculated after investors have received a return of capital and a preferred return, or variations of such arrangements. Most GCMLP Funds are thus subject to two levels of fees and a potentially higher expense-to-equity ratio than would be associated with an investment fund that invests and trades directly in financial instruments under the direction of a single investment manager.

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

As discussed in Item 5 of this Brochure, GCMLP accepts performance-based fees, special allocations (i.e., carried interest) or other types of performance-based compensation from certain GCMLP Funds, in addition to or in lieu of other fees. Performance-based compensation is based on a share of:

- the capital gains on, profits, or capital appreciation in the value of the GCMLP Fund, which may be subject to a hurdle, a high watermark and/or a preferred return; or
- the outperformance of the GCMLP Fund relative to the performance of a particular benchmark, which may be a fixed percentage or based upon a variable index rate

The receipt of performance-based compensation or special allocations rewards us for increases in the value of the assets of such GCMLP Fund or the outperformance of such GCMLP Fund relative to the performance of a particular benchmark, without directly penalizing us for losses or underperformance relative to a particular benchmark, creating an incentive for us to invest and reinvest the assets of such GCMLP Fund in a manner that may be riskier or more speculative than would otherwise be the case.

Some GCMLP Funds issue more than one class of securities, and, in some cases, certain classes of securities issued by a GCMLP Fund bear performance-based compensation or special allocations while other classes do not. Because we manage the assets of a GCMLP Fund as a single pool of assets, all investors in such GCMLP Fund are subject to the risk discussed in the preceding paragraph and not just those investors who invest in classes of securities that bear performance-based compensation or special allocations.

Similarly, in some cases, two or more feeder funds managed or advised by us invest all or substantially all of their assets in a master fund managed or advised by us. In these cases, one or more of the feeder funds that invest in a particular master fund pay performance-based compensation or special allocations to us while other feeder funds that invest in such master fund do not. In these cases, all investors in the feeder funds are subject to the risk discussed above—not just those investors who invest in the feeder funds that bear performance-based compensation or special allocations—because we manage the assets of such master fund as a single pool of assets.

GCMLP may have an incentive to allocate certain investment opportunities to GCMLP Funds from which we receive performance-based compensation or special allocations, in preference to GCMLP Funds from which we do not receive performance-based compensation or special allocations, because we may stand to gain greater compensation from the former types of GCMLP Funds by allocating the best investment opportunities to them. We have adopted detailed investment allocation policies and procedures designed to provide fair and equitable allocation of investment opportunities in Underlying Funds among all eligible accounts. Additionally, Investment Managers of Underlying Funds may from time to time make us aware of opportunities to co-invest in specific underlying investments (i.e., investments other than investments in Underlying Funds). These co-investment opportunities are allocated at our discretion, including to GCMLP Funds eligible to invest in such opportunities or to investors in GCMLP Funds.

Item 7 – Types of Clients

GCMLP has three basic types of clients:

Type 1: GCMLP Funds organized as legal entities. Some GCMLP Funds are privately offered and are not subject to registration under the Investment Company Act of 1940 (as amended, the **ICA**). Others are open-end or closed-end investment companies registered under the ICA and publicly offer their securities. Some are Commingled GCMLP Funds, while others are Customized GCMLP Funds.

Some GCMLP Funds are feeder funds that invest all or substantially all of their assets in master GCMLP Funds. Feeder funds may be Commingled or Customized GCMLP Funds and may invest their assets in master GCMLP Funds that are Commingled or Customized GCMLP Funds.

Type 2: Institutional investors, such as public or private pension plans or sovereign wealth funds, and high-net worth investors entering into discretionary or non-discretionary investment management agreements, investment advisory agreements or similar agreements with us rather than investing in GCMLP Funds organized as legal entities.

Type 3: Institutional investors that we assist, on a non-discretionary basis, in designing, building, and managing their hedge fund or alternative investment programs. This service does not typically constitute continuous and regular supervisory or management services.

GCMLP generally requires a minimum initial investment of $100,000,000 for launching or maintaining a Customized GCMLP Fund, but we have reduced and may in the future reduce this requirement in our discretion.

The minimum initial investment for a particular Commingled GCMLP Fund is set forth in the GCMLP Fund Documents for such Commingled GCMLP Fund.

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

Our Hedge Fund Strategies Investment Process

Except as related to certain programs as described herein, for example under Other Investment Management and Advisory Services, which in some cases have different designated investment committees and investment processes that are described therein, GCMLP's hedge fund strategies investment process is overseen by the **Hedge Fund Strategies Investment Committee** and implemented by our Hedge Fund Strategies Investments Department, which is comprised of three functional teams:

- The **Research Team** is responsible for strategy research, investment due diligence, and monitoring of Investment Managers and Underlying Funds.
- The **Portfolio Management Team** consists of investment professionals assigned to separate Portfolio Management Teams, each responsible for the day-to-day management of a set of GCMLP Funds assigned to such team. The Portfolio Management Team assigned to a GCMLP Fund constructs the initial portfolio (subject to approval by a **Portfolio Committee**, which consists of two senior investment professionals), evaluates such GCMLP Fund's portfolio composition on an ongoing basis and proposes allocation changes for such GCMLP Fund to the Portfolio Committee. The Portfolio Management Teams communicate with clients to discuss performance, outlook and proposed portfolio changes.
- The **Risk Management Team** works with GCMLP's Research and Portfolio Management Teams to perform risk management assessments of investment strategies, Investment Managers, Underlying Funds, and GCMLP Funds. The Risk Management Team has three primary responsibilities:
  - conducting independent risk management due diligence and monitoring of Investment Managers and their Underlying Funds

  - performing risk management analytics on GCMLP Funds, Underlying Funds and clients' full hedge fund or alternative investment programs
  - developing proprietary risk management tools

The Hedge Fund Strategies Investment Committee, with input from the Research, Risk Management, and Portfolio Management Teams, develops its forward-looking expectations for investment strategies and Underlying Funds through a quantitative and qualitative evaluation of the risk/reward profiles of such investment strategy or Underlying Fund. The Hedge Fund Strategies Investment Committee's forward looking expectations for such investment strategies and Underlying Funds, in conjunction with each portfolio's return and risk objectives, determines guidelines with respect to the target percentage of assets that the Portfolio Management Teams generally follow in proposing portfolio allocations to particular investment strategies and Underlying Funds.

The **Operations Committee** oversees GCM Grosvenor's operational risk framework. The Operations Committee also generally reviews and approves, from an operational perspective, prospective investments. The Operations Committee works collaboratively with, but is independent of, the Investment Department to ensure the separation of duties between investment and operational due diligence.

- The **Operational Due Diligence Team** evaluates Investment Managers/Underlying Funds from an operational and legal perspective. The Operational Due Diligence Team's responsibilities include:
  - evaluating the people, processes, and systems that support the Investment Manager's infrastructure and operations
  - reviewing and analyzing relevant legal and regulatory documentation
  - utilizing independent third-party investigative firms to perform background checks of the Investment Manager, its key personnel, its target Underlying Funds, and the independent directors of such target Underlying Funds

Due diligence

- *Investment Due Diligence*
  If the co-heads of the Research Team authorize full due diligence with respect to a potential Investment Manager and Underlying Fund, we assign an Investment Due Diligence Team to that Investment Manager and Underlying Fund, which is responsible for assessing:
  - particular quantitative data relating to the Underlying Fund, including performance relative to peers, key return and risk statistics, attribution and drivers of performance, and quality of historical returns
  - certain qualitative factors relating to the potential Investment Manager, such as its investment philosophy, investment mandate and investment decision-making structure, the skills and commitment of its key professionals, its depth and breadth of experience in the relevant investment strategy, its investment and risk management processes, its organizational infrastructure and stability, and its policies with respect to environmental, social, and corporate governance (ESG) factors

- *Risk Management Due Diligence*
  The Risk Management Team performs due diligence separately from the Research Team to assess the risk management processes, both quantitatively and qualitatively, and systems of Investment Managers and to analyze the risk and exposure of the Underlying Funds managed by the Investment Managers.

- *Operational Due Diligence*
  The Operational Due Diligence Team evaluates a potential Investment Manager's operational infrastructure and the overall design of the Investment Manager's internal control environment. This evaluation includes a review of the audited financial statements of the target Underlying Fund managed by such Investment Manager, if available, and evaluation of the audit firm engaged by such Investment Manager to audit such target Underlying Fund. The Operational Due Diligence team will also conduct background checks on Investment Managers and their key personnel using an external service provider.

Hedge Fund Strategies Investment Committee and Operations Committee Approval

The Hedge Fund Strategies Investment Committee currently has four members who are senior investment professionals and makes decisions by majority vote. The Chief Executive Officer has the authority to determine the outcome in the event of a tie and the authority to veto any affirmative decision made by the Hedge Fund Strategies Investment Committee. However, if the Hedge Fund Strategies Investment Committee rejects or terminates an Investment Manager or Underlying Fund, the Chief Executive Officer cannot override such rejection or termination.

The Operations Committee currently has four members who are senior members of GCM Grosvenor and makes decisions by majority vote. Our Chief Executive Officer has the authority to veto any affirmative decision made by the Operations Committee. However, if the Operations Committee rejects or terminates an Investment Manager or Underlying Fund, our Chief Executive Officer cannot override such rejection or termination.

The Hedge Fund Strategies Investment Committee approves Underlying Funds from an investment and risk perspective, and the Operations Committee approves from an operational perspective, before we invest the assets of any hedge fund strategies client or recommend to a client that it invest its assets in such Underlying Funds, except where expressly agreed upon with the particular client, or where the particular GCM Grosvenor Fund's Documents state otherwise. In some cases, such approvals are limited to a particular client's or group of clients' portfolios under certain circumstances rather than for all client portfolios.

The Portfolio Committee reviews and approves initial and subsequent portfolio allocations proposed by each Portfolio Management Team for each GCMLP Fund assigned to such Portfolio Management Team. Our Chief Executive Officer has a veto right over portfolio management activity for the GCMLP Funds.

The size and composition of the Hedge Fund Strategies Investment Committee and Operations Committee may change from time to time.

Allocation of Investment Opportunities

We allocate investment opportunities among eligible GCMLP Funds and investment vehicles managed or advised by our affiliate GCM CFIG (**GCM CFIG Funds**, collectively with GCMLP Funds, **GCM Grosvenor Funds**) in a manner that we deem to be fair and equitable, taking into account a variety of relevant factors.

We may have an incentive to allocate certain investment opportunities to GCM Grosvenor Funds from which we receive performance-based compensation or special allocations, in preference to GCM Grosvenor Funds from which we do not receive performance-based compensation or special allocations, because we may stand to gain greater compensation from the former types of GCM Grosvenor Funds by allocating the best investment opportunities to them. We and GCM CFIG, have adopted global investment allocation policies and procedures designed to result in the fair and equitable allocation of investment opportunities in Underlying Funds among all eligible GCM Grosvenor Funds. Additionally, Investment Managers of Underlying Funds may from time to time make us aware of opportunities to co-invest in specific underlying investments (i.e., investments other than investments in Underlying Funds). These co-investment opportunities are allocated at our discretion, including to GCMLP Funds eligible to invest in such opportunities or to investors in GCMLP Funds.

Other Investment Management and Advisory Services

- **Strategic Investments Group**
  Investment professionals organized as the Strategic Investments Group (**SIG Professionals**) focus on: (i) identifying, and performing investment due diligence with respect to, prospective investment ideas or investment themes; (ii) monitoring the investments or investment themes on an ongoing basis; and (iii) managing and adjusting position sizes, potentially on a daily basis. In addition to these responsibilities, the Strategic Investments Group manages the Special Opportunities Program, MAC Opportunities, and MAC Portfolios each as defined herein.

- **Special Opportunities Program**
  The Special Opportunities Program seeks to provide exposure to Strategic Investments. For this program, SIG Professionals focus on: (i) identifying, and performing investment due diligence with respect to, prospective investment ideas or investment themes; (ii) monitoring the investments or investment themes on an ongoing basis; and (iii) managing and adjusting position sizes, potentially on a daily basis. There are generally no restrictions on the types of investments in which the Special Opportunities Program may invest, except as otherwise may be required or prohibited by applicable law or policy.

In selecting investments for the Special Opportunities Program, the Special Opportunities Investment Committee (**SOIC**) relies on advice from the SIG Professionals. The SOIC considers factors in selecting investments for the Special Opportunities Program that sometimes differ from the factors taken into consideration by the Hedge Fund Strategies Investment Committee in selecting investments for hedge fund strategies GCMLP Funds.

- The Operations Committee generally will evaluate and approve Strategic Investments where it deems such evaluation appropriate, but does not evaluate and approve all Strategic Investments.

- **Private Equity, Real Estate, and Infrastructure Investments**
  GCM Grosvenor invests assets of certain GCMLP Funds in long-term private equity, real estate, and infrastructure investments, which the **PEREI Investment Committee** and typically the Operations Committee must approve. These investments include:
  - Investments in Underlying Funds acquired directly from Investment Managers at or near inception during the fundraising period (Primary Fund Investments)
  - Investments in Underlying Funds acquired in secondary market transactions (Secondary Investments)
  - Co-Investments
  - Direct Investments

- **Multi Asset Class Portfolios**
  GCM Grosvenor invests assets of certain GCMLP Funds across multiple asset classes (**MAC Portfolios**), which include hedge fund asset classes, private equity, real estate, and/or infrastructure (**MAC Opportunities**).

  With respect to MAC Portfolios, SIG Professionals focus on: (i) identifying, and performing investment due diligence on prospective MAC Opportunities, and (ii) monitoring the MAC Opportunities on an ongoing basis.

  In selecting investments for the MAC Portfolios, the MAC Investment Committee (**MAIC**) relies on advice from the SIG Professionals. The factors taken into consideration by the MAIC in selecting investments for MAC Portfolios sometimes differ from the factors taken into consideration by the Hedge Fund Strategies Investment Committee in selecting investments for hedge fund strategies GCMLP Funds, or by factors taken into consideration by GCM CFIG in selecting investments for GCM CFIG Funds.

  The Operations Committee generally will evaluate and approve MAC Opportunities where it deems such evaluation appropriate, but does not evaluate and approve all MAC Opportunities. At times, GCMLP involves affiliates of GCMLP in evaluating investments for the MAC Portfolios.

- **Labor Impact Program**
  The Labor Impact Infrastructure Program (**Labor Impact Program**) seeks to originate and execute infrastructure investments (**Labor Impact Investments**) that leverage GCM Grosvenor’s relationships with, understanding of, and experience in organized labor, government, and finance. The Labor Impact Program’s mandate requires that an investment meet a risk/return standard and utilize value-additive union labor. The Labor Impact Program will consider investments across core, core-plus, and opportunistic infrastructure assets, and businesses through direct investments and partnerships with other financial market participants, as well as partnerships/joint ventures with operators, construction firms and governmental entities. The Labor Impact Program seeks to selectively invest across various subsectors of infrastructure in both greenfield, and brownfield investments and will also opportunistically invest in certain real estate assets that have infrastructure-like characteristics. The Labor Impact Fund Investment Committee (**LIFIC**) is responsible for the selection of the transactions in which the Labor Impact Program participates. At times, GCMLP involves affiliates of GCMLP in evaluating investments for the Labor Impact Program. In selecting investments for the Labor Impact Program, the LIFIC incorporates information and advice from the SIG Professionals, among others.

- **Seeding Transactions**
  GCMLP Funds, as well as GCM Grosvenor acting for its own accounts, may enter into agreements under which GCMLP Funds or GCM Grosvenor invest in Seed Manager Funds and/or provide capital or debt financing to Seed Managers in exchange for certain benefits, referred to as Seeding Transaction Benefits (**Project Agreements**).

Typically, the only consideration for receiving Seeding Transaction Benefits is the investment for a specified period of time by the participating GCMLP Fund or GCM Grosvenor proprietary capital in the Seed Manager Fund managed or advised by the Seed Manager. In certain cases, however, a GCMLP Fund or GCM Grosvenor may provide capital or debt financing to a Seed Manager in exchange for Seeding Transaction Benefits.

GCMLP currently manages one GCMLP Seed Fund that has entered into Project Agreements and invested in Seed Manager Funds as a principal part of its business. We could manage additional GCMLP Seed Funds of this type and other GCMLP Funds could invest Seed Capital with Seed Managers on an ad hoc basis.

The Seed Fund Investment Committee (**SFIC**) selects the Seed Capital transactions in which the GCMLP Seed Funds will participate. The Hedge Fund Strategies Investment Committee, or other investment committees, rather than the SFIC, typically selects Seed Capital transactions for GCMLP Funds that are not GCMLP Seed Funds. In evaluating prospective Seed Capital transactions, the SFIC relies on advice from certain investment professionals focused on the Seed Fund (**Seed Fund Investment Professionals**), as well as members of the Operational Due Diligence Team.

The Operations Committee approves all Seeding Transactions proposed to be made by a GCM Seed Fund from an operational perspective.

- **Placing Assets Under the Management of Seed Managers**
  We have invested the assets of GCMLP Funds, as well as GCM Grosvenor proprietary assets, directly or indirectly by investing in a GCMLP Seed Fund or other GCMLP Fund in: (i) Seed Manager Funds and/or Seed Managers; and/or (ii) investment opportunities made available by Seed Managers, but which they consider to be outside the scope of their respective investment mandates.

  Except as otherwise provided in the operative documents of a GCMLP Fund or agreed between an investor and us:
  - we have no obligation to make available to any GCMLP Fund, or to any investor, any opportunity to enter into a Project Agreement, or to invest in any Seed Manager Fund or Seed Manager
  - Subject to the GCMLP Funds' Documents, the requirements of applicable law and such policies, if any, as we may from time to time adopt, we retain sole discretion to determine:
    - the extent to which any GCMLP Fund enters into Project Agreements and invests in Seed Manager Funds or Seed Managers
    - the terms on which such GCMLP Fund will do so

  In certain cases, Investments in Seed Manager Funds or Seed Managers are made available to GCMLP Funds notwithstanding the fact that one or more GCMLP Seed Funds or other GCMLP Funds have entered into Project Agreements involving such Seed Manager Funds or Seed Managers. In certain cases, a Project Agreement may entitle a GCMLP Seed Fund, as well as investors in such GCMLP Seed Fund, to invest in a Seed Manager Fund on terms that are more favorable than those available to the Seed Manager Fund's other investors, typically with discounts from a standard fee schedule. Accordingly, if other GCMLP Funds invest in such Seed Manager Fund, they may do so on terms that differ from, and may be less favorable than, those available to the applicable GCMLP Seed Fund.

  GCM Grosvenor may provide back-office and administrative services to Seed Managers pursuant to service level agreements at what we believe to be arm's-length prices. While GCM Grosvenor will have the opportunity of entering into such service level agreements with Seed Managers only because of the Seed Capital provided by the applicable GCM Seed Fund, such GCM Seed Fund will not share in any of the revenues GCM Grosvenor receives under any such service level agreement.

- **Temporary Investments and Hedging Transactions**
  Except to the extent that the governing documents relating to a GCMLP Fund expressly provide otherwise, we may from time to time:
  - invest, for cash management purposes, cash held by such GCMLP Fund (pending investment by such GCMLP Fund or distribution to its investors) directly in securities and other financial instruments, for example:
    - U.S. government and agency securities
    - bank demand deposit accounts—which typically are not interest bearing—and certificates of deposit

  - commingled investment products (such as money market mutual funds)

- cause such GCMLP Fund to engage in hedging transactions by purchasing or selling securities or derivative instruments with the intent of reducing certain exposure—for example, by:
  - purchasing or selling securities or derivatives with the intent of reducing certain exposures
  - entering into foreign currency hedging transactions on behalf of such GCMLP Fund if such GCMLP Fund is denominated in a currency other than U.S. Dollars (e.g., Japanese yen, euro, Swiss franc), but invests primarily in U.S. dollar-denominated Underlying Funds, or if such GCMLP Fund is denominated in U.S. dollars and invests in Underlying Funds or individual securities that are denominated in currencies other than the U.S. dollar

These temporary investments and hedging transactions are ancillary to the primary hedge fund or alternative investment program of the affected GCMLP Funds.

Modifications of Our Investment Process

The discussion herein summarizes the investment process, investment services, and strategies in effect as of the date of this Brochure. We have previously modified the investment process, investment services, and strategies and expect to continue to modify investment process, investment services, and strategies from time to time. We may make substantive modifications to our investment process, investment services, and strategies without notice to clients.

Investment Strategies

GCMLP currently manages or advises portfolios that pursue one or more of the following investment strategies:

- broadly diversified, multi-strategy
- global long/short equity
- U.S. long/short equity
- global macro
- commodities
- global credit
- completion (weighted toward strategies under-represented in clients' portfolios)
- hedge fund seeding
- multi-asset class
- private equity, real estate, and infrastructure
- labor impact
- opportunistic (a blend of several of the strategies herein)

GCMLP classifies each Underlying Fund into a specific strategy and sub-strategy category based upon such Underlying Fund's primary investment strategy. The current strategy and sub-strategy categories are as follows:

- Credit Strategies
  - Fundamental credit
  - Structured credit
  - Long-short credit
  - Distressed credit
  - Emerging market credit
  - Specialist credit
- Relative Value Strategies
  - Convertible arbitrage
  - Fixed income arbitrage
  - Option volatility arbitrage
  - Diversified relative value
- Equity Strategies
  - Directional equity
  - Low-net equity
  - Fundamental market neutral equity
  - Activism
  - Event driven
  - Emerging market equity
  - Specialist equity
- Quantitative Strategies
  - Directional quantitative strategies
  - Non-directional quantitative strategies
- Multi-Strategy
- Macro Strategies
  - Diversified macro
  - Emerging market macro
  - Specialist macro
- Commodities Strategies
  - Diversified commodities
  - Specialist commodities
- Portfolio Hedging Strategies
  - Dedicated short equities

  - Dedicated short credit
  - Volatility protection
  - Opportunistic hedging
- Strategic Investments Group Strategies
  - Direct investments
  - Co-investments
- Private Markets Strategies
  - Private equity
  - Real estate
  - Infrastructure
  - Co-investment opportunities
  - Secondary investments

Our broadly diversified, multi-strategy portfolios pursue a broad range of the various strategies. Our global long/short equity portfolios focus primarily on investing and trading in equity securities of both U.S. and non-U.S. issuers, our U.S. long/short equity portfolios focus primarily on investing and trading in equity securities of U.S. issuers (see *Equity Strategies*, herein). Our global credit portfolios primarily pursue the types of strategies discussed under Credit Strategies. While certain portfolios primarily pursue a single strategy, all portfolios may pursue one or more of the various strategies discussed herein.

GCMLP may from time to time change its strategy classification framework, or reclassify the particular strategy or sub-strategy pursued by an Underlying Fund, in either case without notice to clients, using reasonable discretion. Further, we may classify or re-classify a particular Underlying Fund as pursuing a particular strategy or sub-strategy even though such Underlying Fund may not invest all of its assets in accordance with such strategy or sub-strategy.

<u>Credit Strategies</u>
Credit strategies include directional and hedged investments in debt securities, credit derivatives, and related instruments. The primary investment approaches include long/short credit, fundamental credit, specialist credit, distressed credit and structured credit. Credit strategies, although diverse, can exhibit highly correlated losses during certain market periods.

Fundamental credit consists primarily of diversified credit portfolios that may engage in a wide range of investment approaches including, but not limited to distressed investing, high-yield credit, and direct lending. Investment managers assigned to this category typically have a net credit exposure greater than 50% net long.

- *Distressed investing* consists primarily of long and short directional investments in securities of companies that are in various stages of financial difficulty, including bankruptcy. The goal of the strategy is to earn an attractive absolute rate of return through investing in specific events with limited exposure to broad market fluctuations. Investment managers seek to capitalize on market opportunities resulting from a lack of information, illiquidity, excessive selling pressure, and complexity of capital structures or securities.
- *High-yield credit* involves taking long positions in levered loans or high-yield bonds. The positions in this sub-strategy are motivated primarily by fundamental credit views that also may consider technical market factors such as short-term supply/demand imbalances. An investment manager may be long an issuing company's credit either by investing directly in bonds or loans or by establishing a synthetic long position or short position through a credit default swap (**CDS**).
- *Direct lending* investments are primarily in debt securities of issuers that require capital for growth, acquisitions, recapitalizations, or changes of control. Such securities include first and second lien loans, as well as subordinated debt, which may include an associated equity component such as warrants, preferred stock, or other similar securities. The investment manager directly originates these loans, which typically include relatively high coupons and generous structuring fees. In order to compensate for the less liquid nature of the instruments and other inherent risks of direct lending, direct financing arrangements often will be collateralized with assets, include restrictive covenants and provide upside equity participation.

Structured credit consists of investments in residential mortgage-backed securities, commercial mortgage-backed securities, asset-backed securities, and corporate credit-related structured credit instruments such as collateralized debt obligations (**CDO**). Trade selection is based on fundamental analysis of the underlying assets as well as analysis of the structured credit vehicle, including such vehicle's cash flow waterfall.

Long-short credit consists primarily of long-short credit, correlation trades, and credit volatility arbitrage.

- *Long-short credit* involves taking long and short positions that reflect relative-value views between, or among, different credits, groups of credits, sectors, or indices. The positions in this sub-strategy typically are motivated by fundamental credit views with an appreciation for market technicals. One example of a long/short credit trade is a pairs trade in which the investment manager may be long a company's CDS and short a competitor's CDS. Not all positions entail related credits; for example, an investment manager may construct a portfolio that is long a basket of telecom credits via a CDS and short a basket of financial services credits via a CDS.
- *Correlation trades* involve arbitraging perceived mispricings in baskets or portfolios of credits versus the individual components of the basket, an index, or a highly-correlated derivative of the basket. Frequently, the trade is structured to be neutral to credit spread movements in the broad market. The securities used in the arbitrage may include CDOs, synthetic CDOs, bespoke CDS baskets, credit indices and individual CDSs. Synthetic CDOs are similar to CDOs, except that the credits are included in the pool via CDS contracts instead of cash bonds. Bespoke CDS baskets represent a collection of credits that are selected individually to create a customized hedge of specific portfolio risks. These instruments are less liquid due to their customized nature.
- *Credit volatility arbitrage* typically involves buying and selling options on credit spreads of individual companies or on traded indices. An investment manager also may buy and sell volatility across various asset classes. For example, an investment manager may sell volatility via options on credit spreads and buy volatility on the same company via the equity markets.

Distressed credit consists of underlying funds that are explicitly focused on capturing opportunities in distressed situations primarily in corporate capital structures and at times within sovereign credits. This may range from buy-and-hold fundamental value identification to distressed activism, capital structure arbitrage within stressed or distressed capital structures, or various forms of documentation arbitrage.

Emerging market credit consists of underlying funds that opportunistically investing in stressed, distressed, and other value-oriented investments in emerging markets on a dedicated basis. Such investments may extend across the corporate capital structure and could periodically include more junior claims. Additionally, emerging market credit investments may at times include sovereign credit or rate positions, both long and short, either as value investment opportunities or as portfolio hedging tools.

Specialist credit consists of a variety of underlying strategies that tend to focus on niche subsets of global credit and fixed income markets. These will typically seek to exploit idiosyncratic mispricings or structural return premia available within the identified market segment. Examples of specialist credit strategies include, but are not limited to, aviation finance, litigation finance, origination platforms, and trade finance.

<u>Relative Value Strategies</u>

Relative value strategies include diversified relative value, convertible arbitrage, fixed income arbitrage, and option volatility arbitrage.

Diversified Relative Value

Diversified relative value strategies consist primarily of highly diversified multi-asset class portfolios that may engage in a wide range of investment approaches including, but not limited to convertible arbitrage, fixed income arbitrage and option volatility arbitrage, as well as a range of other strategies. Diversified relative value strategies will typically exhibit a low beta and correlation profile to traditional equity and fixed income benchmarks.

Convertible Arbitrage

Convertible arbitrage strategies include a variety of strategies involving investments in convertible securities that investment managers perceive to be undervalued from a fundamental or volatility perspective. The primary convertible arbitrage strategies include, but are not limited to: long volatility or gamma trading, catalyst or event driven investing and credit sensitive investing. In general, a position in each particular strategy involves taking a long position in convertible bonds or convertible preferred shares and short positions in the underlying common stock into which the convertible securities are exchangeable, in order to isolate the aspect of the security that the investment manager believes is mispriced and largely eliminate the effect of directional moves in the underlying stock price.

- Long volatility or gamma trading primarily involves taking positions where the investment manager perceives that the volatility level of the underlying security implied by the price of the convertible security is too low relative to historical or expected future volatility of the security. The investment manager typically will fully hedge the long convertible position by shorting the appropriate amount of the underlying security and generally will make a profit if the underlying security exhibits high volatility. In the trades, the investment manager typically seeks to hedge interest rate and credit risk by using interest rate futures or swaps and credit derivatives.
- Catalyst or event driven investing involves taking positions where the investment manager expects that a catalyst or event will cause the implied volatility of the convertible bonds or the actual volatility of stock price changes to increase. Such catalysts may include new product announcements, litigation, management changes, or regulatory approval of a new drug. The investment manager typically will seek to hedge interest rate and credit risk by using interest rate futures or swaps and credit derivatives.
- Credit sensitive investing involves taking positions where the investment manager expects that the financial condition of the underlying company will improve and credit spreads of the convertible bond will narrow. Such a view may be based on improved trends in earnings, refinancing of existing debt or the selling of assets. The credit risk of such a position typically will be largely unhedged.

Fixed Income Arbitrage
Fixed income arbitrage includes a variety of strategies involving investments in fixed income instruments designed to: (i) eliminate or reduce exposure to changes in the level of interest rates; (ii) profit from perceived dislocations (e.g., anomalous yield differences) between related sets of fixed income securities. Examples of types of fixed income arbitrage trades include the following: yield curve arbitrage, swap spreads versus government yield spreads, cash versus futures basis trades, U.S. government agency debt versus U.S. Treasuries and the trading of agency mortgage derivatives.

Option Volatility Arbitrage
Option volatility arbitrage strategies trade volatility as an asset class. Exposures may be long, short, or neutral to the direction of implied volatility. Option volatility arbitrage strategies may be either directional or relative value in nature. Specifically, directional volatility arbitrage strategies seek to express a view on the likely trend of implied volatility across various asset classes including equities, foreign exchange, interest rates, and commodities, whereas relative value volatility arbitrage strategies seek to exploit mispricings between multiple options, or instruments containing implied volatility. Option volatility arbitrage managers typically invest in liquid instruments including options and variance swaps.

<u>Multi-Strategy</u>
Multi-strategy investment involves the combination of one or more of the strategies described herein in an effort to reduce volatility and mitigate strategy and market risks.

<u>Equity Strategies</u>
Equity strategies generally focus on the purchase or short sale of equity and equity-linked instruments in global markets. An equity investment manager may focus on a particular capitalization range (e.g., small cap versus large cap) or a particular industry sector (e.g., healthcare, technology, or consumer), may employ a specific investment style (e.g., value versus growth) or may pursue a broad mandate, investing in securities without specific regard for their issuers' capitalization, sector or geography. Some investment managers may employ an activist approach whereby they attempt to influence company management to take specific measures to maximize shareholder value, while others may utilize top-down macroeconomic analysis to guide capital-allocation strategies and fundamental security selection. An equity investment manager typically seeks to capitalize on discrepancies between such investment manager's own evaluation of the intrinsic value of an equity security and assessment of the forward-looking prospects of the issuer of such security and the consensus view reflected in the market price of such security. Some investment managers also may seek to extract value by being more trading-oriented or catalyst-driven.

To the extent that GCMLP Funds invest with equity investment managers, we focus and expect to continue to focus on investment managers that primarily employ hedged equity investment strategies. A hedged equity investment manager typically implements its particular investment strategy by establishing long and short positions in equity or equity-linked instruments. However, while hedged equity investment managers typically focus on establishing both long and short positions, some of these investment managers may focus exclusively on establishing long or short positions. In addition to selling securities short, an equity investment manager may seek to hedge portfolio exposure by using instruments such as exchange-traded funds, equity-linked options, index options, and futures. Additionally, an investment manager may at times hold a portion of the portfolio in non-equity securities, including, but not limited to, preferred or convertible securities, equity options or at times fixed income instruments, though it is expected these exposures will represent a relatively minor portion of the portfolios' overall exposure. An equity investment manager also may seek to manage risk by adopting top-down constraints on leverage, limits on net market exposure, net regional exposure and net sector exposure, position size limits, position stop-loss limits and parameters relating to the number of its positions. Equity sub-strategies include directional equities, low-net equities, fundamental market neutral equities, activism, and specialist equity.

Directional equity
Directional equity strategies consist primarily of diversified generalist equity portfolios that may engage in a wide range of equity investment approaches. Investment managers assigned to this category will often have net long equity exposure in excess of 50%.

Low-net equity
Low-net equity strategies consist primarily of diversified generalist equity portfolios that may engage in a wide range of equity investment approaches. Investment managers assigned to this category typically have a net equity exposure greater than 50% net long in most market environment and sometimes have net short portfolio exposure.

Fundamental market neutral equity
Fundamental market neutral equities consist primarily of portfolios that exercise a multi-portfolio manager investment approach and maintain a closely beta and factor hedged portfolio in most market environments, with underlying investment decision primarily based on fundamental security analysis (as opposed to various forms of quantitative analysis). Investment managers assigned to this category typically have a risk adjusted net equity exposure that will average close to zero over a full market cycle.

Activism
Within the equity strategy, activism primarily entails relies on the ability of a manager to acquire a significant economic stake that will most frequently be held in the voting equity instruments of the company in order to influence management and corporate decisions in such a way as to increase the value of the holdings. Examples include seeking management changes, selling business units, securing special dividends and influencing financial restructurings.

Event driven strategies
Event driven strategies include investing in spin-offs, stub-trades, post-restructuring equities, post-bankruptcy equities, risk (merger) arbitrage, litigation equity trades, and recapitalizations. A post-restructuring equity investment involves purchasing the equity of a company that has completed a recent restructuring, most commonly as part of a bankruptcy plan. Spin-offs are subsidiaries of large public companies that are distributed to investors as a means of enhancing shareholder value.

Risk arbitrage is a strategy that seeks to capitalize on perceived pricing discrepancies, or spreads, in the equity securities of two companies involved in announced corporate transactions, such as mergers, tender or exchange offers, reorganizations, liquidations and recapitalizations. For merger transactions, the strategy typically entails buying the security of the company being acquired, while simultaneously selling short the security of the acquirer. When a merger deal is pending, uncertainty about the outcome typically creates a pricing disparity; the stock of the target company typically sells at a discount to the expected acquisition price.

Investment managers investing in merger arbitrage seek to capture the spread between the current stock price and the price upon the completion of the deal. In a cash or tender transaction, the investment manager seeks to capture the spread between the tender price and the price at which the target company's stock is trading.

Emerging market equity

Emerging market equity strategies consist of funds focused specifically on investing in emerging markets. This may include a variety of portfolio construction methodologies and underlying investment techniques. Emerging market investing may differ in the risk/return, liquidity, legal infrastructure and accounting profile of underlying corporate reporting as compared to similar portfolio construction techniques deployed in developed equity markets.

Specialist equity

The specialist equity strategy consists largely of niche sector, regional and market focused funds across a range of portfolio construction approaches. These strategies will typically seek to leverage a narrow, focused investment approach to isolate uncorrelated return streams within a particular sub-set of global equity markets, or generate attractive risk adjusted exposure to a specific market opportunity. Examples of specialist equity strategies include, but are not limited to, healthcare, energy, and other sector focused funds, as well as regionally focused equity strategies.

<u>Macro Strategies</u>

Global macro includes a variety of strategies involving investments based on analysis, expectations and forecasts of macroeconomic trends; government and central bank policies; various macroeconomic or geopolitical events; and overall themes impacting regions, countries, sectors, or specific companies and the resulting impact on global capital markets. Specifically, trades within these strategies are typically based on analysis of broad factors including: governmental and central bank policies, political changes, deficit trends, trade imbalances, interest rate trends, commodity price trends, global investor sentiment and inter-country government relations. Global macro strategies may be diversified in nature trading across a wide range of asset classes globally or may be specialized to focus on particular regions, or sub-sets of tradeable macroeconomic asset classes, such as currencies or rates.

<u>Commodity Strategies</u>

Investing in commodities includes a variety of strategies involving investments based on the evaluation of market data and relationships as they pertain to commodity markets, including, but not limited to, energy, agriculture, resources, and metals. Managers pursuing these strategies analyze a number of factors including supply and demand, legislative and environmental policy changes, trends in growth rates and resource consumption, changes in global monetary and trade policy, geopolitical events, and technical factors.

GCMLP considers and evaluates commodity investment managers that perform fundamental research and make discretionary trading decisions as well as managers that employ systematic investment processes designed to make investment decisions based on mathematical, algorithmic, or technical models. Commodity investment managers generally seek to anticipate changes in market fundamentals and prices or identify situations where prices do not properly reflect fundamentals.

<u>Quantitative Strategies</u>

Quantitative strategies include funds that primarily use quantitative mathematical models to identify and implement underlying portfolio investments. Such quantitative mathematical models rely on patterns inferred from historical prices and other financial data in evaluating prospective investments. These formulas and models are typically developed and implemented using high-powered computers that may generate buy or sell indications to assist the manager in identifying securities and other financial instruments which appear mispriced based on the underlying models, furthermore, these systems will often implement buy or sell orders directly to brokers. The models used are often highly complex and rely on quantitative (and to a lesser extent, technical) analysis of large amounts of real-time and historic data with a view towards identifying pricing discrepancies, inefficiencies and/or anomalies.

In addition to the models described above, quantitative strategies may also employ models that focus more on fundamental analysis and research conducted by analysts (rather than computer-based quantitative and technical analysis) and models that combine two or more types of analysis in varying degrees. Fundamental analysis and research explores, among other things, issuers, industries, current market and financial conditions and an understanding of the drivers of change within these areas. Such fundamental analysis and research is expected to be generated by substantial numbers of external investment professionals, data vendors, market participants and/or other consultants and may be augmented by a manager's internally generated fundamental analysis. The investment manager may apply systematic mathematical formulas to such analysis and research, or, may use such analysis and research alone, without further quantitative analysis to assist in developing their quantitative investment decision-making process.

<u>Portfolio Hedging Strategies</u>
If conditions warrant, GCMLP may employ four primary hedging strategies: dedicated short equity, dedicated short credit, volatility protection, and opportunistic hedges.

Dedicated Short Equity
Short equity strategies involve the short sale of equity and equity-linked instruments in global markets that would profit in the event of a decrease in the price of such securities. A dedicated short equity investment manager may focus on a particular capitalization range (e.g., small cap versus large cap) or a particular industry sector (e.g., healthcare, technology, or consumer), may employ a specific investment style or may pursue a broad mandate (e.g., selling securities short without specific regard for their issuers' capitalization, sector or geography). Some investment managers may employ a top-down macroeconomic analysis to guide their capital-allocation strategies or fundamental security selection. Investment managers that pursue this strategy typically seek to capitalize on discrepancies between such investment manager's own evaluation of the intrinsic value of an equity security and assessment of the forward-looking prospects of the issuer of such security and the consensus view reflected in the market price of such security. Some investment managers also may seek to extract value by being more trading-oriented or catalyst-driven.

Dedicated Short Credit
Dedicated short credit involves shorting individual investment-grade or high-yield credits that exhibit either perceived anomalous pricing relative to similar credits or perceived weakening fundamentals with a high probability of credit deterioration. The short position typically is established using a credit default swap (**CDS**). In addition to using a single-name CDS to short specific issuers, an investment manager also may use specific indices to short credit markets or specific sectors in aggregate.

Volatility Protection
Volatility protection strategies are portfolio hedging strategies that are designed to provide convex payoffs during extreme market crises. Volatility protection strategies generally invest in highly liquid financial derivatives and other securities that are expected to be profitable when global capital markets decline precipitously and volatility rises sharply. The generic types of volatility protection trades include, but are not limited to, the following: equity index puts and put spreads at various strike points, credit index protection positions at various strike points, volatility based securities such as variance swaps and Chicago Board of Trade Volatility Index options, directional currency positions and directional commodity positions. While volatility protection strategies are expected to provide positive returns when global capital markets decline significantly, they are a form of portfolio insurance and, as such, are expected to perform poorly, and could potentially lose all or substantially all capital allocated to them, when global capital markets are stable or upward-trending while providing positive returns when global capital markets decline significantly.

Opportunistic Hedging
Opportunistic hedging strategies may include a variety of short-term positions that have a positive expected rate of return in an environment where GCMLP would expect traditional equity or credit market risk factors to perform poorly. Relative to the other portfolio hedging strategies outlined herein, opportunistic hedges are more likely to target discrete trades or risk factors, rather than shorting market benchmarks or purchasing derivative protection on such benchmarks.

<u>Strategic Investments Group Strategies</u>
GCMLP may invest GCMLP Fund capital in Strategic Investments Group Strategies.

Direct Investments
Direct Investments include directly investing in trading and/or investment positions, portfolio companies, real assets, market exposures, debt, and/or various sources of risk premia, which may be included in certain GCMLP Funds, including Strategic Investments Funds.

A GCMLP Fund may also obtain a direct investment by receiving a portfolio security distributed to it by an Underlying Fund as an in-kind distribution. In these cases, GCMLP generally seeks to liquidate direct investments received as in-kind distributions after the receipt by the relevant GCMLP Fund, as promptly as reasonably practicable subject to the liquidity of such direct investments.

Co-Investment Opportunities
Co-Investment Opportunities include opportunities in which an investor invests alongside a fund directly in an investment opportunity. Such investments will typically fall into one of the Investment Strategies mentioned previously. Potential advantages of co-investments may include investing alongside managers with deep domain expertise, ability to determine investment pace and portfolio composition on a portfolio company level, investing in selective high quality deal flow at reduced fees thereby enhancing potential overall returns for the private equity portfolio, and achieving quicker drawdowns and returns of capital.

<u>Private Markets Strategies</u>
GCMLP may invest GCMLP Fund capital in private markets strategies. In providing services to a GCMLP Fund that invests in private markets strategies, at times GCMLP involves affiliates of GCMLP.

Private Equity
Any investment strategy that involves the purchase of securities in a private transaction, including, but not limited to, leveraged buyouts, venture capital, private credit, real estate and infrastructure may be considered private equity.

Real Estate
Real estate investments include private investment in unlisted real estate assets. Real estate fund managers provide equity and attain debt financing to purchase assets and then work closely with local operating partners to implement an active asset management strategy. Investment strategies are typically designated as core, core plus, value-add or opportunistic; they vary significantly in risk, return and cash flow characteristics based on asset type, sector and geography.

Infrastructure
Infrastructure investments include investments in large-scale projects focused on transportation (e.g., airports, toll roads), communications (e.g., satellites, cable towers), energy production (e.g., renewables, dams, and pipelines), utilities (e.g., phone, electric generation), or social services (e.g., hospitals, schools, prisons, waste facilities). Infrastructure assets vary significantly in risk, return, and cash flow characteristics based on strategy, sector, stage, and geography.

Co-Investment Opportunities
Co-Investment Opportunities include opportunities in which an investor invests alongside a fund directly in a portfolio company, generally at reduced fee levels. Such deals can include buyout, venture capital, distressed debt, mezzanine, infrastructure, or real estate investment strategies. Potential advantages of co-investments may include investing alongside managers with deep domain expertise, ability to determine investment pace and portfolio composition on a portfolio company level, investing in selective high quality deal flow at reduced fees thereby enhancing potential overall returns for the private equity portfolio and achieving quicker drawdowns and returns of capital.

Secondary Transactions in Investments

On occasion, we consider the sale in secondary market transactions of some or all of the investments within a GCMLP Fund or of a group of investments, which is the same or different, among a group of GCMLP Funds (each, a **Secondary Sale**). We sometimes consider a Secondary Sale of an investment on behalf of certain GCMLP Funds but not others. Reasons for a Secondary Sale can vary depending on the facts and circumstances associated with each GCMLP Fund. For example, a Secondary Sale could be considered at the specific request of a client, because a particular GCMLP Fund is approaching the end of its term, because GCMLP receives an unsolicited offer, or because the sponsor of a particular investment proposes a restructuring or other liquidity event.

We may also consider the purchase of Underlying Funds for one or more GCMLP Funds in secondary market transactions (each, a **Secondary Purchase**). Typically, a Secondary Purchase will be made opportunistically to the extent the Hedge Fund Strategies Investment Committee believes the pricing is attractive or in respect of an Underlying Fund that is otherwise not available for primary investment (i.e., closed). In all cases, the Hedge Fund Strategies Investment Committee and Operations Committee will approve Underlying Funds for which Secondary Purchases are made.

Risks and Other Special Considerations

An investment in a GCMLP Fund is speculative and involves substantial risk, including the possible loss of the entire amount invested, due to, among other factors:

- the nature of our investment programs
- the significant continuing uncertainty in the global financial markets
- significant fees and costs—including advisory, transaction and opportunity costs—associated with an investment in a GCMLP Fund
- the restrictions applicable to withdrawals/redemptions from a GCMLP Fund, as well as a GCMLP Fund's dependence on its ability to withdraw or redeem capital from Underlying Funds in order to satisfy withdrawal/redemption requests from its investors

There can be no assurance that any GCMLP Fund will achieve its investment objectives or avoid significant losses. Past performance is not necessarily indicative of future results, and the performance of the GCMLP Funds could be volatile.

You should not invest in a GCMLP Fund unless: you have no need for liquidity with respect to the investment, you are fully able to bear the financial risks of the investment for an extended period of time, and you are fully able to sustain the possible loss of the entire investment. You should consider an investment in a GCMLP Fund as a long-term investment that is appropriate only for a limited portion of your overall portfolio.

Here, we have set forth the general categories of risk that apply to investing in the GCMLP Funds. These risks are discussed in greater detail in the relevant GCMLP Fund Documents. Certain of these risks may be exacerbated in the case of GCMLP Funds with concentrated portfolios. These risks are not intended to be all-inclusive.

Market Risks

Generally, the risks that economic and market conditions and factors may materially adversely affect the value of the GCMLP Fund's investments.

Adverse Market Conditions

All investments in securities and other financial instruments involve a substantial risk of volatility and loss arising from any number of general economic and market conditions as well as other factors, all of which are beyond the control of GCMLP and the Investment Managers—for example: changes in market sentiment; industrial conditions; competition and technology; inflation; exchange rates; interest rates; U.S. or international economic or political conditions or events; tax laws and governmental regulation; and governmental trade, fiscal, monetary or exchange control programs or policies. Conditions and factors such as these, as well as innumerable other conditions and factors, often are unforeseeable, rendering it difficult or impossible to predict future market movements. Unexpected volatility, illiquidity or "market shocks" in the markets in which the GCMLP Fund directly or indirectly holds positions could impair a GCMLP Fund's ability to achieve its investment objectives and cause the GCMLP Fund to incur losses.

Strategy Risks

Generally, the risks associated with:

- the possible failure of GCMLP's asset allocation methodology, including the possible failure of a multi-Underlying Fund approach;
- the possible failure of the investment strategies, techniques and practices employed by one or more Investment Managers;
- possible inefficient or inaccurate trade execution by GCMLP or an Investment Manager;

- GCMLP's inability to gauge and react (due to Underlying Funds' restrictive withdrawal or redemption provisions) on a real time basis to the specific strategy-related and/or position-level risks associated with positions held by the Underlying Funds in which a GCMLP Fund invests.

Possible Failure of GCMLP's Asset Allocation Methodology, Including the Possible Failure of a Multi-Underlying Fund Approach

GCMLP's methodology for selecting investment strategies and Investment Managers, developing portfolios of multiple Investment Managers and actively allocating a GCMLP Fund's assets among them may prove unsuccessful in generating profits and/or avoiding losses.

In addition to the inherent opportunity costs of allocating assets across different strategies (which are, among other things, likely to have periods of offsetting profits and losses), there can be no assurance that:

- a GCMLP Fund's strategy will not be more volatile than, or will not underperform, either or both an investment in a single Underlying Fund or a static allocation among a fixed group of Underlying Funds;
- an investment strategy that has been profitable in the past will not incur material losses in the future; or
- GCMLP will not allocate assets of a GCMLP Fund to Underlying Funds that are entering into unprofitable cycles and away from those entering into profitable cycles.

Since a GCMLP Fund may allocate its assets to multiple Investment Managers, each of which trades independently of the others, there can be no assurance that the use of multiple Investment Managers will not effectively result in:

- losses by certain Underlying Funds that offset, or more than offset, gains (if any) achieved by others. The adverse effect on a GCMLP Fund's performance of certain Underlying Funds' losses offsetting the gains (if any) recognized during the same period by other Underlying Funds is exacerbated by the fact that each Investment Manager receives performance/incentive fees or other performance/incentive compensation based on such Investment Manager's individual performance, irrespective of a GCMLP Fund's overall performance. Consequently, a GCMLP Fund may pay substantial performance/incentive fees or other performance/incentive compensation to those Investment Managers that recognize gains, irrespective of contemporaneous losses incurred by other Investment Managers, and even during periods when a GCMLP Fund is incurring significant overall losses (i.e., where the losses incurred by a GCMLP Fund's investments in unprofitable Underlying Funds, together with a GCMLP Fund's expenses, exceed the profits recognized by a GCMLP Fund's investments in profitable Underlying Funds);
- Underlying Funds managed by different Investment Managers holding economically offsetting positions. As long as Underlying Funds hold offsetting positions, a GCMLP Fund as a whole will be unable to recognize any gain or loss on such open positions, while at the same time incurring transaction costs and paying advisory fees; and/or
- various Investment Managers competing from time to time for the same positions for their respective Underlying Funds, potentially affecting the value of such positions in a manner adverse to a GCMLP Fund.

If a GCMLP Fund receives additional capital contributions from its investors during periods when certain Underlying Funds are "closed"—*i.e.,* no longer accepting additional capital from GCMLP Funds (as well as possibly other investors)—such additional capital will have to be allocated to Underlying Funds that are then accepting additional funds, even if GCMLP otherwise would have maintained the respective percentage allocations between the "open" and "closed" Underlying Funds. Accepting such additional capital contributions will dilute investors' exposure to "closed" Underlying Funds (which may be among the most successful Underlying Funds).

GCMLP seeks preferred terms for a GCMLP Fund from the Underlying Funds in which a GCMLP Fund invests. GCMLP may not always be successful in negotiating such preferred terms and may select Underlying Funds for investment by a GCMLP Fund that provide such preferred terms in preference to other Underlying Funds that do not provide such preferred terms.

GCMLP's investment approach for a GCMLP Fund is typically designed to achieve broad diversification across global capital markets (*e.g.,* equities, fixed-income, commodities, non-U.S. currencies and physical commodities, traded in numerous markets worldwide), limiting a GCMLP Fund's exposure to any single market. Despite the apparent diversification among the strategies used by the different Investment Managers, these strategies generally tend to be dependent on market liquidity and the general availability of dealer and prime broker financing on reasonable and customary terms. As a result of these and other factors, multiple markets could from time to time move in tandem against a GCMLP Fund's positions (*e.g.,* concurrent declines in the global equity and fixed-income markets), and a GCMLP Fund could suffer substantial losses—as happened in 2008.

Significant changes in the volatility of market price levels can adversely affect many alternative investment strategies by potentially disrupting historical price relationships. As a result, during periods of market stress, when the potential diversification benefits of an investment in a GCMLP Fund might otherwise be the most important in terms of protecting an overall portfolio against major losses, a number of Underlying Funds may incur material losses at or about the same time, resulting in a GCMLP Fund augmenting rather than mitigating overall portfolio losses.

Possible Failure of the Investment Strategies, Techniques and Practices Employed by One or More Investment Managers
A GCMLP Fund is subject to the risks associated with the investment strategies and investment techniques and practices employed by the Investment Managers. The Investment Managers may not be successful in attempting to generate profits or avoid losses.

Underlying Funds employing alternative investment strategies are subject to a "risk of total loss"—the risk that a previously low volatility and apparently comparatively low risk strategy will incur sudden and dramatic losses—at a level of severity to which investment funds employing traditional strategies which may be less dependent on the availability of financing or market liquidity may not be subject.

Strategy-specific losses result from any number of factors, including excessive concentration by a GCMLP Fund to multiple Investment Managers in the same investment and/or market sector, general market events or conditions that adversely affect particular strategies (*e.g.*, illiquidity within a given market), faulty assumptions or analysis concerning market events or conditions and faulty or incomplete due diligence regarding particular markets or investments.

The governing documents of the Underlying Funds typically do not impose any meaningful restrictions on the manner in which the Investment Managers of such Underlying Funds invest and trade, and often permit the Investment Managers to invest and trade in essentially an unrestricted range of strategies and securities. As a result, Investment Managers may from time to time suddenly and materially modify their investment objectives, styles, policies and/or restrictions, in many cases without notice to GCMLP. Any such modification could involve changes in the types of securities and other instruments that an Investment Manager uses to implement its strategy, as well as changes in the markets in which such securities and instruments trade. There can be no assurance that any such modification will be successful or not result in losses to a GCMLP Fund. GCMLP allocates and reallocates a GCMLP Fund's assets among the Underlying Funds in such amounts and at such times as GCMLP believes—subject to the structural constraints on GCMLP's ability to do so imposed by the liquidity provisions of Underlying Funds—is most likely to achieve a GCMLP Fund's investment objectives. GCMLP's allocation of a GCMLP Fund's assets among various Investment Managers depends in part on GCMLP's assessment of the particular investment objective(s), style(s), policies and restrictions of each Investment Manager. If, after allocating a GCMLP Fund's assets to a particular Investment Manager, such Investment Manager materially modifies its investment objective(s), style(s), policies or restrictions, a GCMLP Fund's portfolio allocations might no longer be consistent with its investment objectives.

Investment Managers generally are not required to follow any formal diversification policies in trading on behalf of their Underlying Funds. Accordingly, an Underlying Fund may from time to time become significantly concentrated in a particular market sector, geographic region, issuer, specific instrument, *etc*. Such concentration increases risk.

At times, Investment Managers employ substantial amounts of leverage (*e.g.,* leverage exceeding five times as measured by notional long market value as a percentage of capital) as well as engage in other specialized investment techniques and practices in managing their Underlying Funds. These techniques and practices include, but are not limited to, use of derivatives, short selling, hedging, securities lending, use of models and trend-following. These techniques and practices may increase the opportunities for gain, but also may substantially increase the risks of volatility and loss. In the case of leveraged trading strategies, market illiquidity whether relating to exchange-traded or over-the-counter (**OTC**) instruments creates the risk of an Underlying Fund not being able to reduce positions in order to reduce the amount of its borrowings or to raise cash by selling positions in order to meet margin calls—possibly resulting in total losses.

Investment Managers often invest on the basis of short-term market considerations, and the mispricings or other criteria from which such Investment Managers seek to profit can be short-lived. The turnover rate of the Investment Managers' positions may be significant, potentially involving substantial brokerage commissions, dealer mark-ups and fees on the acquisition and sale of positions. The costs associated with high portfolio turnover may adversely affect the performance of an Investment Manager's Underlying Funds.

Following the disruptions of 2008-2009, many institutional investors have insisted on greater liquidity from funds in which they invest. In order to provide such liquidity, Investment Managers may modify their portfolios to exclude potentially attractive but less liquid investments. The demand for greater liquidity may, accordingly, result in a material opportunity cost as the profit potential of the Underlying Funds is diminished in order to meet such demand.

In response to the *WorldCom*, *Enron* and *Lehman Brothers* bankruptcies and other highly publicized losses resulting at least in part from improper accounting methods over the past two decades, a number of accounting initiatives have been implemented or proposed by auditing professional standards boards (*e.g.*, the Financial Accounting Standards Board and compliance bodies outside the U.S.). Certain of these changes have materially adversely impacted previously successful strategies, and certain proposed initiatives could materially adversely affect the viability of certain investment activities in which various Underlying Funds have engaged for many years.

Use of Leverage

Certain Underlying Funds will from time to time employ leverage, both for speculative and hedging purposes, in a wide variety of ways, including purchasing instruments with borrowed funds, investing and trading in futures contracts, options on futures, options on securities, forward contracts, swaps and other derivative instruments, as well as short selling. There generally is no formal limitation on the amount of leverage that an Underlying Fund uses, if any. Further, certain GCMLP Funds borrow in accordance with the terms in their documents.

The level of interest rates, in general, and the rates at which a particular Underlying Fund can borrow are likely to have a substantial effect on the performance of such Underlying Fund. If the interest expense on borrowings—which ordinarily fluctuates based on market conditions—were to exceed the net return on the portfolio securities purchased with such borrowings, the use of leverage would result in a lower rate of return than had leverage not been used.

The use of leverage causes the value of the leveraged instrument or position to increase or decrease more rapidly than if leverage were not employed. A relatively small price movement in a leveraged instrument or position could result in immediate and substantial losses.

To the extent that an Underlying Fund borrows, such borrowing typically will be secured by a pledge of the securities and other assets acquired with such borrowing. Lenders have essentially discretionary authority to increase the collateral required to secure a borrower's obligations and, if such borrower is unable to provide additional collateral, the lender has the right to liquidate such borrower's assets in order to meet such increased requirements. For example, if assets pledged to a broker to secure an Underlying Fund's margin trading activities were to decline in value or if the broker were to increase the required margin, such Underlying Fund could be subject to a margin call, pursuant to which it must either deposit additional funds with the broker or suffer mandatory liquidation of its open positions. A forced liquidation of assets resulting from an unsatisfied margin call could have extremely adverse consequences for such Underlying Fund.

During periods of "credit squeezes" or "flights to quality," the market for credit instruments other than U.S. Treasury bills can become substantially reduced. This poses a particular risk that leveraged positions held by Underlying Funds sometimes need to be sold at discounts to fair value in order to meet margin calls. Particularly in the case of strategies that leverage positions in less liquid instruments, if an Underlying Fund implementing such strategies is forced to sell positions at a discount, such Underlying Fund's dealers may reduce the value of such Underlying Fund's outstanding positions, resulting in additional margin calls as loan to value triggers are hit under prime brokerage and swap agreements.

In addition to the risk of discounted sales of assets made to meet margin calls causing a reduction in the dealer values of similar assets held by an Underlying Fund and further margin calls, there is the risk that the need to meet margin calls may lead to material reductions in an Underlying Fund's holdings. In 2008–2009, for example, the market for credit instruments was so illiquid that a number of investment funds had to sell otherwise highly desirable investments in other asset classes in order to meet margin calls on their credit positions. Similarly, “funds of funds” had to withdraw/redeem from the more liquid strategies in order to fund their own withdrawals/redemptions, materially adversely affecting the performance of such strategies. Selling liquid assets to fund margin calls on illiquid assets increases the illiquidity of an Underlying Fund’s overall portfolio—potentially materially increasing the risk of major if not total losses.

The availability of leverage, both to Underlying Funds and to funds investing in Underlying Funds, was materially reduced during the market disruptions of 2008–2009, and its availability continues to be restricted. This trend may continue. In addition, the general availability of leverage may be limited by regulation. An ongoing reduction and/or increase in the cost of leverage could materially diminish the profit potential of many of the strategies in which a GCMLP Fund invests.

Use of Derivatives
Investment Managers and GCMLP may use derivative instruments (including, without limitation, futures contracts, options on futures, options on securities, forward contracts, swaps, and credit derivatives such as CDS), as well as derivative investment techniques (including, without limitation, synthetic short sales), for various hedging and/or speculative purposes. The use of such instruments and techniques results in leverage, thereby exposing a GCMLP Fund to increased risks.

Uncertainties remain as to how the markets for certain derivative instruments will perform during periods of unusual price volatility or instability, market illiquidity or credit distress. A number of these markets have a limited history of operating during a period of “market crisis.” Certain market conditions have, for example, made it impossible for an Investment Manager to liquidate derivative positions to limit losses or recognize profits or to maintain such positions in order to continue to hedge other market exposures.

Many derivative instruments are traded not on exchanges but rather through an informal network of banks and dealers that have no obligation to make markets in such instruments. The trading of OTC derivatives involve 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. Basis risk, in this context, is the risk that the price of a derivative sometimes vary from the price of its underlying reference asset by more than expected ranges. Interest-rate risk is the general risk associated with movements in interest rates, which are incorporated into the pricing of many derivatives. Settlement risk is the risk that a settlement does not take place as expected. Legal risk is the risk that a transaction: (i) proves unenforceable at law or because it has been inadequately or improperly documented; or (ii) has unanticipated and “off-market” business terms (for example, unusual provisions for terminating conversion rights). Operational risk is the risk of unexpected losses arising from deficiencies in an Investment Manager’s management infrastructure, support and/or control systems and procedures, making it impossible or impracticable to acquire, liquidate, value or assess the risk of a given OTC position.

The U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (including the regulations promulgated and to be promulgated thereunder, **Dodd-Frank**), enacted in July 2010, includes provisions that comprehensively regulate the OTC derivatives markets for the first time.

Dodd-Frank requires that a substantial portion of OTC derivatives must be executed in regulated markets and be submitted for clearing to regulated clearinghouses. OTC trades submitted for clearing are subject to variation margin requirements, and sometimes subject to minimum initial margin requirements, set by the relevant clearinghouse, as well as margin requirements mandated by the CFTC, SEC and/or federal prudential regulators. OTC derivatives dealers also typically demand the unilateral ability to increase the Underlying Funds’ collateral requirements for cleared OTC trades beyond any regulatory and clearinghouse minimums. The CFTC and federal prudential regulators have also imposed margin requirements on non-cleared OTC derivatives and new requirements that apply to the holding of customer collateral by OTC derivatives dealers. These requirements typically increase the amount of collateral required to provide and the costs associated with providing it. OTC derivative dealers also are required to post margin to the clearinghouses through which they clear their customers’ trades instead of using such margin in their operations, as was widely permitted before Dodd-Frank. This has increased and will continue to increase the OTC derivative dealers’ costs, which costs are generally passed through to other market participants in the form of higher fees, including clearing account maintenance fees, and less favorable dealer marks.

Although Dodd-Frank requires many OTC derivative transactions previously entered into on a principal-to-principal basis to be submitted for clearing by a regulated clearinghouse, certain of the derivatives traded remain principal-to-principal or OTC contracts entered into privately between an Underlying Fund or a GCMLP Fund and a third party. The risk of counterparty nonperformance can be significant in the case of these OTC instruments, and “bid-ask” spreads in some cases are unusually wide in these heretofore substantially unregulated markets. While Dodd-Frank is intended in part to reduce these risks, its success in this respect may not be evident for some time after Dodd-Frank is fully implemented; this process may take several years.

The CFTC and U.S. commodities exchanges impose limits, referred to as “speculative position limits,” on the maximum net long or net short speculative positions that any person holds or controls in any particular futures or options contract traded on U.S. commodities exchanges. For example, the CFTC currently imposes speculative position limits on nine agricultural commodities (*e.g.*, corn, oats, wheat, soybeans and cotton) and U.S. commodities exchanges currently impose speculative position limits on many other commodities. Dodd-Frank significantly expands the CFTC’s authority to impose position limits with respect to futures contracts, options on futures contracts, swaps that are economically equivalent to futures or options on futures, swaps that are traded on a regulated exchange and certain swaps that perform a significant price discovery function. In November 2011, the CFTC adopted a separate position limits regime for 28 so-called “core” futures contracts, which include contracts on metals, energy and agricultural products, options on the core futures and swap contracts that are economically equivalent to the futures contracts or options on the futures. Those proposed speculative position limits were vacated by the United States District Court for the District of Columbia. While the CFTC has since re-proposed various versions of the vacated rules on three separate occasions, none of these have been finalized (with the exception of rules regarding the aggregation of positions for purposes of determining compliance with position limits). Most recently, in January 2020, the CFTC approved a proposed rulemaking that would apply spot month-only federal speculative position limits, based on a CFTC finding that they are necessary, to a wider range of contracts than the nine agricultural contracts currently subject to federal limits and provide additional exemptions from those limits, including expanded bona fide hedge exemptions. It also withdrew all of its previous position limits proposals. If the CFTC is ultimately successful in adopting these position limit rules, the size or duration of positions available to the Underlying Funds will be severely limited. The Underlying Funds could be required to liquidate positions it holds in order to comply with such limits or may not be able to fully implement trading instructions generated by its trading models, in order to comply with such limits. Any such liquidation or limited implementation could result in substantial costs to the Underlying Funds. In light of the difficulty that the CFTC has encountered in finalizing these position limit rules, there remains considerable uncertainty about the final status of its most recent proposed rulemaking.

Use of Margin
There can be no assurance that a GCMLP Fund or an Underlying Fund will be able to maintain adequate financing arrangements under all market circumstances. As a general matter, the banks and dealers that provide financing to a GCMLP Fund or an Underlying Fund can apply essentially discretionary margin, haircut, financing, security and valuation policies. Changes by banks and dealers in such financing policies, or the imposition of other credit limitations or restrictions, whether due to market circumstances or governmental, regulatory or judicial action, may result in large margin calls, loss of financing, forced liquidation of positions at disadvantageous prices, termination of swap and repurchase agreements and cross-defaults to agreements with dealers. Any such effects will likely be exacerbated in the event that such limitations or restrictions are imposed suddenly and/or by multiple market participants at or about the same time. The imposition of such limitations or restrictions could compel a GCMLP Fund or an Underlying Fund to liquidate all or part of its portfolio at disadvantageous prices.

Possible Inefficient or Inaccurate Trade Execution by Underlying Funds
Many of the trading techniques used by Investment Managers require the rapid and efficient execution of transactions. Inefficient executions may eliminate the small pricing differentials that these techniques attempt to exploit.

Under certain market conditions, including those which prevailed for periods in 1994, 1998 and 2008-2009, it can become difficult, if not financially infeasible, to execute certain transactions in a range of financial instruments.

Concentration Risks
GCMLP may concentrate a GCMLP Fund's assets in a limited number of Underlying Funds. Consequently, a loss in any such Underlying Fund could result in a proportionately higher reduction in the Net Asset Value of a GCMLP Fund than if a GCMLP Fund's assets had been spread across a larger number of Underlying Funds. Any such concentration of risk may increase losses suffered by a GCMLP Fund, and a GCMLP Fund's returns may be adversely affected by the unfavorable performance of a single investment by an Underlying Fund. In addition, a material portion of an Underlying Fund's portfolio may be concentrated in one or only a limited number of investments. Since a relatively high percentage of a GCMLP Fund's assets may be invested in a limited number of Underlying Funds, a GCMLP Fund's portfolio may be more susceptible to any single economic, political or regulatory occurrence.

Follow-On Investments
A GCMLP Fund may be called upon to provide additional funding for Strategic Investments in which it has an investment, or may have the opportunity to increase its investment in such Strategic Investments. There can be no assurance that a GCMLP Fund or an Underlying Fund will wish to make additional investments or that it will have sufficient available capital or funds to do so. Any decision by a GCMLP Fund not to make additional investments or its inability to make them may have a substantial negative impact on a Strategic Investment in need of such an investment, may diminish such GCMLP Fund's ability to influence the Strategic Investment's future development, or may result in reduced returns from the Strategic Investment due to dilution. It is important to note that a GCMLP Fund may no longer be permitted to commit capital without investor approval and sufficient available capital or funds. Even with such approval and available capital or funds, the GCMLP Fund still may not be able to invest for various reasons.

Controlling Interest Risk
An investment may involve a controlling interest. The exercise of control may impose additional risks of liability for environmental damage, product defects, pension benefits, failure to supervise management, violation of governmental regulations, including securities laws, or other types of liability in which the limited liability generally characteristic of business ownership is sometimes ignored. If these liabilities were to arise, the GCMLP Fund might suffer a significant loss.

Risks upon Disposition of Investments
In connection with the disposition of an investment or Underlying Fund, a GCMLP Fund or Underlying Fund may be required to make representations about the business and financial affairs of the investment or Underlying Fund of a type typically made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. A GCMLP Fund or Underlying Fund may also be required to indemnify the purchasers of such investment or the underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate, or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by investors. If relevant, GCMLP Fund Documents contain provisions to the effect that if there is any such claim in respect of an investment or Underlying Fund, it will be funded by the investors in such GCMLP Fund to the extent that they have received distributions from the GCMLP Fund, subject to certain limitations.

Foreign Investment Risk
Underlying funds, Strategic Investments and Co-Investments in which the GCMLP Funds invest are sometimes organized and operate outside of the United States. Such investments involve risks not typically associated with investments in securities issued by U.S. companies. For instance, investments in non-U.S. businesses:

- sometimes require significant government approvals under corporate, securities, exchange control, non-U.S. investment and other similar laws and regulations
- sometimes require financing and structuring alternatives and exit strategies that differ substantially from those commonly used in the United States
- will expose the investing GCMLP Fund to potential losses arising from changes in foreign currency exchange rates on unrealized investments, uncalled capital commitments to investments and investment reserves.

All of the foregoing factors, and others, can be expected to increase transaction costs and adversely impact the value of a GCMLP Fund's investments in non-U.S. Strategic Investments or Co-Investments. To the extent a GCMLP Fund or Underlying Fund invests in Strategic Investments or Co-Investments that operate in emerging market countries, those investments involve certain risks not typically associated with investments in the securities of companies in more developed markets, including the direct and indirect consequences of potential political, economic, social, and diplomatic changes in those countries. The governments in those countries typically participate to a significant degree, through ownership interests or regulation, in local business, often exercising a controlling influence in certain key sectors of the economy. In emerging markets, these risks are heightened.

Manager Risks

Generally, the risks associated with a GCMLP Fund's investments with Investment Managers, including:

- the fact that an Investment Manager's past performance is not necessarily indicative of such Investment Manager's future results;
- an Investment Manager's dependence on a strictly limited number of key professionals;
- significant structural changes in an Investment Manager's operations;
- fraud or misrepresentation on the part of an Investment Manager or its personnel;
- an Investment Manager's failure to comply with applicable legal, registration, tax or regulatory requirements;
- human error and/or poor judgment on the part of an Investment Manager's personnel; and
- systems malfunctions and other operational failures.

Past Performance Not Necessarily Indicative of Future Results

One important factor that GCMLP considers in selecting Investment Managers is the quality and consistency of their past performance. An Investment Manager's past performance, however, is not necessarily indicative of its future results. Virtually without exception, Investment Managers experience drawdowns of varying degrees and varying lengths over their careers. The fact that an Investment Manager's past drawdowns have been relatively minimal and/or have been recouped relatively quickly does not necessarily mean that this will be the case in the future. Moreover, certain Underlying Funds might have no operating history, and in some cases, Investment Managers have not managed a trading vehicle using the strategies to be used for a GCMLP Fund.

Dependence on a Strictly Limited Number of Key Professionals

Certain Investment Managers have a single principal or a strictly limited number of principals and key employees. If the services of any of such principals or key employees became unavailable (for example, by reason of death, disability, severance or retirement), the Underlying Funds managed by such an Investment Manager could be materially adversely affected, and a GCMLP Fund may not be in a position to withdraw/redeem from such Underlying Funds in sufficient time to mitigate the risks arising from such changes in the Investment Manager's key personnel.

Reliance on Management of Co-Investments

While it is GCMLP's intent to invest the assets of GCMLP Funds in Co-Investments with qualified operating management in place alongside qualified investment managers, there can be no assurance that such management will remain in place or continue to operate successfully. Although GCMLP will monitor the performance of Underlying Funds and Co-Investments, each GCMLP Fund will rely upon management to operate the Underlying Funds and Co-Investments on a day-to-day basis.

Significant Structural Changes in an Investment Manager's Operations

GCMLP may not learn of significant structural events affecting an Investment Manager—*e.g.,* personnel changes, major asset withdrawals/redemptions, material discrepancies between quoted and actionable prices for significant components of Underlying Fund holdings or substantial growth in assets under management—until after the fact, and a GCMLP Fund may not be in a position to withdraw/redeem from such Investment Manager's Underlying Funds in sufficient time to mitigate the risks arising from such events.

Fraud or Misrepresentation

GCMLP cannot protect a GCMLP Fund from the risk of Investment Manager fraud or misrepresentation. Because a GCMLP Fund will not have custody or control over assets it invests in Underlying Funds, the Investment Manager of an Underlying Fund (or such Investment Manager's personnel) could divert or abscond with such assets. An Investment Manager also could deviate from its stated investment strategy, objectives, policies or restrictions (*e.g.,* entering into new or riskier markets, excessive portfolio concentration, investing outside of pre-defined ranges, excessive leverage), issue false performance reports or engage in other misconduct.

Failure to Comply with Applicable Legal, Registration, Tax or Regulatory Requirements
GCMLP cannot protect a GCMLP Fund from the risk of an Investment Manager's failure to comply with applicable legal, registration, tax or regulatory requirements. Investment Managers, and the Underlying Funds they manage, might become involved in litigation or regulatory actions for any number of reasons. If an Underlying Fund is so involved, a GCMLP Fund could be exposed to substantial losses, as well as an unsupportable level of withdrawals/redemptions, which could in turn expose a GCMLP Fund to substantial losses, as well as reputational risk.

Risks Associated with Investments in Revenue Share or Equity Interests in Investment Managers
To the extent a GCMLP Fund invests in revenue share or equity interests in Investment Managers, such GCMLP Fund would be subject to significant additional risks as such investments involve substantial business and financial risks that can result in significant losses. Risks involved in such investments include risks associated with investments in businesses in an early stage of development or with little or no operating history. These risks may be greater than would be the case if a GCMLP Fund invested primarily with seasoned Investment Managers. A GCMLP Fund's control over the investment policies of an Investment Manager may be limited, but such rights could expose the assets of a GCMLP Fund to claims by Investment Managers, their other equity holders or their creditors. Investments in Investment Managers, in addition to Underlying Funds, also will subject GCMLP and its related persons to certain actual or potential conflicts of interest in making investment decisions for a GCMLP Fund in addition to those that it would be subject if such GCMLP Fund exclusively invested in Underlying Funds.

Human Error and Poor Judgment
In many cases, the bulk of Underlying Fund trading will be based on the market judgment of an Investment Manager's personnel. Such judgment may be in error, based on incomplete or inaccurate information and/or adversely influenced by personal or emotional factors.

Systems Malfunctions and Other Operational Failures
Many Investment Managers implement strategies that rely to a material extent on trading and analytical systems. These systems could malfunction at any time, and such malfunction may not be identified for some period of time during which material losses could be incurred. The risk and magnitude of potential trading errors can also be materially increased by the use of computerized trading systems.

Structural Risks
Generally, the risks arising from the organizational structure as well as the operative terms of a GCMLP Fund, a GCMLP Fund and the Underlying Funds in which a GCMLP Fund invests. The operative terms of the Underlying Funds in which a GCMLP Fund invests are necessarily reflected in the operative terms of a GCMLP Fund. Structural risks include:

- investor liquidity restrictions and the fact that there is no market for the interests;
- a GCMLP Fund is subject to significant fees and expenses;
- GCMLP's and the Investment Managers' incentive compensation structure creates an incentive for GCMLP and the Investment Managers to invest and trade in a riskier and more speculative manner than otherwise would be the case;
- a GCMLP Fund is dependent on GCMLP and its key personnel;
- Underlying Funds' limited liquidity could adversely affect a GCMLP Fund;
- Underlying Fund "monetization" of "fair value" is a structural disadvantage of hedge funds; and
- groups of investors who are in a position to control a GCMLP Fund.

No Market for the Interests
There are material restrictions on transferring interests in, as well as on withdrawing capital from, a GCMLP Fund. No secondary market exists for interests, and none is likely to develop.

Significant Fees and Expenses
A GCMLP Fund is subject to management/advisory fees and other costs and expenses, regardless of whether it realizes any profits, and will have to earn substantial profits to avoid depletion of its assets due to such fees, costs and expenses. A

GCMLP Fund bears its allocable share of the costs and expenses of the Underlying Funds in which it invests, including its allocable share of the Underlying Funds' respective organizational, offering, investment and operating expenses, including taxes, interest due on borrowings, brokerage costs, the management fees, expenses and performance compensation of the Investment Managers—determined with respect to each Investment Manager individually irrespective of the overall performance of a GCMLP Fund—and any extraordinary costs incurred. In addition, a GCMLP Fund is indirectly subject to the brokerage commissions paid by the Underlying Funds to broker-dealers. Under certain circumstances, Investment Managers may receive brokerage, research or other services from broker-dealers and cause Underlying Funds to pay such broker-dealers commissions that are higher than the lowest commission rates available from other broker-dealers that provide only basic execution services. Investment Managers may trade frequently, with the result that certain Underlying Funds' transaction costs may significantly exceed those associated with other investment entities. Certain Investment Managers pass through to their Underlying Funds certain expenses that other Investment Managers treat as Investment Manager overhead expense, payable out of such Investment Manager's own assets. A GCMLP Fund is thus subject to a "layering" of fees and a potentially higher expense ratio than would be associated with an investment in an investment fund that invests and trades directly in financial instruments under the direction of a single investment manager.

Investment Structures
To the extent permitted by applicable law, the terms of the relevant GCMLP Fund Documents and the applicable policies of GCMLP, GCMLP causes GCMLP Funds to invest in investments structured in a variety of ways, including direct investment holdings and investment holdings through legal entities, including investment vehicles, or accounts formed or managed by GCMLP or by a third-party. To the extent that investments are implemented utilizing a legal entity, whether formed by GCMLP or a third-party, each GCMLP Fund that invests in such legal entity will typically bear its pro rata share of the usual and customary expenses of such legal entity. Furthermore, an investment by a GCMLP Fund through such a legal entity or account sometimes subjects the investing GCMLP Fund to fees, expenses, liquidity, or other terms that would differ from such GCMLP Fund making such investment directly if a direct investment is available. These differences are likely to be exacerbated in instances where GCMLP determines to invest in an Underlying Fund or other investment through a legal entity that aggregates GCMLP Fund investments in such investment.

Incentive Compensation Structure
Incentive compensation payable or allocable to GCMLP create an incentive for GCMLP to invest and reinvest a GCMLP Fund's assets in a manner that is riskier or more speculative than otherwise would be the case. Similarly, the performance/incentive fees or other performance/incentive compensation payable or allocable to most if not all of the Investment Managers rewards such Investment Managers for continuing increases in the value of the assets they manage without directly penalizing them for losses, creating an incentive for them to invest and trade assets in a manner that is riskier or more speculative than otherwise would be the case.

To the extent GCMLP receives incentive compensation in connection with managing a GCMLP Fund, such allocation will be determined on the basis of the value of a GCMLP Fund's assets, including the value attributable to unrealized appreciation. Incentive compensation is sometimes made to GCMLP based on positions that were profitable at the time such incentive compensation was made but unprofitable when eventually liquidated. Similarly, the performance/incentive fees or other performance/incentive compensation paid or allocated to a particular Investment Manager sometimes determined based on the value of a GCMLP Fund's assets allocated to such Investment Manager, including the value attributable to unrealized appreciation. Performance/incentive fees or other performance/incentive compensation sometimes payable or allocable to such Investment Manager based on positions that were profitable at the time such fees or compensation were paid or allocated but unprofitable when a GCMLP Fund eventually liquidated.

Moreover, the "fair value" of such positions included in calculating such performance/incentive fees or other performance/incentive compensation may not, in fact, reflect such positions' actual value at the time, and much less upon liquidation.

In certain cases, the Investment Managers' performance/incentive fees or other performance/incentive compensation may be determined separately year-by-year without regard to prior losses. In other cases, Investment Managers may receive performance/incentive fees or other performance/incentive compensation—albeit typically at a reduced rate—on any profits earned during a year, even though such profits serve only to earn back part or all of prior losses (including losses of prior profits on which performance/incentive fees or other performance/incentive compensation were previously paid or allocated).

If a GCMLP Fund replaces an Investment Manager at a time when such Investment Manager has cumulative losses since its last receipt of performance/incentive fees or other performance/incentive compensation (which losses generally would have to be earned back before additional performance/incentive fees or other performance/incentive compensation would be due to such Investment Manager), a GCMLP Fund will lose the benefit of such “loss carryforward” for purposes of calculating future performance/incentive fees or other performance/incentive compensation due to such Investment Manager. If the replacement Investment Manager generates profits, a GCMLP Fund will owe performance/incentive fees or other performance/incentive compensation to such replacement Investment Manager based on such profits, irrespective of the facts that: (i) a GCMLP Fund would not owe such fees or compensation to the former Investment Manager for the same level of profits; and (ii) insofar as a GCMLP Fund itself is concerned, such profits may only partially offset prior losses sustained by the Investment Manager that has been replaced.

Dependence on GCMLP and Key Personnel

GCMLP generally has complete discretion in selecting the Investment Managers used by a GCMLP Fund and designing and monitoring a GCMLP Fund’s overall portfolio. Investors generally will not make decisions with respect to the management, disposition or other realization of any investment, or other decisions regarding a GCMLP Fund’s business and affairs. The success of a GCMLP Fund will depend on GCMLP’s ability to successfully select investment strategies and Investment Managers as well as to allocate and reallocate a GCMLP Fund’s assets among them. GCMLP’s ability to do so, of which there can be no assurance, depends on the services of certain key personnel. If GCMLP should lose the services of one or more of these key personnel, its ability to perform its responsibilities to a GCMLP Fund and a GCMLP Fund could be materially adversely affected.

Additionally, GCMLP will typically not have an active role in the day-to-day management of the Underlying Funds. Moreover, the GCMLP will typically not have the opportunity to evaluate the specific investments made by any Underlying Fund or potential Underlying Fund. Accordingly, the returns of a GCMLP Fund will depend on the performance of the Underlying Funds’ existing management and a GCMLP Fund could be substantially adversely affected by the unfavorable performance of such management.

Underlying Fund Liquidity

The complicated and often protracted process of withdrawing/redeeming from Underlying Funds could limit a GCMLP Fund’s ability to meet withdrawal requests from investors in a timely manner. It also could result in substantial “opportunity costs” by limiting a GCMLP Fund’s ability to adjust its Underlying Fund allocations in an effort to capitalize on opportunities or prevent losses.

Among other things, the timing of the receipt of withdrawal/redemption proceeds from the Underlying Funds is uncertain and can vary by months from the expected payment dates. This uncertainty creates cash management difficulties for a GCMLP Fund, as a GCMLP Fund cannot (in the absence of sufficient additional investments from investors) reallocate withdrawal/redemption proceeds from one Underlying Fund to another until a GCMLP Fund receives such proceeds from the former. Moreover, once such proceeds are received there may be a significant delay before they can be reinvested if suitable Underlying Funds are then placing limitations on accepting additional capital. The unpredictability of the timing of the payment of withdrawal/redemption proceeds could have a significantly adverse effect on a GCMLP Fund.

Certain Underlying Funds may have significantly limited liquidity and may invest a significant portion of their assets in illiquid investments. An Underlying Fund with significant illiquid investments may have a mismatch between the liquidity of its investment portfolio and the liquidity it offers to its investors, resulting in an inability to satisfy withdrawal/redemption requests. Such a mismatch between the liquidity of an Underlying Fund’s investment portfolio, on the one hand, and the liquidity such Underlying Fund offers to its investors, on the other hand, could cause such Underlying Fund to suspend withdrawals/redemptions, or to take other measures restricting the ability of its investors (including a GCMLP Fund) to withdraw/redeem. The constituent documents of Underlying Funds typically give their Investment Managers broad leeway to restrict investor liquidity if they believe that not doing so would adversely affect continuing investors.

In addition, when determining whether to honor a withdrawal/redemption request, an Underlying Fund with significant illiquid investments may face a conflict of interest between honoring such withdrawal/redemption request and maintaining the liquidity of such Underlying Fund's investment portfolio for the benefit of its continuing investors. If such an Underlying Fund sells liquid positions in order to fund withdrawal/redemption requests, the percentage of such Underlying Fund's assets invested in illiquid assets could increase materially, to the potential detriment of such continuing investors. The reduced liquidity of such an Underlying Fund's investment portfolio could adversely affect the ability of the remaining investors in such Underlying Fund, including a GCMLP Fund, to withdraw/redeem their investments should they choose to do so.

In certain cases, other investors in an Underlying Fund may have preferential withdrawal/redemption rights as compared to a GCMLP Fund, the exercise of which could materially adversely affect a GCMLP Fund's investment in such Underlying Fund. For example, in many cases, a GCMLP Fund is subject to a "lock-up," "gate" or other restriction on its ability to withdraw/redeem its investment in an Underlying Fund and may be adversely affected by the fact that other investors in such Underlying Fund are able to withdraw/redeem before a GCMLP Fund is permitted to do so. The higher the percentage of illiquid investments held by an Underlying Fund, the greater the potential disadvantage to a GCMLP Fund of not being able to withdraw/redeem at the same times as other investors in such Underlying Fund.

The burden of the Underlying Funds' restrictions on withdrawals/redemptions may be misallocated among investors. For example, certain Underlying Funds assess withdrawal/redemption charges if investors withdraw/redeem within a certain period of time, generally 12 to 24 months, but in some cases longer, following investment. Withdrawals from a GCMLP Fund sometimes require a GCMLP Fund to withdraw/redeem from Underlying Funds that assess withdrawal/redemption charges whereas a GCMLP Fund would otherwise not do so. If, in connection with an investor's withdrawal of capital from a GCMLP Fund, a GCMLP Fund is required to pay a fee to an Underlying Fund upon withdrawal/redemption from such Underlying Fund in order to fund such withdrawal, that fee effectively reduces a GCMLP Fund's overall net asset value, not only the withdrawal proceeds received by the investor who is withdrawing such capital.

Underlying Funds' "Monetization" of Quoted Net Asset Values

One of the structural disadvantages of "hedge" funds (such as many of the Underlying Funds) is that hedge funds—unlike private equity funds—pay incentive and management compensation as well as permit withdrawals/redemptions based on the valuation of open positions rather than the proceeds of positions that have been liquidated. Such payments effectively require the hedge fund to monetize a portion of a GCMLP Fund's "fair value" to fund advisory compensation and withdrawals/redemptions, even though a GCMLP Fund itself may not be able to recognize such "fair value" in any actual sale. Monetizing "fair value" for the benefit of the Investment Managers as well as withdrawing/redeeming investors reduces Underlying Funds' available cash while also exposing the Underlying Funds to the risk of substantial economic dilution. This structural disadvantage of hedge funds may be particularly severe in the case of funds that concentrate their portfolios directly or indirectly in illiquid assets, as the spread between dealers' quoted prices for many illiquid instruments and the prices at which they would be prepared to actually effect transactions may frequently be material.

Material Non-Public Information

GCM Grosvenor at times possesses material non-public information or other information that may effectively limit the ability of a GCMLP Fund to make certain investments or dispose of certain investments until such time as the information became public or is deemed no longer material to preclude a GCMLP Fund from participating in, or disposing of, an investment. Disclosure of such information to a GCMLP Fund's personnel responsible for the affairs of a GCMLP Fund will be on a need-to-know basis only, and a GCMLP Fund may not be free to act upon any such information. Additionally, there may be circumstances in which one or more of certain individuals associated with GCMLP Grosvenor will be precluded from providing services related to a GCMLP Fund's activities because of certain confidential information available to GCMLP Grosvenor. Due to these and legal restrictions, a GCMLP Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Any such restrictions may materially constrain the investment flexibility of GCMLP Grosvenor and/or a GCMLP Fund.

Investor Concentration Risk
There is no limit on the amount that an investor or a group of related investors may invest in a GCMLP Fund. If an investor or a group of related investors contribute a substantial percentage of a GCMLP Fund's capital, such investor or group of investors may be in a position to control the outcome of investor votes, thereby effectively controlling a GCMLP Fund. Such "controlling" investor or group of investors generally have no fiduciary duty to other investors and may make decisions that are not in the best interest of such other investors. Additionally, should such "controlling" investor or investors withdraw from a GCMLP Fund, which they may do for reasons entirely unrelated to the performance of a GCMLP Fund, the effect on a GCMLP Fund could be materially adverse while also effectively precluding other investors from withdrawing themselves.

Valuation Risks
Generally, the risks relating to GCMLP's reliance on Investment Managers to accurately value the financial instruments in which Underlying Funds they manage invest in accordance with agreed-upon standards (which are most commonly defined by U.S. GAAP or IFRS) and procedures, including the risks that:

- a GCMLP Fund, as an investor in an Underlying Fund, could suffer economic dilution if the "fair value" of certain of such Underlying Fund's investments differs from the actual or realizable value of such investments;
- the economic dilution caused by the "fair value" or actual or realizable value disparity at the Underlying Fund level may be magnified at a GCMLP Fund level due to a GCMLP Fund's investing in numerous Underlying Funds;
- Investment Managers have an incentive to overvalue financial instruments held by the Underlying Funds they manage for a number of reasons, including in order to increase their management fees and performance/incentive fees as well as enhance the apparent performance of such Underlying Funds; and
- Investment Managers have an incentive to undervalue less liquid assets for a number of reasons, including in order to discourage withdrawals/redemptions.

GCMLP's Reliance on Investment Manager Valuations
GCMLP will be responsible for determining the value of a GCMLP Fund's assets, and will adhere to the valuation principles set forth in such GCMLP Fund's Documents in doing so. Under these principles, the valuation of a GCMLP Fund's investment in an Underlying Fund generally is based on the valuations provided by the Investment Manager of such Underlying Fund.

U.S. GAAP and IFRS require that all investments held by an Underlying Fund be valued at "fair value." However, there can be no assurance that valuations provided by an Investment Manager will accurately reflect "fair value" as defined by U.S. GAAP or IFRS. Although many Underlying Funds in which a GCMLP Fund invests concentrate their portfolios in readily marketable investments, others invest a substantial portion of their assets in investments that do not have a readily determinable value, and even those Underlying Funds that concentrate their portfolios in readily marketable investments may invest from time to time in investments that do not have a readily determinable value. In cases where market quotations for an Underlying Fund's investments are not readily available, the relevant Investment Manager must determine the "fair value" of such investments using other methods allowed under U.S. GAAP or IFRS. Such methods may be based on less observable market valuation input data and therefore involve significant judgment on the part of the Investment Manager. In determining the "fair value" of such investments, Investment Managers may employ a wide range of valuation techniques, including:

- using internal models and estimates;
- using pricing services or other third-party valuation sources (when and if available); and/or
- obtaining quotes for such investments from dealers and other potential purchasers.

Determining "fair value" is often difficult and inexact, particularly when it involves the valuation of longer-term and illiquid investments or investments that are subject to legal or other restrictions on transfer. In the absence of actual sale transactions, it is difficult for an Investment Manager to determine or assess the reliability of the "fair values" it has placed on particular investments. Further, an Investment Manager that has "fair valued" a particular instrument pursuant to a particular valuation technique typically is permitted to modify such valuation pursuant to a different methodology if such Investment Manager believes that such different methodology results in a more accurate "fair value." Accordingly, irrespective of the good faith of an Investment Manager in "fair valuing" investments held by its Underlying Fund, such "fair values" may materially differ from actual or realizable values, and the "fair value" given to a particular instrument may vary from one period to the next or from one Underlying Fund that holds such instrument to another.

Structural Economic Dilution

The structure of a GCMLP Fund concedes various sources of potentially material economic dilution for investors. For example, when a new investor invests in a GCMLP Fund that investor effectively will dilute existing investors' indirect participation in the loss carryforwards attributable to a GCMLP Fund's investments in certain Underlying Funds as well as any subsequent performance fee reversals attributable to a GCMLP Fund's investment in other Underlying Funds.

The potentially material discrepancies between Investment Managers' "fair valuation" of particular investments and the actual or realizable values of such investments create the risk of ongoing economic dilution to investors (such as a GCMLP Fund) in the respective Underlying Funds managed by such Investment Managers because subscriptions and withdrawals/redemptions are processed on the basis of such valuations. If a GCMLP Fund invests in an Underlying Fund when the actual value of such Underlying Fund is lower than the value determined by the Investment Manager of such Underlying Fund, or withdraws/redeems capital from an Underlying Fund when the actual value of such Underlying Fund is higher than the value determined by the Investment Manager of such Underlying Fund, it will suffer economic dilution.

A GCMLP Fund would suffer economic dilution if an Underlying Fund, in order to fund a withdrawal/redemption from an investor other than a GCMLP Fund, were to sell investments at prices below the "fair value" placed on such investments by the Investment Manager of such Underlying Fund as of the withdrawal/redemption date.

Another source of economic dilution inherent in a GCMLP Fund's structure results from a GCMLP Fund permitting its investors to withdraw capital from their Capital Accounts based on the Net Asset Value of such Capital Accounts as of a given withdrawal date. Frequently, when generating funds to satisfy withdrawal requests from its investors, a GCMLP Fund will not, and will not be able to, withdraw/redeem pro rata from all Underlying Funds. Accordingly, while a pro rata portion of the net asset value of an Underlying Fund is included in calculating the withdrawal/redemption proceeds payable to a GCMLP Fund to honor an investor's withdrawal request, a GCMLP Fund and the investors remain exposed to such Underlying Fund on the same basis as before such withdrawal occurred and may incur losses on the portion of such investment formerly attributable to the withdrawing investor.

As a GCMLP Fund effectively includes the "fair value" of instruments held by Underlying Funds in determining the withdrawal proceeds payable to a withdrawing investor, if such instruments ultimately prove to be more valuable than their "fair value," the resulting profits will inure to the benefit of non-withdrawing investors. If, however, such instruments ultimately prove to be less valuable than their "fair value," withdrawing investors will benefit at the expense of non-withdrawing investors.

GCM will value a GCMLP Fund's assets based on estimates it receives from the Investment Managers, which estimates are often preliminary and subject to change. An Investment Manager may, after it has provided a GCMLP Fund with a month-end or quarter-end estimate, revise such estimate, in certain cases to a material degree. If revisions are made to the value of the Underlying Funds, GCM ordinarily will make related revisions to the value of a GCMLP Fund retroactively to reflect the revised value on the designated valuation date. However, in certain instances GCM will make revisions to the value of a GCMLP Fund (and, ultimately, to the value of interests) prospectively. This practice could result from time to time in a certain level of economic dilution of investors that withdraw from or subscribe to a GCMLP Fund prior to such revised valuations being included in calculating a GCMLP Fund's Net Asset Value.

The management fees and incentive compensation to GCMLP will frequently be based on the valuations received from the Underlying Funds. If such valuations are overstated, the management fees and incentive compensation also will be overstated.

Binary Investments

Certain investments depend on discrete events with binary outcomes in which there is potentially a material and abrupt adjustment to net asset value (a "gapping" net asset value) at the point that the result of a certain event is determined. For example, certain of a GCMLP Fund's investments may be subject to litigation, and the outcome of litigation is usually unpredictable and such proceedings may continue without resolution for long periods of time. While the market prices of such investments may be affected by the perceived change in probability of a certain outcome, until there is a final resolution, there is a material potential uncertainty in the net asset values as currently determined. Subscriptions and redemptions will, however, be processed at what is determined to be “fair value,” which could factor in any such “gapping” which GCMLP believes cannot be reasonably predicted, much less quantified. As a result, subscribing and redeeming investors are subject to the risk of economic dilution, *i.e.*, to the risk of a subscription or redemption being processed in accordance with a net asset value which is suddenly and materially changed by the outcome of a certain event. The risk of such economic dilution will typically increase the nearer an outstanding transaction in which a GCMLP Fund is invested comes to its “decision date.”

Investments in Third-Party Legal Claims
GCMLP and Investment Managers make investments to fund third-party legal claims in return for a share of any favorable settlement or award. Such investments create the risk of a complete loss of investment where a claim proves unsuccessful. There exists a large degree of uncertainty with respect to the outcome of any claim, including the amount of damages that may be assessed. Such uncertainties may result in a judgment or settlement for amounts lower than predicted, or a failure to reach a settlement. Finally, even if a case is resolved in favor of GCMLP’s or the Investment Manager’s position, there exists uncertainty with respect to the ability of the opposing party and/or its insurance company to pay a settlement or judgment. As the timing and amounts recovered in such cases are outside of GCMLP’s or the Investment Manager’s control, the returns on a GCMLP Fund’s or the Underlying Fund’s investments may be affected.

Investment Manager Conflicts of Interest in Valuations
Investment Managers have an incentive to exercise their valuation discretion in a manner that overvalues the holdings of their Underlying Funds, because overvaluations typically result in an increase in their management fees and performance/incentive fees or other performance/incentive compensation.

Investment Managers have an incentive to overvalue their Underlying Funds for the purpose of inflating their “track records” in an effort to attract new investors and/or retain existing investors. Conversely, Investment Managers may have an incentive to exercise their valuation discretion in a manner that undervalues less liquid assets, because under valuations of these assets can discourage withdrawals/redemptions.

To the extent Investment Managers have authority to classify investments as so-called “designated” or “side pocket” investments, they have the incentive to so classify poorly-performing illiquid assets if the effect of such classification results in higher fees to the Investment Managers or enables the Investment Managers to report better performance.

<u>Operational Risks</u>
Generally, the risks arising from the day-to-day management of commingled investment vehicles such as a GCMLP Fund and the Underlying Funds in which a GCMLP Fund invests, including:

- trade error risks;
- substantial Fund withdrawals could require rapid Underlying Fund investment liquidations; and
- possible “restricted person” status of a GCMLP Fund could limit “New Issues” income.

Trade Error Risks
The success of an Investment Managers’ strategies depends in part upon the accurate calculation of price relationships as well as the communication of precise trading instructions and ongoing position evaluations. In addition, the Underlying Funds generally require active, ongoing management and dynamic adjustments to their portfolios. There is the possibility that, through human error, oversight or operational weaknesses, mistakes could occur in one or more of these processes, potentially leading to significant losses.

Trading errors will occur, notwithstanding the exercise of due care and the implementation of procedures specifically designed to prevent such errors.

A number of Underlying Funds use electronic trading platforms, some almost exclusively. Electronic trading is subject to material systems risks as enormous and erroneous trades are sometimes generated by such systems, which are executed before there is any realistic opportunity to cancel the transaction.

When trading errors occur, they generally will be for the account of the applicable Underlying Fund, and a GCMLP Fund will bear its *pro rata* share of resulting losses.

Possible Effects of Substantial Withdrawals
Substantial withdrawals from a GCMLP Fund could require a GCMLP Fund to liquidate its investments in Underlying Funds more rapidly than GCMLP otherwise would deem advisable in order to raise the cash necessary to enable a GCMLP Fund to fund such withdrawals, potentially resulting in losses and/or disruption of GCMLP's investment program for a GCMLP Fund. In order to fund such withdrawals, a GCMLP Fund also could be compelled to withdraw/redeem capital from the Underlying Funds offering more frequent investor liquidity even though GCMLP otherwise would have preferred to retain a GCMLP Fund's investments in such Underlying Funds. Withdrawing/redeeming from such Underlying Funds would leave a GCMLP Fund with a less liquid portfolio overall, to the potential material detriment of the continuing investors.

A reduction in a GCMLP Fund's asset base could result in an imbalanced portfolio containing strategy and/or market concentrations in excess of a GCMLP Fund's Investment Objectives and Constraints. A reduction in the size of a GCMLP Fund could also prevent a GCMLP Fund from taking advantage of certain investment opportunities and/or increase its expense-to-equity ratio, making it more difficult to generate a positive return or to recoup losses. Certain levels of reduction in a GCMLP Fund's asset base could cause a GCMLP Fund to lose its "most favored nation" status and/or preferential advisory fee (and other) terms with respect to one or more Underlying Funds.

Limited Participation in New Issues
FINRA Rule 5130, promulgated by the U.S. Financial Industry Regulatory Authority, Inc., restricts the extent to which its broker-dealer members may sell certain issues of securities (so-called **New Issues**) to private investment vehicles such as a GCMLP Fund and to Underlying Funds in which a GCMLP Fund invests. If a sufficient number of investors do not respond to GCMLP's questionnaire relating to FINRA Rule 5130 or if GCMLP determines that a GCMLP Fund is not eligible for, or it is inadvisable for a GCMLP Fund to participate in, New Issues, GCMLP will instruct the Underlying Funds to treat a GCMLP Fund as a "restricted person" (even if all investors are not "restricted persons). This may have the effect of limiting the amount of income from New Issues that otherwise would be allocable to investors who are not "restricted persons."

<u>Institutional Risks</u>
Generally, the risks that a GCMLP Fund could incur losses due to:

- counterparty risk, i.e., the failure of counterparties to perform their contractual commitments to a GCMLP Fund or to the Underlying Funds in which a GCMLP Fund invests;
- the financial difficulties, fraud or misrepresentation of brokerage firms, banks or other financial institutions that hold assets of a GCMLP Fund or a GCMLP Fund of the Underlying Funds in which a GCMLP Fund invests;
- the failure of exchanges and clearinghouses;
- suspensions of trading;
- counterparties holding assets in unregulated rather than regulated accounts; and
- cybersecurity breaches.

Counterparty Risk
Certain of the markets in which Investment Managers invest and trade are OTC or "inter-dealer" markets. The participants in these markets typically are not subject to the type of strict credit evaluation and regulatory oversight applicable to members of "exchange-based" markets, and transactions in these markets typically are not settled through exchanges or clearinghouses that guarantee the trades of their participants. Rather, the responsibility for performing under a particular transaction rests solely with the counterparties to such transaction. This results in the risk that a counterparty may not settle a transaction with an Underlying Fund or with a GCMLP Fund, to the extent that a GCMLP Fund itself enters into OTC transactions in accordance with its terms, because the counterparty is either unwilling or unable to do so, potentially resulting in significant loss for the Underlying Fund or a GCMLP Fund. An Underlying Fund or a GCMLP Fund could lose a significant portion of its capital in attempting to execute a substitute transaction to replace a transaction under which a counterparty has defaulted, which transaction may have hedged the risks of other market exposures maintained by such Underlying Fund or by a GCMLP Fund and which market exposures are no longer limited by such defaulted hedging

positions. Counterparty risk is accentuated in the case of contracts having longer maturities as well as in the case of an Underlying Fund that concentrates its transactions with a single counterparty or limited number of counterparties.

While Dodd-Frank is intended to bring more stability and lower counterparty risk to the derivatives market by requiring exchange clearing of derivatives trades, not all of the Investment Managers' trades will be subject to the clearing requirements once they generally become effective, either because the trades are grandfathered or because they are bespoke. Furthermore, it is yet to be seen whether Dodd-Frank will be effective in reducing counterparty risk or if such risk may actually increase as a result of market uncertainty, mutuality of loss to clearinghouse members, or other reasons.

Financial Difficulties, Fraud and Misrepresentation of Custodians
Brokerage firms, banks and other financial institutions have custody of the assets of the Underlying Funds (including margin deposits), as well as certain assets of a GCMLP Fund. These assets often will not be registered in the name of an Underlying Fund or a GCMLP Fund. Financial difficulties, fraud or misrepresentation at any of these institutions could lead to significant losses as well as impair the operational capabilities and/or capital position of the affected Underlying Fund and/or of a GCMLP Fund.

Failure of Exchanges and Clearinghouses
The Underlying Funds and a GCMLP Fund are subject to the risk of the failure of any of the exchanges on which their positions trade or of the clearinghouses for such exchanges.

Suspensions of Trading
Securities and futures exchanges typically have the authority to suspend or limit trading in any instrument traded on such exchanges. A trading suspension or limitation could render it impossible or economically infeasible for an Underlying Fund to liquidate, in a timely manner, positions against which the market is moving. A delay in exiting a position could expose such Underlying Fund to losses with respect to such position, which could increase as the delay continues.

Unregulated Accounts
Assets held in unregulated accounts at a broker–dealer or counterparty are given no special protection in the case of the bankruptcy of that entity. In both the Lehman Brothers and the Refco bankruptcies, it appeared that a number of investors which believed that their assets were held in regulated accounts in fact had such assets held in unregulated accounts, and were, accordingly, only general, unsecured creditors of the bankrupt's estate with respect to such assets.

Cybersecurity Breaches
A GCMLP Fund and the Underlying Funds are subject to risks associated with a breach in their cybersecurity. Cybersecurity is a generic term used to describe the technology, processes, and practices designed to protect networks, systems, computers, programs and data from "hacking" by other computer users, other unauthorized access, denial of service or malicious acts targeting networks, systems, computers, programs and data and the resulting damage and disruption of hardware and software systems, loss or corruption of data or business as well as misappropriation of confidential information. If a cybersecurity breach occurs, a GCMLP Fund or an Underlying Fund, as applicable, may incur substantial costs, including those associated with: forensic analysis of the origin and scope of the breach; increased and upgraded cybersecurity; investment losses from sabotaged trading systems; identity theft; unauthorized use of proprietary information; litigation; adverse investor reaction; the dissemination of confidential and proprietary information; and reputational damage. Any such breach could expose GCM, a GCMLP Fund or an Underlying Fund, as applicable, to civil liability as well as regulatory inquiry and/or action.

<u>Regulatory Risks</u>
Generally, the risks associated with:
- no regulatory approval or recommendation of GCMLP or any Investment Manager;
- investing both in unregulated entities and in securities sold in unregistered offerings;
- GCM, GSLLC, a GCMLP Fund, the Investment Managers and the Underlying Funds operating in a changing regulatory environment, including the risks of regulatory inquiries, new legislation, new regulations and government intervention;
- recent regulatory developments in Europe;
- a GCMLP Fund needing to comply with numerous regulations restricting its offering procedures; and

- marketing restrictions on a GCMLP Fund make it more difficult to raise capital.

No Regulatory Approval or Recommendation

Although GCMLP is registered with the SEC as an “investment adviser” under the Advisers Act and with the CFTC as a “commodity pool operator” and “commodity trading advisor” under the Commodity Exchange Act, such registrations do not imply a certain level of skill or training. Further, neither the SEC nor any other governmental, regulatory or self-regulatory authority or organization has in any manner passed upon or made any finding or determination as to the value or fairness of an investment in a GCMLP Fund or made any recommendation as to such an investment.

Generally, investors in a GCMLP Fund will not receive the protection of the ICA. If a GCMLP Fund were registered as an “investment company” under the ICA, the ICA would require, among other things, that it have a board of directors comprised in significant part of “independent” directors, would compel the use of certain custodial arrangements, and would regulate its relationships and transactions with GCMLP and its related persons. Compliance with certain of such provisions could reduce certain risks of loss to which an investor is exposed, although such compliance could significantly increase the operating expenses of a GCMLP Fund as well as limit a GCMLP Fund’s investment and trading activities.

Changing Regulatory Environment

The global financial markets underwent pervasive and fundamental disruptions in 2008-2009 that have led to extensive and unprecedented governmental intervention.

In response to the recent financial crises, Dodd-Frank was enacted in July 2010. Dodd-Frank seeks to regulate markets, market participants and financial instruments that previously have been unregulated and substantially alters the regulation of many other markets, market participants and financial instruments.

In 2008-2009, the Federal Reserve intervened to an unprecedented extent in the credit markets and it may do so in the future. During that same period, the U.S. federal government took significant and historic steps to intervene to prevent widespread foreclosures on subprime homeowners, and it continues to do so. Foreign governments have also taken similar measures. The effect of any such intervention has been a dramatic decline in the supply of certain mortgage-related instruments targeted for purchase by a number of the Underlying Funds. Future government interventions may materially adversely affect a GCMLP Fund and/or the Underlying Funds. Government intervention is subject to inherent uncertainties relating to prevailing economic conditions and political considerations.

It is impossible to predict what additional interim or permanent governmental restrictions may be imposed on the markets and/or the effect of such restrictions on the Underlying Funds’ strategies. However, GCMLP believes that there is a high likelihood of significantly increased regulation of the financial markets, and that such increased regulation could be materially detrimental to the Underlying Funds (and thus a GCMLP Fund).

For example, certain changes could alter an expected investment outcome, introduce new uncertainty regarding investment outcomes or reduce the utility of or eliminate altogether investment techniques or strategies that previously were profitable.

Unknown Impact of Brexit

On March 29, 2017, the United Kingdom (**UK**) made a formal notification to the European Union (**EU**) under Article 50 of the Treaty of Lisbon which triggered a two year period during which the terms of the exit, commonly referred to as “Brexit,” were negotiated. After several extensions, on January 31, 2020, the UK formally left the EU, which triggered a transition period which is due to expire on December 31, 2020. During the transition period, the UK will remain in the EU customs union and single market. If both the UK and the EU agree, this transition period may be extended once by two years, meaning it could remain in place until December 31, 2022. During the transition period, the EU and the UK will negotiate the details of their future relationship. This will include agreeing on what conditions will apply to UK-based companies seeking to do business in and with the EU as well as to EU-based companies that want to do business in and with the UK after the transition period. Negotiations will also take place on citizens’ rights and cooperation on security. There will be more clarity on the new relationship between the EU and the UK only once these negotiations have been completed. The new agreements will enter into force after the transition period. These new agreements, too, will have to be approved by the individual member states, the UK parliament and the European Parliament. If no agreement is reached about the future relationship between the UK and EU, there will be a ”no deal” Brexit after the transition period. Given the size and importance of the UK’s economy, (a) uncertainty or unpredictability about its future legal, political and economic relationship with Europe; (b) any new laws or regulations adopted to replace those which cease to apply as a result of the negotiations; and (c) uncertainties relating to the possibility, or scope, of possible transitional arrangements to be agreed between the UK and the EU are likely to be, or continue to be, a source of instability, create significant currency fluctuations, and/or otherwise adversely affect international markets, arrangements for trading or other existing cross-border co-operation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise) for the foreseeable future including beyond the date of the expiration of any transitional arrangements which may be agreed. The outcome of the UK exit from the EU could also have a destabilizing effect if other member states were to consider the option of leaving the EU. For these reasons, the decision of the UK to leave the EU could have materially adverse consequences on GCMLP Funds, the performance of their investments or investment strategies and their ability to source, identify, and invest in a sufficient number of opportunities to permit GCMLP Funds to sufficiently diversify their portfolios or to otherwise fulfill their investment objectives. As a result, this could have a materially adverse effect on the potential return on an investment in a GCMLP Funds.

Epidemics and Pandemics
Since 2003, the world has seen a number of outbreaks of new viral illnesses of varying severity, including but not limited to Severe Acute Respiratory Syndrome (**SARS**), Middle East Respiratory Syndrome (**MERS**), the H1N1 Flu (**Swine Flu**), and COVID-19 caused by the novel Coronavirus known as SARS–CoV-2 (**Coronavirus**). The responses to these outbreaks have varied as has their impact on human health, local economies and the global economy, and it is impossible at the outset of any such outbreak to estimate accurately what the ultimate impact of any such outbreak will be. Protective measures taken by governments and the private sector, including GCMLP, to mitigate the spread of such illness, including travel restrictions and outright bans, quarantines, and work-at-home arrangements, and the spread of any such illness within the offices of GCMLP could severely impair GCMLP's operational capabilities, potentially harming GCMLP’s business.

Uncertain Economic, Social, and Political Environment
Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional or global health crises including but not limited to the rapid and pandemic spread of novel viruses such as SARS, MERS, and COVID-19 (Coronavirus). Such health crises could exacerbate political, social, and economic risks previously mentioned, and result in significant breakdowns, delays and other disruptions to important global, local and regional supply chains affected, with potential corresponding results on the operating performance of affected portfolio companies. A climate of uncertainty, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of GCMLP and the GCMLP Funds to execute their respective strategies and to achieve attractive returns. This may slow the rate of future investments by the GCMLP Fund and in some cases result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the contagion of infectious viruses or diseases, or general economic downturn may have an adverse effect upon the Underlying Funds held by GCMLP Funds.

MiFID II
The EU Markets in Financial Instruments Directive (Directive 2014/65/EU) and Markets in Financial Instruments Regulation (Regulation (EU) No 600/2014) (together, **MiFID II**) governs the provision of investment services and activities in relation to, as well as the organized trading of, financial instruments such as shares, bonds, units in collective investment schemes and derivatives. MiFID II was required to be implemented in EU member states from January 3, 2018. Although a GCMLP Fund is not organized in the EU, and is not authorized or regulated by any EU member state financial services regulator, certain aspects of MiFID II may have an impact on a GCMLP Fund.

MiFID II imposes certain restrictions as to the trading of shares and derivatives, which could apply to transactions made by or with a GCMLP Fund and Underlying Funds. Subject to certain conditions and exceptions, a GCMLP Fund or Underlying Funds may be unable to trade shares or derivatives with affected counterparties other than as provided by MiFID II. MiFID II also applies position limits to the size of a net position that a person can hold at all times in commodity derivatives traded on EU trading venues and in "economically equivalent" OTC derivatives.

More generally, EU regulated firms that have trading relationships with a GCMLP Fund or Underlying Funds may be obliged by MiFID II to impose certain requirements on a GCMLP Fund or Underlying Funds, or they may seek to do so contractually, with a view to satisfying their own compliance obligations. It is difficult to predict the full impact of MiFID II on a GCMLP Fund. Prospective investors should also be aware that there may be costs (whether direct or indirect) of compliance with MiFID II.

European Market Infrastructure Regulation

The European Market Infrastructure Regulation (Regulation (EU) No 648/2012) (**EMIR**) entered into force on August 16, 2012.

EMIR introduced certain requirements in respect of derivative contracts, which apply primarily to "financial counterparties" such as EU authorised investment firms, credit institutions, insurance companies, UCITS and alternative investment funds managed by EU authorised alternative investment fund managers (**FCs**), and "non-financial counterparties" (being an EU entity which is not a financial counterparty) (**NFCs**).

EMIR's requirements in respect of derivative contracts include: (i) mandatory clearing of OTC derivative contracts declared subject to the clearing obligation; (ii) risk mitigation techniques in respect of uncleared OTC derivative contracts, including the mandatory margining of uncleared OTC derivative contracts; and (iii) reporting and record-keeping requirements in respect of all derivative contracts.

Where a GCMLP Fund or Underlying Funds transact with in-scope EU counterparties, such counterparties may require a GCMLP Fund or Underlying Funds, to comply with certain provisions of EMIR so that the EU counterparty can fulfil its regulatory obligations and ensure that the transaction is EMIR-compliant. As a result a GCMLP Fund or Underlying Funds may become subject to additional obligations and/or costs that may not otherwise have applied.

The extent to which these requirements apply is dependent on the classification of the EU counterparties as FCs, NFCs above EMIR's prescribed clearing threshold (NFC+s) or NFCs below EMIR's prescribed clearing threshold (NFC-s) and the classification of a GCMLP Fund or Underlying Fund if it was established in the EU.

Environmental, Social and Governance Risks

GCMLP generally considers ESG factors when managing GCMLP Funds. ESG-focused investments may not provide as favorable returns or protection of capital as other investments, and may be more concentrated in certain sectors than investments that do not have the intention of generating measurable ESG impact.

<u>Tax Risks</u>

Generally, the risks and special tax considerations arising from the operation of an investment vehicle, including:

- material tax considerations for an investment in a GCMLP Fund;
- a GCMLP Fund's investments not being tax-driven;
- an Underlying Fund may, in an effort to minimize taxation, take certain tax positions and/or use certain tax structures that may in the future be disallowed or reversed, which could result in material tax expenses to such Underlying Fund.

Material Tax Considerations

An investment in a GCMLP Fund involves a number of material tax-related considerations. The Offeree must consult the Offeree's own tax advisors concerning such considerations. GCMLP accepts no responsibility for the tax consequences to the Offeree of investing in a GCMLP Fund.

Investments Not Tax-Driven

A substantial portion of a GCMLP Fund's income may constitute short-term capital gain or ordinary income in the form of dividends and interest, all of which are subject to income tax at the highest applicable rate. Furthermore, the Investment Managers' trading decisions will be based primarily on economic, and not tax, considerations. This could result, from time to time, in adverse tax consequences to investors.

Underlying Funds' Tax Expenses

An Underlying Fund may, in an effort to minimize taxation, take certain tax positions and/or use certain tax structures that may in the future be disallowed or reversed, which could result in material tax expenses to such Underlying Fund.

Conflicts of Interest

In addition, GCMLP, GCM CFIG, affiliated entities and related persons are subject to certain actual or potential conflicts of interest in conducting its business and making investment decisions for the GCM Grosvenor Funds, and the Investment Managers are subject to similar as well as certain additional actual and/or potential conflicts of interest in managing their respective Underlying Funds. Some of these conflicts have been discussed throughout. Certain of these actual and potential conflicts of interest are discussed herein and in the current GCM Grosvenor Fund's constituent or offering documents (**GCM Grosvenor Fund Documents**) provided to each prospective investor in a particular GCMLP Fund or GCM CFIG Fund, and/or in the document entitled *GCM Grosvenor – Supplemental Disclosures Regarding Conflicts of Interest*, a copy of which is available from us upon request.

GCM Grosvenor currently provides or may in the future provide a broad spectrum of financial services, including, without limitation, investment advisory, broker-dealer, asset management, loan origination, capital markets, and idea generation services, to a variety of clients, including GCM Grosvenor Funds. GCM Grosvenor expects to sponsor, manage, and/or advise additional GCM Grosvenor Funds in the future, including GCM Grosvenor Funds that have investment objectives, programs, strategies and positions that are similar to or have interests adverse to each other. Because GCM Grosvenor has different financial services businesses and sponsors, manages and/or advises multiple GCM Grosvenor Funds, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than those to which it would otherwise be subject if it had only one line of business or sponsored, managed and/or advised only a single GCM Grosvenor Fund. Even if one GCM Grosvenor Fund has investment objectives, programs or strategies that are similar to those of another GCM Grosvenor Fund, GCM Grosvenor still gives advice or takes action with respect to the investments held by, and transactions of, the other GCM Grosvenor Funds that may differ from the advice given or the timing or nature of any action taken with respect to the investments held by, and transactions of, such GCM Grosvenor Fund for a variety of reasons, including, without limitation, differences between the investment strategy, financing terms, regulatory treatment and tax treatment of the other GCM Grosvenor Funds and such GCM Grosvenor Fund. As a result, one GCM Grosvenor Fund and another GCM Grosvenor Fund will likely have substantially different portfolios and investment returns.

Prospective and existing investors in a GCM Grosvenor Fund should generally understand that (i) the relationships among such GCM Grosvenor Fund, the other GCM Grosvenor Funds and GCM Grosvenor are complex and dynamic; and (ii) as GCM Grosvenor's and GCM Grosvenor Funds' businesses change over time, GCM Grosvenor and its personnel will likely be subject, and such GCM Grosvenor Fund will likely be exposed, to new or additional conflicts of interest. In the ordinary course of business, and in particular in managing and making investment decisions for GCM Grosvenor Funds, GCM Grosvenor engages in activities in which its interests or the interests of certain GCM Grosvenor Funds conflict with the interests of other GCM Grosvenor Funds and the investors in such GCM Grosvenor Funds. Such conflicts of interest could affect the objectivity of GCM Grosvenor and adversely affect one or more of the GCM Grosvenor Funds and/or the performance of the GCM Grosvenor Funds or returns to their investors. Certain of these actual and potential conflicts are summarized herein. In addition, each investor and prospective investor in a GCM Grosvenor Fund is urged to review carefully any relevant GCM Grosvenor Fund Documents for additional information regarding GCM Grosvenor's business, such GCM Grosvenor Fund, and the conflicts of interest to which GCM Grosvenor is subject.

GCM Grosvenor maintains policies and procedures that address actual and potential conflicts of interest. In the event that a conflict of interest arises, GCM Grosvenor will generally attempt to resolve such conflict in accordance with such policies and procedures and in a fair and equitable manner, on a case-by-case basis. GCM Grosvenor will take into consideration the interests of the relevant parties, including the interests of GCM Grosvenor, and the circumstances giving rise to the conflict in its resolution of conflicts. GCM Grosvenor will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the GCM Grosvenor Funds. These resolutions include, without limitation, refraining from investing in or disposing of the investment giving rise to the conflict of interest, appointing an independent party to provide approval on behalf of the relevant GCM Grosvenor Fund or consulting an investor advisory committee.

GCM Grosvenor has an inherent conflict of interest when identifying an issue as a conflict and when resolving conflicts of interest that involve its own interests. While GCM Grosvenor will always seek to resolve conflicts in a manner that is fair and equitable to all clients, there can be no assurance that any actual or potential conflict of interest will not result in a less favorable outcome for the GCM Grosvenor Fund than if such conflict of interest did not exist. By investing in a GCM Grosvenor Fund, each investor will be deemed to have acknowledged and consented specifically to (i) the existence of such actual, apparent and potential conflicts of interest, as are described herein and/or in the relevant GCM Grosvenor Fund Documents; and (ii) the actions taken by GCM Grosvenor to address such conflicts as described herein and/or in the relevant GCM Grosvenor Fund Documents.

<u>GCM Grosvenor Policies and Procedures</u>
Policies and procedures implemented by GCM Grosvenor in an effort to mitigate potential conflicts of interest and/or address certain regulatory requirements and contractual restrictions reduce the synergies that would otherwise exist across its various businesses and that GCM Grosvenor could otherwise draw on in pursuing attractive investment opportunities for GCM Grosvenor Funds. GCM Grosvenor has established compliance functions to administer GCM Grosvenor's information sharing policies and procedures and to identify and monitor potential conflicts of interest. Although GCM Grosvenor Funds generally seek to leverage GCM Grosvenor's firm-wide resources to help source, conduct due diligence on, structure, and create value for GCM Grosvenor Funds' investments, the information sharing policies and procedures referenced above, as well as certain legal, contractual, and tax constraints and other considerations could significantly limit GCM Grosvenor Funds' ability to do so. For example, GCM Grosvenor sometimes comes into possession of possible material non-public information with respect to (i) companies in which a GCM Grosvenor Fund is invested or is considering investing (each, a **Portfolio Company**); and/or (ii) companies that are current GCM Grosvenor clients. Due to the receipt of such information, GCM Grosvenor may be restricted from sharing such information with the GCM Grosvenor professionals responsible for making GCM Grosvenor Funds' investment or divestment decisions or from making such investments or divestments, even where the disclosure of such information would be in the best interest of one or more GCM Grosvenor Funds or would otherwise influence the decisions taken by such investment professionals with respect to such actual or potential investment or divestment. Additionally, the terms of confidentiality or other agreements with or related to companies in which GCM Grosvenor has entered, either on its own behalf or on behalf of advisory clients of GCM Grosvenor, sometimes restrict or otherwise limit the ability of a GCM Grosvenor Fund to make investments in or otherwise engage in businesses or activities competitive with such companies. GCM Grosvenor may also enter into one or more strategic relationships (e.g., in certain regions or with respect to certain types of investments) that, while intended to provide greater opportunities for a GCM Grosvenor Fund, may require such GCM Grosvenor Fund to share such opportunities or otherwise limit the amount of certain, or all such opportunities the GCM Grosvenor Fund could otherwise take. Accordingly, there can be no assurance that GCM Grosvenor Funds will be able to fully leverage all of the available resources and industry expertise of GCM Grosvenor. Additionally, there may be circumstances in which one or more individuals associated with GCM Grosvenor cannot provide services to one or more GCM Grosvenor Funds because of certain confidential information available to those individuals.

<u>Multiple GCM Grosvenor Funds</u>
GCM Grosvenor sponsors, manages, and/or advises multiple GCM Grosvenor Funds. The investment strategies pursued, and types of investments made, by the various GCM Grosvenor Funds can be similar to one another. Therefore, certain GCM Grosvenor Funds compete with other GCM Grosvenor Funds and/or Underlying Funds in identifying and seeking to acquire investments.

GCM Grosvenor and its related persons might have an incentive to favor certain GCM Grosvenor Funds over other GCM Grosvenor Funds. For example, with regard to the selection of investment opportunities or the allocation of investment opportunities that have limited investment capacity, GCM Grosvenor has an incentive to favor those GCM Grosvenor Funds from which GCM Grosvenor receives either greater compensation or compensation in more favorable structures. GCM Grosvenor and its related persons also have an incentive to favor certain GCM Grosvenor Funds over other GCM Grosvenor Funds if GCM Grosvenor or its related persons have investments in such favored GCM Grosvenor Funds.

Additionally, certain GCM Grosvenor Funds invest in other GCM Grosvenor Funds, and GCM Grosvenor may be authorized to vote with respect to the interests held by such investing GCM Grosvenor Funds and otherwise act as their representative with respect to GCM Grosvenor Funds in which such other GCM Grosvenor Funds invest (including, without limitation, serving as such investing GCM Grosvenor Funds' representative on an advisory or similar committee).

As a result of certain restrictions imposed by the ICA on GCM Grosvenor RICs and on affiliated persons (as that term is defined in the ICA) of such RICs, it is possible that if a GCM Grosvenor Fund invests in an Underlying Fund in which a RIC managed by GCM Grosvenor is also an investor, such GCM Grosvenor Fund may be required to forego some or all of its voting rights associated with such investment. In addition, in situations where a RIC that GCM Grosvenor manages and other GCM Grosvenor Funds own, in the aggregate, 25% or more of the interests in a particular Underlying Fund, GCM Grosvenor Funds may be precluded from making additional investments in such Underlying Fund, even though GCM Grosvenor deems it would be appropriate for GCM Grosvenor Funds to make additional investments in such Underlying Fund. In seeking to not limit certain GCM Grosvenor Funds' investment activities as a result of this restriction, GCM Grosvenor may choose to not invest RIC assets in certain Underlying Funds. Moreover, in the event that such aggregate ownership in an Underlying Fund equals or exceeds the 25% threshold, for example, due to redemptions by non-GCM Grosvenor investors in an Underlying Fund, GCM Grosvenor would likely redeem a portion of the aggregate RIC and GCM Grosvenor Funds' capital from the Underlying Fund to reduce the aggregate ownership level below that threshold.

<u>Investment in Different Parts of the Capital Structure</u>
At times, GCM Grosvenor Funds invest in companies in which GCM Grosvenor or one or more other GCM Grosvenor Funds also invest, either directly or indirectly through an Underlying Fund. Investments in a company by certain GCM Grosvenor Funds may be made prior to the investment by other GCM Grosvenor Funds, concurrently, including as part of the same financing plan or subsequent to the investments by such other GCM Grosvenor Funds. Any such investment by a GCM Grosvenor Fund may consist of securities or other instruments of a different class or type from those in which other GCM Grosvenor Funds are invested, and may entitle the holder of such securities or other instruments to greater control or to rights that otherwise differ from those to which such other GCM Grosvenor Funds are entitled. In connection with any such investments—including as they relate to acquisition, owning, and disposition of such investments—the GCM Grosvenor Funds have conflicting interests and investment objectives, and any difference in the terms of the securities or other instruments held by such parties may raise additional conflicts of interest for the GCM Grosvenor Funds and GCM Grosvenor. For example, certain GCM Grosvenor Funds may invest in the common equity of a company that subsequently issues debt that is held, directly or indirectly, by one or more other GCM Grosvenor Funds; the interests of these two groups of investors in the company under certain circumstances can be unaligned or adverse—particularly in times of stress for the company. This conflict may be exacerbated to the extent that representatives of GCM Grosvenor serve on an advisory or other board or committee related to such company or GCM Grosvenor Funds' investment in such company. In certain instances, GCM Grosvenor Funds and/or GCM Grosvenor invest as a minority investor as part of a larger investing group or syndicate. In such cases, the financial sponsor, and not GCM Grosvenor, will be in the position to negotiate and potentially make decisions on behalf of the holders of the relevant class of equity or debt holders.

GCM Grosvenor recognizes that conflicts arise under such circumstances and will endeavor to treat all GCM Grosvenor Funds fairly and equitably. To that end, GCM Grosvenor has adopted procedures that are designed to enable GCM Grosvenor to address such conflicts and to ensure that GCM Grosvenor Funds are treated fairly and equitably.

Carried Interest, Performance-Based Fees and Allocations and Management Fees
GCM Grosvenor sometimes receives carried interest or other performance-based fees or allocations that may create an incentive for GCM Grosvenor to make more speculative investments and determinations, directly or indirectly on behalf of GCM Grosvenor Funds, or otherwise take or refrain from taking certain actions than it would otherwise make in the absence of such carried interest or performance-based fees or allocations. In addition, GCM Grosvenor may have an incentive to make exit determinations based on factors that maximize economics in favor of GCM Grosvenor or its employees. Certain employees or related persons of GCM Grosvenor can receive directly a portion of GCM Grosvenor's carried interest or performance-based fees or allocations with respect to one or more GCM Grosvenor Funds, which may similarly influence such employees' or related persons' judgments. In connection therewith, any clawback obligation may create an incentive for GCM Grosvenor to defer disposition of one or more investments if such disposition would result in a realized loss and/or the finalization of dissolution and liquidation of a GCM Grosvenor Fund where a clawback obligation would be owed.

GCM Grosvenor receives management fees in respect of certain GCM Grosvenor Funds on an as invested basis or only in respect of invested capital where GCM Grosvenor has an incentive to make investments more quickly, or at all, or defer disposition or the write-off of investments, for such GCM Grosvenor Funds in order to earn management fees that it otherwise would not, absent such a fee arrangement. In addition, management fees or other compensation is sometimes calculated on a basis that includes unrealized appreciation and thus might be greater than if the compensation were based solely on realized gains.

In certain instances, the management fees and/or carried interest or other performance-based fees or allocations payable to GCM Grosvenor in respect of a particular GCM Grosvenor Fund is offset by the management fees and/or incentive compensation payable to Investment Managers of Underlying Funds in which such GCM Grosvenor Funds invest (so-called "all in" fee arrangements). In such instances, we will have an incentive to invest directly rather than with an Investment Manager, even if the GCM Grosvenor Fund would be better served by investing with an Investment Manager, or to invest with Investment Managers that charge lower fees or to otherwise structure compensation arrangements with Investment Managers that reduce the amount of these offsets, which in each case may affect the quality of the Investment Managers with whom such GCM Grosvenor Funds invest.

Other Fees
GCM Grosvenor may earn fees or similar compensation in a variety of ways, including from or in connection with services provided or related to portfolio investments or in connection with actual or potential investments, including, without limitation, board of directors' fees and supervisory/monitoring fees with respect to investments and other fees, break-up and similar transaction fees, and may receive these fees on an accelerated basis in connection with certain transactions. Except as otherwise disclosed, GCM Grosvenor Fund investors will not receive the benefit of fees or other compensation received by GCM Grosvenor in connection with the provision of services by GCM Grosvenor to GCM Grosvenor Funds or third parties.

Other GCM Grosvenor Business Activities
GCM Grosvenor and its related persons may engage in any activities, including, without limitation, a broad range of advisory, capital markets and other businesses or ventures. GCM Grosvenor has no obligation to make investment or other opportunities in any such businesses or ventures available to any GCM Grosvenor Fund or to the investors in any GCM Grosvenor Fund. Except to the extent GCM Grosvenor determines otherwise, in connection with its other businesses and ventures, GCM Grosvenor may enter into agreements related to clients or potential investments, restricting the ability of the GCM Grosvenor Funds to make certain investments or engage in certain activities, which would otherwise be of benefit to the GCM Grosvenor Funds. In addition, from time to time, GCM Grosvenor will provide services beyond those currently provided. GCM Grosvenor Funds will not participate in the risks or rewards of such businesses or ventures and the investors in the GCM Grosvenor Funds will not receive a benefit from fees generated by such activities. Further, such businesses and ventures (i) compete with the GCM Grosvenor Funds for GCM Grosvenor's time and attention (as well as the time and attention of GCM Grosvenor's related persons); and (ii) potentially create additional conflicts of interest or raise other special considerations.

Conflicts of interest resulting from the foregoing include the allocation of management time among GCM Grosvenor Funds and other clients of GCM Grosvenor. Nothing in the governing documents of any GCM Grosvenor Fund generally (i) requires GCM Grosvenor and its affiliates to devote their full business time to the business and affairs of any particular GCM Grosvenor Fund or to the business and affairs of the GCM Grosvenor Funds in general; (ii) limits or restricts GCM Grosvenor or its related persons from engaging in and devoting time and attention to other businesses or ventures or from rendering services of whatever kind or nature; or (iii) restricts GCM Grosvenor or its related persons from forming additional investment funds, from entering into investment advisory relationships or from engaging in other business activities. As GCM Grosvenor sponsors, advises, and/or manages numerous GCM Grosvenor Funds, the officers and employees of GCM Grosvenor may not spend a significant portion of their time on matters related to any particular GCM Grosvenor Fund, and GCM Grosvenor or its personnel may have financial or other incentives to favor certain GCM Grosvenor Funds over other GCM Grosvenor Funds. Additionally, potential investments by GCM Grosvenor Funds are subject to approval by a GCM Grosvenor investment, operations, or other committees, whose professionals serve this function for all or certain GCM Grosvenor Funds. It is expected that an investment, operations or other committees and its professionals will face additional conflicts of interest in allocating their time, attention, and potential investment opportunities among GCM Grosvenor Funds.

In addition, as permitted by law, GCM Grosvenor and its related persons, in investing and trading for its proprietary accounts may make use of information obtained by GCM Grosvenor in the course of investing for the GCM Grosvenor Funds. GCM Grosvenor does not generally establish information barriers between internal investment teams. GCM Grosvenor and its related persons will have no obligation to compensate any GCM Grosvenor Fund (or any investor therein) in any respect for its receipt of such information or to account to any GCM Grosvenor Fund (or any investor therein) for any profits earned from GCM Grosvenor's or its related persons' use of such information.

In addition, while GCM Grosvenor maintains compliance policies and procedures, including personal trading policies, which seek to reduce potential conflicts of interest, GCM Grosvenor employees in certain circumstances are permitted to invest in alternative investment funds and other investment vehicles, including GCM Grosvenor Funds and potential competitors of GCM Grosvenor Funds. Investors will not receive any benefit from any such investments. The records of any such investments by GCM Grosvenor's employees generally will not be open to inspection by the investors. GCM Grosvenor and its employees give advice or take action for their own accounts that may differ from, conflict with, or be adverse to advice given or action taken for a GCM Grosvenor Fund. These activities create conflicts of interest for the employees in providing services with respect to the GCM Grosvenor Funds and may further adversely affect the prices and availability of other investments held by or potentially considered for purchase by such GCM Grosvenor Fund.

<u>Access to Information</u>

In the ordinary course of its investment activities on behalf of GCM Grosvenor Funds, GCM Grosvenor receives investment-related information. GCM Grosvenor does not generally establish information barriers between internal investment teams. To the extent permitted by law, investment professionals, including SIG Professionals, have access to and make use of such investment-related information in making investment decisions for GCM Grosvenor Funds. Therefore, information related to investments made on behalf of a particular GCM Grosvenor Fund may inform investment decisions made in respect of another GCM Grosvenor Fund. The access and use of this information creates conflicts between GCM Grosvenor Funds, and no GCM Grosvenor Fund, or any investor therein, is entitled to any compensation for any profits earned by another GCM Grosvenor Fund based on GCM Grosvenor's use of investment-related information received in connection with managing such GCM Grosvenor Fund.

<u>Credit Issues</u>

The GCM Grosvenor Funds will be required to establish business relationships with their counterparties based on the GCM Grosvenor Funds' own credit standing. Neither GCM Grosvenor nor any of its affiliates will have any obligation to allow its credit to be used in connection with a GCM Grosvenor Fund's establishment of its business relationships, nor is it expected that any GCM Grosvenor Fund's counterparties will rely on the credit of GCM Grosvenor or its affiliates in evaluating the GCM Grosvenor Fund's creditworthiness.

<u>Future GCM Grosvenor Services</u>
GCM Grosvenor may expand, either directly or indirectly through majority or minority interests in separate businesses, into new investment strategies, geographic markets, and businesses and seek to provide certain products or perform certain services such as investment banking, lending, advisory and other services to corporations, financial sponsors, management or other persons, including Underlying Funds managed by Investment Managers, Portfolio Companies or other parties. Such services could be provided to an Investment Manager, an Underlying Fund, a Portfolio Company, an investor, another transaction party or a third party that may have interests that differ from the interests of the GCM Grosvenor Funds, Investment Managers, Underlying Funds, or Portfolio Companies. GCM Grosvenor's compensation for such services could include: (i) financial advisory or structuring fees; (ii) fees for restructuring, merger and acquisition advice for underwriting or placement activities; (iii) financing or commitment fees; (iv) monitoring or consulting fees; (v) brokerage fees; (vi) interest; and (vii) other fees or forms of compensation (including appreciation of its investment in a company that provides such services). Certain fee income earned by GCM Grosvenor with respect to GCM Grosvenor Fund investments will offset management fees payable by the GCM Grosvenor Funds. Other income, including investment banking and other financial services compensation earned by GCM Grosvenor, will not do so and will not be shared with the GCM Grosvenor Funds or any GCM Grosvenor Fund investor. Payment of certain fee income due to GCM Grosvenor with respect to GCM Grosvenor Fund investments may be accelerated in connection with certain events related to such investments (e.g., strategic sales). Except as provided herein, GCM Grosvenor will not be restricted in the scope of its business or in the performance of any such services, even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described here. Additionally, GCM Grosvenor has, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who hold or have held investments similar to those intended to be made by GCM Grosvenor Funds. These clients may themselves represent appropriate investment opportunities for certain GCM Grosvenor Funds or sometimes compete with certain GCM Grosvenor Funds for investment opportunities. Additional conflicts arise if GCM Grosvenor provides services to, and is compensated by, third parties that are otherwise suitable investments opportunities for one or more GCM Grosvenor Funds.

In connection with any future investment banking, lending, advisory, underwriting, and other businesses, GCM Grosvenor may come into possession of information that limits its ability to engage in certain transactions. There may be circumstances in which one or more of certain individuals associated with GCM Grosvenor will be precluded from providing services related to the GCM Grosvenor Funds' activities because of certain confidential information available to those individuals or to other parts of GCM Grosvenor.

In the regular course of its other businesses, GCM Grosvenor may represent potential purchasers, sellers and other involved parties, such as corporations, financial buyers, management, shareholders, and institutions, with respect to investments that are suitable for the GCM Grosvenor Funds. In such a case, GCM Grosvenor's client would typically require GCM Grosvenor to act exclusively on its behalf, thereby precluding the GCM Grosvenor Funds from acquiring such assets. GCM Grosvenor will be under no obligation to decline any such engagements in order to make the investment opportunity available to the GCM Grosvenor Funds. The GCM Grosvenor Funds may be forced to sell or hold existing investments as a result of relationships that GCM Grosvenor has or transactions or investments GCM Grosvenor may make.

<u>GCM Grosvenor Special Relationships</u>
GCM Grosvenor enters into strategic partnerships, co-investments or other multi-strategy or multi-asset class arrangements with investors that commit capital to a range of GCM Grosvenor's platform of products, investment ideas, and asset classes, including the strategy of one or more GCM Grosvenor Funds. Such arrangements sometimes include GCM Grosvenor granting certain preferential terms to such investors.

<u>Joint Ventures</u>
GCM Grosvenor Funds sometimes enter into joint ventures with Investment Managers or other persons with respect to the management of specified portfolio investments or categories of portfolio investments. In connection therewith, such Investment Managers or other persons receive management fees and/or performance-based fees or allocations such as a carried interest in vehicles through which such joint ventures invest. GCM Grosvenor Funds also hold certain portfolio

investments through investment vehicles managed in whole or in part by Investment Managers or other persons where GCM Grosvenor determines this is necessary or appropriate due to regulatory or other reasons. Any compensation of such Investment Managers or of joint venture partners, which will reduce the GCM Grosvenor Funds' returns from the relevant portfolio investments, may not offset carried interest, performance-based fees or allocations or management fees due to GCM Grosvenor and will increase the cost of the investors' investment in the GCM Grosvenor Funds.

Broker-Dealer Activities

GCM Grosvenor may include entities that act as broker-dealers. Such broker-dealers, including any respective related lending vehicles: (i) may manage or otherwise participate in underwriting syndicates and/or selling groups with respect to issuers of the GCM Grosvenor Funds' investments; (ii) may otherwise be involved in the private placement of debt or equity securities or instruments issued by the issuers and non-controlling entities in or through which the GCM Grosvenor Funds may invest; or (iii) may otherwise arrange or provide financing for portfolio investments alone or with other lenders, which may include the GCM Grosvenor Funds. Affiliated broker-dealers may, as a consequence of such activities, hold positions in instruments and securities issued by the issuers of the GCM Grosvenor Funds' portfolio investments and may engage in transactions that may also be appropriate investments for the GCM Grosvenor Funds. Subject to applicable law, such broker-dealers may receive underwriting fees, placement commissions, financing fees, interest payments or other compensation with respect to such activities, which are not required to be shared with the GCM Grosvenor Funds or the investors. Where a GCM Grosvenor broker-dealer serves as underwriter with respect to an issuer's securities, the GCM Grosvenor Funds may be subject to a lock-up period following the offering under applicable regulations or agreements during which time its ability to sell any securities that it continues to hold is restricted.

Portfolio Entity Relationships

GCM Grosvenor enters into strategic partnerships or other arrangements with Underlying Funds or Investment Managers as part of an integrated overall arrangement with such Underlying Fund or Investment Manager. Such an agreement would typically involve granting to GCM Grosvenor and/or certain GCM Grosvenor Funds preferential terms or co-investment opportunities based on the size, length or other characteristic of a single GCM Grosvenor Fund's or the aggregate GCM Grosvenor Funds' investment in such Underlying Fund and/or with such Investment Manager. The existence of such partnership or arrangement creates potential conflicts of interest for GCM Grosvenor with respect to the allocation and management of investments, including, without limitation, an incentive for GCM Grosvenor to increase or make commitments by one or more GCM Grosvenor Funds to such Underlying Funds or to delay or preclude one or more GCM Grosvenor Funds from withdrawing capital from or redeeming its interests in the relevant Underlying Funds.

GCM Grosvenor Funds' Portfolio Companies may be counterparties or participants in agreements, transactions, or other arrangements, with Portfolio Companies of other Underlying Funds in portfolios managed by GCM Grosvenor, which might not have otherwise been entered into, but for the affiliation with GCM Grosvenor. These agreements, transactions or other arrangements may involve fees and/or servicing payments to GCM Grosvenor-affiliated entities that may not be subject to management fee offset provisions. Additionally, GCM Grosvenor may hold equity or other investments in companies or businesses (even if they are not affiliates of GCM Grosvenor) that provide services to or otherwise contract with Portfolio Companies. GCM Grosvenor may enter into relationships with companies and, in connection with such relationships, make referrals and/or introductions to Portfolio Companies, which sometimes result in financial incentives, including additional equity ownership, and/or milestones benefitting GCM Grosvenor that are tied or related to participation by Portfolio Companies. The GCM Grosvenor Funds and the investors will not share in any fees or economics accruing to GCM Grosvenor as a result of these relationships and/or participation by Portfolio Companies.

With respect to transactions or agreements with future Portfolio Companies, GCM Grosvenor, in certain instances, negotiates and executes agreements between GCM Grosvenor and/or the GCM Grosvenor Funds on the one hand, and the Portfolio Companies or their affiliates, on the other hand, which could entail a conflict of interest in seeking to enter into terms that are at arm's length.

GCM Grosvenor frequently seeks to obtain agreements from Investment Managers under which Underlying Funds managed by such Investment Managers agree to accept specified dollar amounts of capital from GCM Grosvenor Funds, considered in the aggregate, at specified investment dates and/or over specified time periods. In cases where GCM Grosvenor is able to negotiate capacity of this type for the GCM Grosvenor Funds with respect to a particular Underlying Fund, such capacity is not reserved solely for those GCM Grosvenor Funds that are in existence on the date that GCM Grosvenor negotiated such capacity. Similarly, to the extent such capacity is allocated to a GCM Grosvenor Fund that was in existence on the date that GCM Grosvenor negotiated such capacity, such allocation is not reserved solely for persons who were investors in such GCM Grosvenor Fund on that date. Instead, such capacity is made available to all GCM Grosvenor Funds that wish to invest in such Underlying Fund, based on the allocation decisions of their respective portfolio management teams and the application of GCM Grosvenor's capacity allocation guidelines. To the extent that any such capacity is allocated to a GCM Grosvenor Fund that existed on that date, all investors in such GCM Grosvenor Fund participate in such capacity in accordance with their respective economic interests in such GCM Grosvenor Fund, even if such investors invested in such GCM Grosvenor Fund subsequent to that date.

Legal Interpretation

In the course of its business, GCM Grosvenor will be required to interpret the terms of applicable legal documentation, including but not limited to the GCM Grosvenor Funds, Underlying Funds, and/or Portfolio Companies. GCM Grosvenor has an incentive to favor certain interpretations over others if one interpretation results favorably for GCM Grosvenor or the GCM Grosvenor Funds. Subject to applicable fiduciary duties, there will be times where GCM Grosvenor interprets legal and regulatory restrictions in a way that may be more favorable to GCM Grosvenor than to the GCM Grosvenor Funds or their investors.

Advisors and Operating Partners

GCM Grosvenor engages and retains strategic advisors, consultants, operating partners, and professionals who are generally not employees or affiliates of GCM Grosvenor and who, from time to time, receive payments from, or allocations with respect to, Underlying Funds, and/or Portfolio Companies, and GCM Grosvenor or the GCM Grosvenor Funds. These advisors, consultants, operating partners, and/or other professionals may have the right or may be offered the ability to co-invest alongside the GCM Grosvenor Funds, including in those investments in which they are involved, or otherwise participate in equity plans for management of any such Portfolio Company. Such co-investment and/or participation generally may reduce the amount invested by the GCM Grosvenor Funds in any investment. In certain instances, GCM Grosvenor has formal arrangements with these advisors, consultants, operating partners, and/or other professionals, and in other cases, the relationships are more informal. They are either compensated, including pursuant to retainers and expense reimbursement, from GCM Grosvenor, the GCM Grosvenor Funds, Underlying Funds, and/or Portfolio Companies or otherwise uncompensated unless and until an engagement with a Portfolio Company develops. Additionally, they may have certain attributes of GCM Grosvenor employees (e.g., have dedicated offices at GCM Grosvenor, participate in general meetings and events for GCM Grosvenor personnel, work on GCM Grosvenor matters as their primary or sole business activity) even though they are not GCM Grosvenor employees, affiliates or personnel for purposes of the GCM Grosvenor Funds' agreements and related management fee offset provisions. Payments or allocations of costs and expenses in respect of GCM Grosvenor's advisors, consultants, operating partners, and/or other professionals will generally not be subject to any offset provisions. Additionally, there can be no assurance that any of the senior advisors, consultants, operating partners and/or other professionals will continue to serve in such roles and/or continue their arrangements throughout the term of the GCM Grosvenor Funds. In certain circumstances, as agreed in connection with a particular GCM Grosvenor Fund, GCM Grosvenor may employ one or more persons to serve as strategic advisors, consultants, operating partners, or other similar roles or in other similar capacities in respect of one or more Underlying Funds and/or Portfolio Companies. In such situations, the relevant GCM Grosvenor Fund will reimburse GCM Grosvenor for the compensation it provides such persons.

Allocation of Costs and Expenses

GCM Grosvenor has a conflict of interest in determining whether certain costs and expenses are incurred in the course of operating the GCM Grosvenor Funds. For example, GCM Grosvenor has to determine whether the costs arising from newly imposed regulations and self-regulatory requirements should be paid by the GCM Grosvenor Funds or by GCM Grosvenor. The GCM Grosvenor Funds will generally pay or otherwise bear all legal, accounting, filing, and other expenses incurred in connection with organizing and establishing the GCM Grosvenor Funds and the offering of interests in the GCM Grosvenor Funds. In addition, the GCM Grosvenor Funds will generally pay all expenses related to the operation of the GCM Grosvenor

Funds and their investment activities as described in the GCM Grosvenor Fund Documents applicable to each GCM Grosvenor Fund. GCM Grosvenor will also determine, in its sole discretion, the appropriate allocation of investment-related expenses, including broken deal expenses, incurred in respect of unconsummated investments and expenses more generally relating to a particular investment strategy, among the GCM Grosvenor Funds, vehicles and accounts participating or that would have participated in such investments or that otherwise participate in the relevant investment strategy, as applicable. This could result in one or more GCM Grosvenor Funds bearing more or less of these expenses than other investors or potential investors in the relevant investments or a GCM Grosvenor Fund paying a disproportionate share, including some or all, of the broken deal expenses or other expenses incurred by potential investors.

GCM Grosvenor Fund Documents identify non-exclusive lists of the costs and expenses to be paid by each GCM Grosvenor Fund. However, questions of interpretation can arise in connection with determining whether a certain cost or expense has, in fact, been so identified as well as whether newly arising and/or unanticipated costs or expenses fit within the non-exclusive categories of costs and expenses described. GCM Grosvenor does not in all cases resolve such questions so that it—as opposed to the GCM Grosvenor Funds—is wholly, or even partially, responsible for such cost or expense.

Expenses related more generally to a particular investment or investment strategy, including, without limitation, broken deal expenses, certain organizational expenses, fees and expenses of consultants (e.g., senior advisors, industry advisors and other consultants) and costs and expenses of research and due diligence relating to such investment or strategy may be allocated to the GCM Grosvenor Funds and, if applicable, GCM Grosvenor proprietary entities participating, or proposed to participate, in the relevant investment or investment strategy. The allocation of such expenses among investors in a given investment or strategy will be based upon a number of relevant factors, including, without limitation, the capital committed to the investment or strategy. While, as a general matter, the significant majority of such expenses will typically be borne by the primary investment vehicles or accounts for such investment or strategy, the proportion of such expenses allocated to any relevant fund, vehicle or account is likely to vary from period to period and for certain investments or strategies, resulting in one or more GCM Grosvenor Funds bearing more of the expense than others.

GCM Grosvenor receives complimentary or discounted use of third-party cash management software from banking institutions in exchange for maintaining cash deposits or cash-equivalent investments (e.g., money market accounts) with such institutions, resulting in a potential conflict of interest when determining where to make such deposits or investments.

It should be noted that GCM Grosvenor can make different determinations with respect to costs and expenses, including, without limitation, in connection with determining whether a certain cost or expense is to be paid by a GCM Grosvenor Fund and the manner in which such costs and expenses are allocated among the GCM Grosvenor Funds. Additionally and without limitation, GCM Grosvenor may agree to bear certain costs and/or expenses for some but not all GCM Grosvenor Funds.

<u>Allocation of Investment Opportunities</u>

GCM Grosvenor will, from time to time, be presented with investment opportunities that fall within the investment objectives of multiple GCM Grosvenor Funds. In such circumstances, GCM Grosvenor will seek to allocate such opportunities among the eligible GCM Grosvenor Funds on a basis that GCM Grosvenor reasonably determines in good faith to be fair and equitable, and may take into account a variety of relevant factors in determining eligibility, including the investment team primarily responsible for sourcing or performing due diligence on the transaction, the nature of the investment focus of each GCM Grosvenor Fund, the relative amounts of capital available for investment, anticipated expenses to the applicable GCM Grosvenor Fund and/or to GCM Grosvenor with regard to investment by the various GCM Grosvenor Funds, the investment pacing and timing of the GCM Grosvenor Funds and other considerations deemed relevant by GCM Grosvenor. In certain cases, pursuant to its policies and procedures and/or applicable agreements, GCM Grosvenor may be obligated to offer an investment opportunity to one or more particular GCM Grosvenor Funds or GCM Grosvenor clients, including in connection with such clients' direct investments, in priority to or in addition to other GCM Grosvenor Funds. In the case of any such limited opportunity, certain GCM Grosvenor Funds may not be allocated the full investment level in any investment opportunity, or may be unable to participate in certain investments due to contractual constraints on the availability of such investments. In the event that a GCM Grosvenor Fund is subject to terms, which are less favorable to us than the economic terms applicable to other GCM Grosvenor Funds, it could create an incentive for

GCM Grosvenor to prioritize the allocation of certain investments to such other GCM Grosvenor Funds. Such less favorable terms include, for example, lower fees, lower carried interest, lower performance-based fees or allocations or greater expenses borne by GCM Grosvenor.

<u>Co-Investment Allocations</u>

GCM Grosvenor will offer to GCM Grosvenor Funds, GCM Grosvenor Fund investors and/or other parties certain co-investment opportunities presented to GCM Grosvenor by Investment Managers or otherwise, in accordance with GCM Grosvenor's policies and procedures. There is no assurance that any particular GCM Grosvenor Fund or GCM Grosvenor Fund investor will be granted any co-investment opportunities, even if a particular GCM Grosvenor Fund's investment in a particular Underlying Fund forms part or all of the basis on which an Investment Manager makes a particular co-investment opportunity available to GCM Grosvenor. GCM Grosvenor will allocate this investment opportunity in accordance with its policies and procedures, which sometimes results in such GCM Grosvenor Fund or investor receiving a smaller, or no, allocation to the particular investment opportunity.

Co-investment opportunities are considered by some to be highly attractive investment opportunities, in part because such opportunities represent a potential opportunity to gain exposure to particular investments sourced and diligenced by Investment Managers while, in some cases, paying such Investment Managers less or no asset-based fees, carried interest or performance-based fees or allocations in connection with such co-investments. This perceived attractiveness by some investors, combined with the co-investment allocation policies of certain Investment Managers, creates certain incentives for GCM Grosvenor. For instance, among other things, GCM Grosvenor is sometimes offered co-investment opportunities in connection with investments in a particular Underlying Fund, which increases GCM Grosvenor's incentive to invest GCM Grosvenor Fund assets in such Underlying Fund. In addition, GCM Grosvenor could be incentivized to cause the GCM Grosvenor Funds to make a larger capital commitment to a particular Underlying Fund than it originally anticipated, to accept a particular co-investment opportunity and/or to participate on a limited partner advisory committee in hopes of receiving preferential or additional co-investment rights. In addition to the fact that there are no assurances made that any such co-investment opportunities—or any related economic benefits—will be made available to any particular GCM Grosvenor Fund or GCM Grosvenor Fund investor, this could create additional risks for the GCM Grosvenor Funds, such as greater exposure to an Underlying Fund than GCM Grosvenor would have taken absent such potential co-investments. The fact that GCM Grosvenor sponsors or advises, and receives compensation from, GCM Grosvenor Funds with a significant or exclusive investment focus on co-investment opportunities exacerbates GCM Grosvenor's conflicts with respect to co-investments. Also, while GCM Grosvenor's investment allocation policy is intended to allocate co-investment opportunities in a fair and equitable basis, there is an incentive for GCM Grosvenor to allocate co-investment opportunities in a manner that favors certain GCM Grosvenor Funds over others.

Certain investors co-investing with the GCM Grosvenor Funds invest on different and more favorable terms than the GCM Grosvenor Funds and have interests or requirements that conflict with and adversely impact the GCM Grosvenor Funds. Examples include investors' liquidity requirements, available capital, the timing of acquisitions and dispositions or control rights. GCM Grosvenor will generally seek to ensure that GCM Grosvenor, the GCM Grosvenor Funds, GCM Grosvenor proprietary entities, and investors participate in any co-investment and any related transactions on comparable economic terms to the extent GCM Grosvenor determines appropriate, subject to legal, tax and regulatory considerations. Investors should note, however, that such participation may not be appropriate in all circumstances and that one or more GCM Grosvenor Funds may participate in such investment on different and potentially less favorable economic terms than such parties if GCM Grosvenor deems such participation as being otherwise in such GCM Grosvenor Funds' best interests. Additionally, a co-investment opportunity may be structured such that investors that have committed to the co-investment opportunity do not share in any broken deal expenses. This may have an adverse effect on the GCM Grosvenor Funds.

From time to time, GCM Grosvenor has the opportunity to offer certain investment opportunities to GCM Grosvenor Fund investors or other parties on an overage basis after GCM Grosvenor Funds have received what GCM Grosvenor determines to be an appropriate allocation to such opportunities. GCM Grosvenor may offer and allocate such overage investment opportunities to any parties in its sole discretion and on such terms and conditions that GCM Grosvenor and such parties agree. There is no assurance that any GCM Grosvenor Fund investor will be granted any such opportunity offered by GCM

Grosvenor, even if the investment of a particular GCM Grosvenor Fund in which such investor invests contributed, in whole or in part, to such overage opportunity. GCM Grosvenor will take into account various facts and circumstances deemed relevant by it when determining the allocation of overage opportunities. Such factors include, among others, (i) whether a potential overage investor has expressed an interest in evaluating such opportunities; (ii) whether a potential overage investor has a history of participating in such opportunities with GCM Grosvenor; (iii) the size of the interest and opportunity; (iv) the economic terms applicable to such overage investment for such investor and GCM Grosvenor; (v) whether allocating to a potential overage investor will help establish, recognize, strengthen and/or cultivate relationships with an existing or prospective investor; and (vi) such other factors GCM Grosvenor deems relevant under the circumstances. The allocation of overage investment opportunities by GCM Grosvenor sometimes involves a benefit to GCM Grosvenor including, without limitation, management fees, carried interest or performance-based fees or allocations from an overage opportunity. GCM Grosvenor Fund investors or other parties that seek to participate in a potential overage opportunity may not share in any broken deal expenses in the event such opportunity is not consummated.

In certain circumstances, GCM Grosvenor, its affiliates and their respective employees or any designee thereof and other companies, partnerships or vehicles affiliated with GCM Grosvenor may be permitted to co-invest side-by-side with the GCM Grosvenor Funds and may consummate an investment in an investment opportunity otherwise suitable for a GCM Grosvenor Fund.

Board and Advisory Committee Seats

Persons designated by GCM Grosvenor serve as GCM Grosvenor's representatives on an advisory committee or member of a board of directors, or participate in an equivalent body, of Underlying Funds or Portfolio Companies (collectively, **GCM Board Representatives**). As a consequence, these GCM Board Representatives stand to receive information other investors may not and could potentially control or influence their policies and operations. This creates a number of potential conflicts of interest. For example, there could be a conflict of interest between a GCM Board Representative's duties and responsibilities to the applicable GCM Grosvenor Funds that invest in such Underlying Fund or Portfolio Company and the duties and responsibilities, if any, such GCM Board Representative has to the other investors in such Underlying Fund or Portfolio Company. A GCM Board Representative also has a conflict of interest in discharging such representative's duties and responsibilities in respect of a particular Underlying Fund or Portfolio Company to the extent that multiple GCM Grosvenor Funds invest in such Underlying Fund or Portfolio Company and such GCM Grosvenor Funds themselves have conflicting interests in respect of such Underlying Fund or Portfolio Company. Certain actions of an Underlying Fund or Portfolio Company may be in the interests of one GCM Grosvenor Fund but adverse to the interest of others. For example, GCM Grosvenor Funds often invest in the same Underlying Funds at different times and/or under different terms, and therefore have different investment horizons or objectives (e.g., different GCM Grosvenor Funds investing on a primary basis versus on a secondary basis in an Underlying Fund). Among other things, a GCM Board Representative has a conflict in making decisions to extend commitment periods or terms or approve decisions with regard to the disposition of Underlying Fund assets in such circumstances. Similarly, GCM Grosvenor Funds may invest, directly or indirectly, in different types of securities of the same issuers as other GCM Grosvenor Funds. To the extent that the GCM Grosvenor Funds hold interests that are different, or more senior, than those held by such other vehicles, accounts and clients, GCM Grosvenor may be presented with decisions involving circumstances where the interests of such vehicles, accounts and clients are in conflict with those of the GCM Grosvenor Funds. Furthermore, it is possible that the GCM Grosvenor Funds' interests may be subordinated or otherwise adversely affected by virtue of such other GCM Grosvenor Fund's involvement and actions relating to its investment. Such situations give rise to potential conflicts of interest in respect of GCM Grosvenor or a GCM Board Representative discharging its duties and responsibilities in respect of such Underlying Fund or Portfolio Company. For example, GCM Board Representatives may be asked to vote on acquisition decisions, executive compensation, valuations, restructurings, and the terms of additional financings in respect of a Portfolio Company, which could have a disparate impact on GCM Grosvenor Fund investors in such Portfolio Company. See also *Investments by Other GCM Grosvenor Funds*, herein. GCM Grosvenor has developed protocols for addressing conflicts involving GCM Grosvenor Fund investment decisions where interests between GCM Grosvenor Funds may be adverse.

Certain multi-investor GCM Grosvenor Funds appoint advisory committees, or equivalent bodies, for purposes of GCM Grosvenor's presenting and seeking approval or consent for certain GCM Grosvenor Fund actions or for purposes of generally providing advice and counsel to GCM Grosvenor in connection with actual and potential conflicts of interest and certain other matters relating to GCM Grosvenor Funds. GCM Grosvenor Fund advisory committee members, which are generally representatives of investors in the applicable GCM Grosvenor Fund, are typically authorized to act in the self-interest of the investors which they represent, without fiduciary obligations to any other investors. Such persons typically have an incentive to base their decisions on personal considerations related to the investor they represent rather than on the best interests of the relevant GCM Grosvenor Funds. Consequently, a GCM Grosvenor Fund advisory committee's decision may not itself assure an equitable resolution—at least insofar as all investors are concerned—of any conflicts of interest or other issues in question.

Principal and Cross Transactions

When permitted by applicable law, the terms of the relevant GCM Grosvenor Fund Documents and the applicable policies and procedures of GCM Grosvenor, certain GCM Grosvenor Funds may invest in Portfolio Companies in which GCM Grosvenor or one or more other GCM Grosvenor Funds have an equity, debt or other interest, or engage in investment transactions that may result in such Portfolio Company or other GCM Grosvenor Fund being relieved of obligations or otherwise exiting investments, in a manner which may benefit GCM Grosvenor or such other GCM Grosvenor Funds.

GCM Grosvenor may cause certain GCM Grosvenor Funds to engage in transactions with or through GCM Grosvenor. Sometimes, these transactions are referred to as principal transactions. When permitted by applicable law, the terms of the relevant GCM Grosvenor Fund Documents and the applicable policies and procedures of GCM Grosvenor, the GCM Grosvenor Funds may also engage in transactions in which GCM Grosvenor advises both sides of the transaction (cross transactions) and acts as broker for, and may receive a commission from, a GCM Grosvenor Fund on one side of a transaction and a party on the other side of the transaction (agency cross transactions). See also *Transfers of Interests in Underlying Funds*, herein.

There are potential conflicts of interest and/or regulatory restrictions relating to principal, cross and agency cross transactions that could limit GCM Grosvenor's ability to engage in these transactions. GCM Grosvenor will likely have a conflict of interest and responsibilities to the parties in such transactions and has developed policies and procedures in relation to such transactions and conflicts.

Transfers of Interests in Underlying Funds

From time to time, to the extent permitted by applicable law, the terms of the relevant GCM Grosvenor Fund Documents and the applicable policies of GCM Grosvenor, GCM Grosvenor determines that it is appropriate for one or more GCM Grosvenor Funds to dispose of, or decrease, their investments in a particular Underlying Fund as of a particular date, while also determining that it is appropriate for one or more other GCM Grosvenor Funds to invest, or increase their investments, in such Underlying Fund as of the same date. GCM Grosvenor will potentially face conflicts of interest in connection with such transactions, including with respect to the consideration offered by, and the obligations of, GCM Grosvenor and the applicable GCM Grosvenor Funds. GCM Grosvenor may also be required, under the GCM Grosvenor Funds' Documents, to obtain the consent of a limited partner advisory committee to enter into certain of the GCM Grosvenor Funds' potential investments, and the failure of any such advisory committee to grant such consent would prevent the relevant GCM Grosvenor Fund from consummating such investments and could adversely affect such GCM Grosvenor Fund.

In no instance does any party, including GCM Grosvenor or the Investment Manager of any affected Underlying Fund, receive any additional compensation specifically as a result of any such transfer. However, the practice of engaging in transfers could create certain risks for investors in affected GCM Grosvenor Funds. In certain cases, GCM Grosvenor is able to negotiate arrangements with Investment Managers—either at the inception of its relationship with an Investment Manager or on a case-by-case basis after GCM Grosvenor has established such a relationship—that permit a transferee GCM Grosvenor Fund to "stand in the shoes" of a transferor GCM Grosvenor Fund for purposes of determining such business terms as the duration of any lock-up period, the continuation of any performance/incentive compensation loss carryforwards, the applicability of withdrawal charges, etc. GCM Grosvenor generally intends to take advantage, to the fullest extent permitted by law, of the ability of transferee GCM Grosvenor Funds to receive carryover business terms. In certain cases, however, regulatory considerations and/or contractual arrangements may prohibit GCM Grosvenor from effecting transactions in which business terms are carried over from the transferor GCM Grosvenor Fund to the transferee GCM Grosvenor Fund.

Reputational Matters

GCM Grosvenor may have a conflict of interest between acting in what might be the best interest for the GCM Grosvenor Funds or certain employees and ensuring that GCM Grosvenor avoids publicity or any reputational harm. For example, there may be certain positions which other market participants take and which may benefit the GCM Grosvenor Funds but which GCM Grosvenor does not take for the GCM Grosvenor Funds due to GCM Grosvenor's determination that such position may be seen as inappropriate in certain regulatory contexts or otherwise unadvisable. In addition, GCM Grosvenor may decide not to make certain investments, or otherwise take or fail to take certain actions, on behalf of GCM Grosvenor Funds to the extent that such investments, actions or inactions could subject GCM Grosvenor or its related persons to reputational risk, even if such investments, actions or inactions would be appropriate or potentially favorable for a GCM Grosvenor Fund. Certain existing or potential GCM Grosvenor Fund investments may require GCM Grosvenor to make public or potentially public disclosures about itself, its business and/or its related persons that GCM Grosvenor may not wish to make public, and GCM Grosvenor may therefore determine not to make such investment or to seek a potentially premature exit from such investment for a GCM Grosvenor Fund in order to avoid such public disclosure.

GCM Grosvenor Fund Investor Interests

Investors in GCM Grosvenor Funds may have conflicting regulatory, legal, investment, tax and other interests with respect to their investments in such GCM Grosvenor Funds relative to the interests of other investors in GCM Grosvenor Funds that participate in the same investments. The conflicting interests of individual GCM Grosvenor Fund investors with respect to other investors in such GCM Grosvenor Fund and relative to investors in other GCM Grosvenor Funds may relate to or arise from, among other things, the nature and tax profile of the investors themselves, the nature of investments made by such GCM Grosvenor Fund and such other GCM Grosvenor Funds, the structuring or the acquisition of investments and the timing of disposition of investments, and internal investment policies of the GCM Grosvenor Fund investors and their target risk/return profiles. As a consequence, conflicts of interest may arise in connection with the decisions made by GCM Grosvenor that may be more beneficial for one investor than for another investor, especially with respect to an investor's individual tax situation. Since GCM Grosvenor may make meaningful capital commitments to certain GCM Grosvenor Funds, conflicts may arise between its own interests and those of the GCM Grosvenor Fund investors in relation to such decisions, and similar conflicts may arise if GCM Grosvenor allocates carried interest or performance-based fees or allocation distributions to one or more third parties, including a GCM Grosvenor Fund investor. In selecting and structuring investments appropriate for the GCM Grosvenor Funds, GCM Grosvenor will typically consider the investment and other objectives of the GCM Grosvenor Funds and their investors as a whole, not the investment or other objectives of any investor individually. Additionally, GCM Grosvenor may, in its sole discretion in certain circumstances, elect to exclude certain investors from particular investments, including participation in New Issues as such term is defined under the rules of the U.S. Financial Industry Regulatory Authority, for legal or regulatory reasons applicable to any such investment, in which case non-excluded investors in the applicable GCM Grosvenor Fund may be allocated a greater proportionate interest in such investment. Similarly, GCM Grosvenor may, in its sole discretion for any reason including for convenience or otherwise, elect for a GCM Grosvenor Fund to be treated as restricted from participating in New Issues even though some or all of the investors in such GCM Grosvenor Fund are unrestricted, which would result in such GCM Grosvenor Fund being allocated less interest in New Issues investments than it otherwise would receive had GCM elected for such GCM Grosvenor Fund to be treated as unrestricted.

Not all investors monitor their investments in vehicles such as the GCM Grosvenor Funds in the same manner. GCM Grosvenor also has a conflict of interest in determining whether to disclose certain information to certain, but not other, investors. For example, certain investors request from GCM Grosvenor, periodically or contractually, information regarding the GCM Grosvenor Funds and or has yet to be set forth in, the reporting and other information required to be delivered to all investors of the relevant GCM Grosvenor Fund. In such circumstances, GCM Grosvenor often provides such information to such investor, but providing such information to one or more investors does not mean GCM Grosvenor will be obligated to affirmatively provide such information to all investors. As a result, certain investors may have more information about the GCM Grosvenor Funds than other investors, and GCM Grosvenor will have no duty to ensure all investors seek, obtain or process the same information, or to ensure that investors with more information about the GCM Grosvenor Funds not use such information for purposes of trading, either in interests of a GCM Grosvenor Fund or otherwise.

Treatment of the GCMLP Funds Collectively for Certain Transactions

In certain cases, although each investment in an Underlying Fund by a GCMLP Fund is a distinct transaction, Underlying Funds agree to treat all investments made by GCMLP Funds as if they had been made by the same investor for purposes of applying certain business terms, such as "gates." We enter into these types of arrangements because we believe that, in most cases, they can be expected to benefit all participating GCMLP Funds. For example, under arrangements such as these, certain GCMLP Funds could make complete withdrawals or redemptions provided that other GCMLP Funds do not withdraw or redeem, as the former GCMLP Funds could make use of the withdrawal or redemption capacity allocable to the GCMLP Funds on a collective basis. However, these arrangements also have certain drawbacks. For example, if one GCMLP Fund were to withdraw or redeem from an Underlying Fund, its withdrawal or redemption could reduce withdrawal or redemption capacity for other GCMLP Funds. In this example, depending on the actual terms of the applicable gate, a particular GCMLP Fund may be entitled to receive less withdrawal or redemption proceeds in respect of a particular withdrawal or redemption than would otherwise be the case.

In certain cases, we are able to negotiate favorable investment terms with the Investment Managers of Underlying Funds, but often on the condition that our accounts, which may include GCM Grosvenor proprietary accounts, collectively maintain an aggregate minimum level of invested capital in a given Underlying Fund or group of Underlying Funds managed by the same Investment Manager.

Investments in Investment Managers

Certain GCM Grosvenor Funds and/or GCM Grosvenor and its related persons may, for their own accounts (i) invest in Investment Managers and in investment vehicles or accounts managed or advised by such firms; (ii) enter into fee-, revenue-, and/or profit-sharing agreements or other arrangements with Investment Managers and/or with investment vehicles or accounts managed or advised by such firms; and/or (iii) operate and/or manage Investment Managers. Investments in Investment Managers may be made in exchange for seeding or otherwise funding such firms' operations. In connection with such seed investments, GCM Grosvenor may receive economic participation in the form of profit sharing, equity interests, or other contractual means of participating in the business of the Investment Managers.

GCM Grosvenor and its related persons may from time to time invest, for their respective proprietary accounts, in early-stage or emerging Underlying Funds, including GCM Grosvenor-Administered Funds (as defined herein) at times when investments in such Underlying Funds would not be appropriate for the GCM Grosvenor Funds. If GCM Grosvenor should subsequently determine, in accordance with its then current criteria applicable to the selection of Underlying Funds, that such an Underlying Fund is an appropriate investment for the GCM Grosvenor Funds, GCM Grosvenor and its related persons will not be required to restructure the terms of their original investment in such Underlying Fund in order to make investments in such Underlying Fund available to the GCM Grosvenor Funds even if, for regulatory or other reasons, the GCM Grosvenor Funds would be, or, in GCM Grosvenor's reasonable determination, may be, precluded from investing in such Underlying Fund in the absence of such restructuring.

Other than as expressly provided by the relevant GCM Grosvenor Fund Documents, GCM Grosvenor and its related persons have no obligation to make investment opportunities in other investment management firms available to GCM Grosvenor Funds or any GCM Grosvenor Fund investor. Because of certain legal restrictions that may be imposed on certain GCM Grosvenor Funds or due to other considerations, GCM Grosvenor may in certain cases be restricted from causing such GCM Grosvenor Funds to invest with Investment Managers with which GCM Grosvenor or other GCM Grosvenor Funds have a Project Agreement or in which GCM Grosvenor, one or more of its related persons and/or one or more other GCM Grosvenor Funds invest.

GCM Grosvenor's or the GCM Grosvenor Funds' interest in an Investment Manager as described herein could create a greater incentive for GCM Grosvenor to invest on behalf of a GCM Grosvenor Fund in such Investment Manager's Underlying Fund than would exist absent GCM Grosvenor's or other GCM Grosvenor Funds' economic interest in such Investment Manager. If a GCM Grosvenor Fund does invest with Investment Managers with which GCM Grosvenor has Project Agreements, this likely will result in additional compensation to GCM Grosvenor or one or more of the other GCM

Grosvenor Funds. Except as otherwise disclosed, the investing GCM Grosvenor Fund and GCM Grosvenor Fund investors will not receive the benefit of the additional compensation arrangements of GCM Grosvenor or such other GCM Grosvenor Funds.

GCM Grosvenor also has a conflict of interest in determining whether to cause GCM Grosvenor Funds to withdraw capital from an Investment Manager's Underlying Fund because GCM Grosvenor has a financial incentive not to exercise such right—even if it may otherwise believe that a withdrawal is appropriate under the circumstances—because by reducing the capital under the management of such Investment Manager could reduce the fees, revenues or profits earned by such Investment Manager and thus reduce the amount of such fees, revenues or profits to which GCM Grosvenor or GCM Grosvenor Funds are entitled under the Project Agreement relating to such Underlying Fund.

Follow-On Investments
Certain Underlying Funds employ a long-term approach, whereby investments in Portfolio Companies are typically held for a number of years, and there may be follow-on investments in Portfolio Companies in which other GCM Grosvenor Funds and/or Underlying Funds sponsored by the same Investment Manager have previously made investments. Such follow-on investments in existing Portfolio Companies may be attractive investment opportunities, and sometimes dilute the earlier investments made by such other GCM Grosvenor Funds and/or Underlying Funds if such other GCM Grosvenor Fund and/or Underlying Funds either do not have or do not exercise anti-dilution rights in respect of such Portfolio Companies. Such dilution may be extreme if, without the follow-on investment, the Portfolio Company would suffer significant negative consequences or fail, so that the terms on which such follow-on investment is made may be highly beneficial to the subsequent investors.

Follow-on investments in a Portfolio Company may be made either at a higher or a lower valuation than prior investments that were made in such Portfolio Company. When subsequent investments are "down financing rounds," conflicts can be exacerbated, as the down financing rounds will often result in earlier investment value being substantially degraded due to the deterioration of the financial condition of the Portfolio Company.

Investments by Other GCM Grosvenor Funds
In addition to follow-on investments, GCM Grosvenor Funds may make debt, equity, or other investments in companies in which GCM Grosvenor or one or more other GCM Grosvenor Funds also invest, either directly or through an Underlying Fund. Such investments by a GCM Grosvenor Fund can be made prior to the investment by other GCM Grosvenor Funds, concurrently as part of the same financing plan or subsequent to the investment by such GCM Grosvenor Fund. Any such investment by a GCM Grosvenor Fund may consist of securities, loans or other investments of a different class or type from those in which other GCM Grosvenor Funds are invested and that could entitle the holder of such investments to greater control or to rights that otherwise differ from those to which such GCM Grosvenor Fund is entitled. In connection with any such investments, the GCM Grosvenor Funds may have conflicting interests and investment objectives, and any difference in the terms of the investments held by such parties may raise additional conflicts of interest for the GCM Grosvenor Funds and GCM Grosvenor.

Investments in Other GCM Grosvenor Funds
From time to time, to the extent permitted by applicable law, the terms of the relevant GCM Grosvenor Fund Documents and the applicable policies of GCM Grosvenor, a GCM Grosvenor Fund may acquire investments, on a secondary basis or otherwise, in funds for which GCM Grosvenor serves as the promoter, general partner, investment manager or in a similar capacity, whether from such other GCM Grosvenor Fund, from GCM Grosvenor or from another party. If a GCM Grosvenor Fund purchases an investment from or securities in such other GCM Grosvenor Fund, GCM Grosvenor or a client of GCM Grosvenor, conflicts of interest may arise, and there can be no assurance that the interests of one GCM Grosvenor Fund would not be subordinated to those of the other parties or that GCM Grosvenor will resolve such conflicts of interest in a manner that is equitable or favorable to all parties involved.

If a GCM Grosvenor Fund were an investor in another investment fund established by GCM Grosvenor, GCM Grosvenor has conflicting division of loyalties and responsibilities regarding such GCM Grosvenor Fund and such other investment fund, and certain other conflicts of interest would be inherent in the situation. In certain cases, a GCM Grosvenor Fund may also acquire secondary investments from other funds established, managed, or advised by GCM Grosvenor and similar conflicts of interest would arise. In addition, if a GCM Grosvenor Fund purchases an investment from a client of GCM Grosvenor, conflicts of interest may arise due to GCM Grosvenor's relationship with such client, and there can be no assurance that the interests of the GCM Grosvenor Fund would not be subordinated to those of such client.

Investments in GCM Grosvenor-Administered Underlying Funds and GCM Strategic Entities

To the extent permitted by applicable law, the terms of the relevant GCM Grosvenor Fund Documents and the applicable policies of GCM Grosvenor, GCM Grosvenor and its related persons will from time to time invest, for their respective proprietary accounts, in Underlying Funds that GCM Grosvenor administers, but does not manage, and from which GCM Grosvenor receives administrative or similar fees (**GCM Grosvenor-Administered Funds**). Such investments may be made at times when investments in the GCM Grosvenor-Administered Funds are not appropriate for the GCM Grosvenor Funds. If GCM Grosvenor should subsequently determine, in accordance with its then current criteria applicable to the selection of the Underlying Funds, that such a GCM Grosvenor-Administered Fund is an appropriate investment for a GCM Grosvenor Fund, GCM Grosvenor may determine to cause such GCM Grosvenor Fund to invest in such GCM Grosvenor-Administered Fund. GCM Grosvenor will not be required to reduce, eliminate, or restructure the administrative or similar fees it receives from such GCM Grosvenor-Administered Fund in response to such GCM Grosvenor Fund's investment or in order to make investments in such GCM Grosvenor-Administered Fund available to the GCM Grosvenor Funds, even if, for regulatory or other reasons, the GCM Grosvenor Funds would be, or in GCM Grosvenor's reasonable determination may be, precluded from investing in such GCM Grosvenor-Administered Fund in the absence of such fee reduction, elimination or restructuring.

GCM Grosvenor and its related persons will from time to time invest, for their respective proprietary accounts, in Underlying Funds through one or more collective entities managed or advised by GCM Grosvenor (each, a **GCM Strategic Entity**) for legal, tax, regulatory, strategic or other applicable reasons to facilitate certain investments. GCM Grosvenor has an incentive to allocate the GCM Grosvenor Fund's assets to one or more GCM Strategic Entities since GCM Grosvenor has a direct or indirect financial interest in the success of such funds. Further, GCM Grosvenor may cause one or more GCM Grosvenor Funds to invest in a GCM Strategic Entity, including in a GCM Strategic Entity in which such GCM Grosvenor Funds are already invested. In certain cases, a GCM Strategic Entity may be established to serve as investment vehicles not only for GCM Grosvenor Funds, but also for outside investors. GCM Grosvenor will not be obligated to make investment opportunities in GCM Strategic Entities available to the GCM Grosvenor Funds or GCM Grosvenor Fund investors. GCM Grosvenor generally does not expect to receive any additional compensation in respect of investments made by the GCM Grosvenor Funds in GCM Strategic Entities though GCM Grosvenor may have an incentive to invest the assets of the GCM Grosvenor Funds in one or more GCM Strategic Entities, including as a means of helping to establish and promote such GCM Strategic Entity, which may subsequently serve as a means of attracting fee-paying capital for GCM Grosvenor from outside investors. In certain instances, GCM Grosvenor may limit a GCM Grosvenor Fund's non-fee paying exposure to a particular GCM Strategic Entity, whereby such exposure may be less than what may be deemed optimal from a portfolio management perspective. To the extent GCM Grosvenor limits non-fee paying exposure to a particular GCM Strategic Entity, GCM Grosvenor has a conflict in determining where to set such limitation. If required, GCM Grosvenor will make appropriate disclosure to and, if required by law or the GCM Grosvenor Fund Documents, receive consent from GCM Grosvenor Fund investors.

Ability to Withdraw/Redeem from Investments in which GCM Grosvenor Funds Invest

Certain GCM Grosvenor Funds may wish to withdraw or redeem from an Underlying Fund at the same time that other GCM Grosvenor Funds or GCM Grosvenor wish to withdraw or redeem from such Underlying Fund. The ability to withdraw or redeem from any Underlying Fund may differ materially from investor to investor due to the timing of their respective investments in such Underlying Fund, the different classes of interests in such Underlying Fund in which they invest, special arrangements negotiated with the Investment Manager of such Underlying Fund and other factors. The reasons why certain GCM Grosvenor Funds or GCM Grosvenor may wish to or be compelled to withdraw or redeem from a particular Underlying Fund as of a particular date also may differ materially from the reasons why other GCM Grosvenor Funds or GCM Grosvenor may wish to or be compelled to withdraw or redeem from such Underlying Fund as of such date. Withdrawals/redemptions or contributions/subscriptions by GCM Grosvenor Funds or GCM Grosvenor from or to a particular Underlying Fund could in certain cases adversely affect other GCM Grosvenor Funds that are invested in such

Underlying Fund. Significant withdrawals/redemptions or contributions/subscriptions could, for example, cause portfolio damage, portfolio dilution, depletion of liquidity, costly portfolio rebalancing, imposition of withdrawal gates and under-allocation to certain positions. It could also cause an Underlying Fund to make in-kind, as opposed to cash, distributions. In cases such as these, GCM Grosvenor has a conflict of interest in making withdrawals/redemptions or contributions/subscriptions for the GCM Grosvenor Funds. This conflict of interest could be exacerbated in situations where one or more GCM Grosvenor Fund or GCM Grosvenor may withdraw or redeem from a particular Underlying Fund on a date as of which one or more other GCM Grosvenor Funds are not able to do so. For example, certain GCM Grosvenor Funds or GCM Grosvenor may have invested in a particular Underlying Fund pursuant to a lock-up that has expired, whereas one or more other GCM Grosvenor Funds may still be subject to lock-ups in connection with their investments in such Underlying Fund because they either:

- purchased their interests in such Underlying Fund subsequent to the time that certain other GCM Grosvenor Funds or GCM Grosvenor purchased their interests in such Underlying Fund
- opted for liquidity classes in such Underlying Fund that are different from the liquidity classes owned by such other GCM Grosvenor Funds or GCM Grosvenor

In addition, certain withdrawal/redemption gates are, for example, calculated based on withdrawals/redemptions during an entire quarter or other period. Accordingly, if certain GCM Grosvenor Funds or GCM Grosvenor withdraw/redeem during a quarter, this could prevent one or more other GCM Grosvenor Funds from withdrawing/redeeming during that period, whereas the earlier withdrawals/redemptions are unaffected.

Investments in Underlying Funds Managed by Clients

Certain of the Underlying Funds in which the GCM Grosvenor Funds may invest may be managed by Investment Managers owned in whole or in part by GCM Grosvenor clients, or may hold notes or other securities issued by such clients, and GCM Grosvenor may be aware of such holding. Such relationship could compromise GCM Grosvenor's objectivity in determining whether or not to invest in such Underlying Funds. GCM Grosvenor and the GCM Grosvenor Funds will not be precluded from investing in such client-managed funds.

Investments by Underlying Funds in Securities Issued by a GCM Grosvenor Affiliate

Certain of the Underlying Funds in which the GCM Grosvenor Funds may invest may hold notes or other securities issued from time to time by GCM Grosvenor or an affiliate. The fact that certain of the Underlying Funds hold notes or other securities issued by GCM Grosvenor or an affiliate could compromise GCM Grosvenor's objectivity in determining whether or not to invest in such Underlying Funds.

Stapled Investments and Secondaries

In order to participate in a particular investment opportunity or otherwise, GCM Grosvenor Funds may be required to make separate commitments to another Underlying Fund or investment often managed by the Investment Manager or sponsor whose consent is required for the GCM Grosvenor Fund to participate in the investment opportunity. Such requirements are sometimes communicated verbally and not documented in writing. In instances where this occurs, GCM Grosvenor will consider the particular investment opportunity together with the required separate commitment to another Underlying Fund or investment in determining whether or not to pursue or forego the investment opportunity. Furthermore, such new, current or future Underlying Fund or investment that is "stapled" to the particular investment opportunity may prove to be a less attractive opportunity than the opportunity chosen by the GCM Grosvenor Fund as part of its own independent investment strategy and may not produce positive investment returns. Ultimately, such a separate commitment requirement, if present, may negatively, or positively, impact the GCM Grosvenor Fund's returns. Additionally, such separate commitment requirement may be made by a different GCM Grosvenor Fund than the one participating in the original investment opportunity, which would result in additional conflicts.

Investment Managers and Co-Investment Sponsors

The Investment Managers and sponsors of co-investment opportunities are likely to be subject to many of the same types of conflicts of interest to which GCM Grosvenor is subject. For example, such Investment Managers and sponsors may be involved in other business ventures, including the management and/or administration of other investment funds and accounts whose investment objectives are identical or substantially similar to those of the Underlying Funds. These

Underlying Funds will not share in the risks or rewards of such other ventures. In addition, such other ventures may compete with the Underlying Funds for the time and attention of the relevant sponsors and might create additional conflicts of interest and/or raise other special considerations.

To the extent that the Investment Managers and sponsors of co-investment opportunities also manage other accounts, including other accounts in which they may have an interest, they may have financial and other incentives to favor such accounts over the Underlying Fund. Investment Managers and co-investment sponsors typically must allocate to a limited number of co-investment opportunities, and the scarcity of such opportunities may exacerbate such Investment Managers' and sponsors' conflicts of interest in determining whether to allocate these investments to the GCM Grosvenor Funds, in whole or in part, and on what terms.

In addition, in connection with investing for other accounts, Investment Managers and co-investment sponsors may make use of information obtained by them in connection with the GCM Grosvenor Fund's investments. They will have no obligation to compensate the GCM Grosvenor Funds in any respect for their receipt of such information or to account to the GCM Grosvenor Funds for any profits earned from their use of such information.

Investment Managers and co-investment sponsors determine the value of the illiquid investments in a variety of different ways and have considerable discretion in doing so. Investment Managers and sponsors may have a conflict of interest in arriving at such valuations. For example, such valuations may affect the amount of advisory compensation received by such Investment Managers and sponsors, and this may in turn affect the performance of the GCM Grosvenor Funds. As GCM Grosvenor will generally rely on the valuations provided by such Investment Managers and sponsors when determining valuations for the GCM Grosvenor Funds, erroneous valuations by such Investment Managers or sponsors could have an adverse impact on the GCM Grosvenor Funds (see *Valuation Matters*, herein). In addition, if GCM Grosvenor has a GCM Board Representative on a limited partner advisory committee or similar board of an Underlying Fund, GCM Grosvenor also has a conflict of interest in determining valuations for such Underlying Fund to the extent such valuations indirectly improve the performance of the GCM Grosvenor Funds.

Relationships with Service Providers, Investment Managers, and Consulting Firms

Certain persons employed by or otherwise associated with GCM Grosvenor are related to, or otherwise have business, personal, political, financial or other relationships with, persons employed by or otherwise associated with i) service providers engaged for GCM Grosvenor Funds; ii) Investment Managers of existing or prospective Underlying Funds or other investments and/or iii) investment consulting firms engaged by one or more existing or prospective GCM Grosvenor Fund investors.

In providing services to the GCM Grosvenor Funds, GCM Grosvenor may face conflicts of interest in selecting service providers for the GCM Grosvenor Funds. Certain advisors and other service providers, or their affiliates, including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents, to the GCM Grosvenor Funds may also provide goods or services to or have business, personal, political, financial or other relationships with GCM Grosvenor. Such advisors and service providers may be investors in certain GCM Grosvenor Funds, affiliates of GCM Grosvenor, sources of investment opportunities or investors, or counterparties therewith. These relationships may influence GCM Grosvenor in deciding whether to select or recommend such a service provider to perform services for a particular GCM Grosvenor Fund, the cost of which will generally be borne directly or indirectly by such GCM Grosvenor Fund. Notwithstanding the foregoing, investment transactions for the GCM Grosvenor Funds that require the use of a service provider will generally be allocated to service providers on the basis of GCM Grosvenor's judgment as to seeking to obtain best execution, the evaluation of which generally includes, among other considerations, such service provider's provision of certain other services or items that GCM Grosvenor believes to be of benefit to the GCM Grosvenor Fund. In certain circumstances, advisors and service providers, or their affiliates, may charge different rates or have different arrangements for services provided to GCM Grosvenor as compared to services provided to the GCM Grosvenor Funds, which may result in more favorable rates or arrangements than those payable by the GCM Grosvenor Funds and may create an incentive for GCM Grosvenor to select such advisor or for such service provider to provide services to one or more GCM Grosvenor Funds.

In cases where persons employed by or otherwise associated with GCM Grosvenor have relationships with persons employed by or otherwise associated with Investment Managers of existing or prospective Underlying Funds or other third parties that provide or contemplate providing services to us and/or one or more GCM Grosvenor Funds, such GCM Grosvenor persons have an incentive to base their decisions, including decisions to hire or to not terminate, on personal considerations rather than on the best interests of the affected GCM Grosvenor Funds. GCM Grosvenor, however, monitors relationships of these types with a view to determining whether there is a reasonable likelihood that such persons will base their decisions on personal considerations rather than on the best interests of the affected GCM Grosvenor Funds and will take appropriate action if GCM Grosvenor determines that such a reasonable likelihood exists.

From time to time, GCM Grosvenor personnel attend or speak at conferences and programs for potential investors interested in investing in funds. The conferences are sometimes sponsored by investment firms that either provide services to the GCM Grosvenor Funds or have a relationship with GCM Grosvenor. Through such capital introduction events, prospective investors in the GCM Grosvenor Funds have the opportunity to meet with GCM Grosvenor. However, such events and other services may influence GCM Grosvenor in deciding whether to do business with or employ the services of such investment firms.

GCM Grosvenor may have or may develop relationships with Portfolio Companies, in which the GCM Grosvenor Funds make direct or indirect investments, and their representatives. Such relationships may include serving as a member of the board of directors or advisory committee of a Portfolio Company, seeking a buyer or equity investor on behalf of such Portfolio Company, and advising such Portfolio Company as to appropriate candidates, other than the GCM Grosvenor Funds, for such acquisition or investment. Such persons employed by or otherwise associated with GCM Grosvenor may have an incentive to base their decisions on personal considerations rather than on the best interests of the affected GCM Grosvenor Funds.

Persons employed by or otherwise associated with consulting firms have an incentive to select or recommend GCM Grosvenor as a prospective manager of the assets of clients of such consulting firms and/or recommend that such clients continue to retain GCM Grosvenor. GCM Grosvenor from time to time enters into arrangements with consulting firms that represent existing and prospective clients, pursuant to which such consulting firms provide GCM Grosvenor certain performance or other data on the alternative investment industry. GCM Grosvenor may compensate such consulting firms for such services on an annual flat-fee or other basis. GCM Grosvenor requires that any consulting firm that provides services to GCM Grosvenor for compensation disclose that fact to all clients to which it recommends GCM Grosvenor.

Gifts, Meals, and Entertainment

Persons employed by or otherwise associated with GCM Grosvenor sometimes receive gifts, meals, or entertainment from current or prospective service providers of GCM Grosvenor or the GCM Grosvenor Funds, including, without limitation, existing or potential Investment Managers. GCM Grosvenor maintains policies and procedures that it believes are reasonably designed to preserve its objectivity with respect to the selection, retention, and termination of service providers, notwithstanding the receipt of gifts, meals, and/or entertainment by its personnel from such service providers. However, notwithstanding these policies and procedures, to the extent that employees of GCM Grosvenor or its related persons receive gifts, meals, or entertainment from a service provider or prospective service provider, such individual has an incentive to seek to cause GCM Grosvenor or the GCM Grosvenor Funds to enter into a business relationship with, or to sustain or expand an existing business relationship with, such service provider even if doing so is not in the best interests of the GCM Grosvenor Funds.

GCM Grosvenor from time to time provides meals and entertainment to, or contributes to events sponsored by, persons employed by or otherwise associated with consultants, financial advisers, clients, and prospective clients, which sometimes include investors in the GCM Grosvenor Funds. In certain cases, GCM Grosvenor provides such contributions, meals, and entertainment to clients or prospective clients at the request of consultants, financial planners or other third parties. It is possible that such contributions or provision of meals and entertainment could affect such persons' decision-making responsibilities.

Charitable and Philanthropic Activities

GCM Grosvenor and persons employed by or otherwise associated with GCM Grosvenor engage in philanthropic activities through contributions of their time and/or financial resources to charitable organizations. Investment Managers, service providers, investors in the GCM Grosvenor Funds, consultants, and financial advisors to prospective and existing investors in the GCM Grosvenor Funds and the respective principals of the foregoing may engage in similar philanthropic activities. GCM Grosvenor and its related persons, on the one hand, and such other entities and their principals, on the other hand, from time to time ask each other to participate in their respective philanthropic activities. It is the policy of GCM Grosvenor that any such participation or lack thereof will not, under any circumstances, be a factor in the investment management process; however, such charitable and philanthropic activities may create potential conflicts of interest.

Engagement in Political Activities Conflict

GCM Grosvenor and some of its employees have personal relationships with elected and non-elected government officials and sometimes engage in political activities, which include making contributions to certain political figures or organizations, coordinating and soliciting on behalf of a political figure or organization, or volunteering on behalf of a campaign committee. GCM Grosvenor requires all employees to obtain pre-approval from the Firm's Legal and Compliance Department prior to engaging in any political activities. The Firm's Legal and Compliance Department monitors employee political activities. While GCM Grosvenor may allow employees to engage in such political activities, GCM Grosvenor has policies and procedures in place that seek to prevent violating applicable rules and regulations. Furthermore, GCM Grosvenor is mindful when permitting employees to engage in political activities that may create potential conflicts of interest or may not be in the best interest of the GCM Grosvenor Funds. GCM Grosvenor can and will make the determination not to seek or pursue business in a particular state or local jurisdiction in order to avoid any actual or perceived conflict.

Valuation Matters

The fair value of all investments or of property received in exchange for any of GCM Grosvenor Fund investments will be determined by GCM Grosvenor in accordance with its policies and procedures and the relevant GCM Grosvenor Fund Documents. Accordingly, the carrying value of an investment may not reflect the price at which it could be sold in the market, and the difference between the carrying value and the ultimate sales price could be material. In addition, GCM Grosvenor's objectivity in determining valuations, whether at the GCM Grosvenor Fund or the Underlying Fund level, could be qualified by GCM Grosvenor's incentive to present positive investment results. The valuation of investments will also affect the amount and timing of GCM Grosvenor's carried interest or performance-based fees or allocations and, in many circumstances, the amount of management fees payable to GCM Grosvenor. The valuation of investments may also affect the ability of GCM Grosvenor to raise successor funds to one or more GCM Grosvenor Funds. As a result, there are circumstances where GCM Grosvenor is incentivized to determine valuations that are higher than the actual fair value of investments.

Brokerage and Research Services; "Soft Dollars"

GCM Grosvenor may in the future select service providers, including affiliates of GCM Grosvenor, that furnish GCM Grosvenor with proprietary or third-party brokerage and research services that provide, in GCM Grosvenor's view, appropriate assistance to GCM Grosvenor in its investment advisory process. GCM Grosvenor may pay for such brokerage and research services with "soft" or commission dollars.

Trade and Clerical Errors

Pursuant to the standard of care provisions of the GCM Grosvenor Fund Documents, GCM Grosvenor will reimburse such GCM Grosvenor Fund for losses sustained by such GCM Grosvenor Fund as a result of any trade or clerical error that is caused by GCM Grosvenor's failure to adhere to the standard of care set forth in such provisions. Subject to its fiduciary obligations, GCM Grosvenor will determine: (i) whether any trade or clerical error is required to be reimbursed in accordance with such standard of care provisions; and (ii) if so, the extent of the loss that has been incurred by the relevant GCM Grosvenor Fund. GCM Grosvenor has an inherent conflict of interest with respect to determining whether or not a trade or clerical error is required to be reimbursed in accordance with the applicable standard of care provisions and with respect to determining the extent of the loss that has been incurred by the relevant GCM Grosvenor Fund.

If a trade or clerical error occurs other than as a result of GCM Grosvenor's failure to adhere to the applicable standard of care, GCM Grosvenor, in its sole discretion, reserves the right to reimburse the relevant GCM Grosvenor Fund for any losses sustained by such GCM Grosvenor Fund as a result of such trade or clerical error. GCM Grosvenor's reimbursement of a GCM Grosvenor Fund for a trade or clerical error in such a situation will not constitute a waiver of GCM Grosvenor's general policy to cause such GCM Grosvenor Fund to bear the losses associated with other trade or clerical errors that occur other than as a result of our failure to adhere to the applicable standard of care. Any net gain resulting from trade or clerical errors will be for the benefit of the relevant GCM Grosvenor Fund and will not be retained by GCM Grosvenor.

Subject to the considerations set forth above, GCM Grosvenor is under no obligation to reimburse any GCM Grosvenor Fund for any errors or mistakes made by GCM Grosvenor, its employees or its agents with respect to placing or executing trades for such GCM Grosvenor Fund or for any other administrative or clerical errors or mistakes made by the foregoing.

Certain Disclosure Issues

GCM Grosvenor may have a conflict of interest in determining whether to disclose certain information not otherwise required to be disclosed by the relevant GCM Grosvenor Fund Documents, applicable laws, or regulations concerning GCM Grosvenor to existing or prospective investors. In certain cases, GCM Grosvenor may conclude that such disclosure could be damaging to its business, which would give GCM Grosvenor an incentive to determine that such information is not material and need not be disclosed to investors or prospective investors even though it might be of interest to them.

In addition, GCM Grosvenor sometimes possesses material non-public information or other confidential proprietary information that effectively limits the ability of certain GCM Grosvenor Funds to make certain investments or dispose of certain investments until such time as the information became public or is deemed no longer material to preclude GCM Grosvenor Funds from participating in, or disposing of, an investment. Disclosure of such information to GCM Grosvenor's personnel responsible for the affairs of certain GCM Grosvenor Funds will be on a business need to know basis only, and the GCM Grosvenor Funds may not be free to act upon any such information. Additionally, there may be circumstances in which one or more of certain individuals associated with GCM Grosvenor will be precluded from providing services related to the GCM Grosvenor Funds' activities because of certain confidential information available to GCM Grosvenor. Therefore, the GCM Grosvenor Funds may not have access to material non-public information in the possession of GCM Grosvenor which might be relevant to an investment decision to be made by the GCM Grosvenor Funds, and the GCM Grosvenor Funds may initiate a transaction or sell an investment which, if such information had been known to it, may not have been undertaken. Due to these and legal restrictions, the GCM Grosvenor Funds may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Any such restrictions may materially constrain the investment flexibility of GCM Grosvenor or the GCM Grosvenor Funds.

No Independent Advice

In the case of multi-investor GCM Grosvenor Funds, the terms of the agreements and arrangements under which such GCM Grosvenor Funds are established and will be operated have been or will be established by GCM Grosvenor and are not the result of arm's length negotiations or representations of the investors by separate counsel. Prospective investors in a multi-investor GCM Grosvenor Fund should therefore seek their own legal, tax and financial advice before making an investment in a GCM Grosvenor Fund.

Side Letters

GCM Grosvenor and the GCM Grosvenor Funds have and will continue to enter into side letters or other similar agreements with certain investors in connection with their admission to or continuing investment in the GCM Grosvenor Funds. These side letters have the effect of establishing rights under, altering, waiving, or supplementing the terms of the applicable GCM Grosvenor Fund Documents with respect to such investors in a manner more favorable to such investors than those applicable to other investors. Any rights or terms so established with an investor will govern solely with respect to such investor, but generally not any of such investor's assignees or transferees. In addition, for the avoidance of doubt, it is acknowledged and agreed that certain rights afforded to investors in side letters may be limited to investors with a certain commitment level or which have subscribed for interests in the GCM Grosvenor Fund by a particular date or otherwise only made available subject to certain conditions, restrictions, or limitations. There can be no assurance that any such arrangements will not have an adverse effect on the GCM Grosvenor Funds or affect the returns of the investors therein.

<u>Legal Representation</u>
A number of law firms represent GCM Grosvenor in a variety of different matters. Unless otherwise agreed, none of these law firms represent any GCM Grosvenor Fund investors in connection with matters relating to the GCM Grosvenor Funds or their investments. These law firms represent GCM Grosvenor, including with respect to their role in relation to the GCM Grosvenor Funds. It is not anticipated that, in connection with the organization or operation of the GCM Grosvenor Funds, GCM Grosvenor will have the GCM Grosvenor Funds engage counsel separate from counsel to GCM Grosvenor. Such counsel will not however be acting as counsel for any GCM Grosvenor Fund investor. Furthermore, in the event a conflict of interest or dispute arises between GCM Grosvenor and the GCM Grosvenor Funds or any GCM Grosvenor Fund investor it will be accepted that counsel to GCM Grosvenor is not counsel to the GCM Grosvenor Funds or any GCM Grosvenor Fund investor. However, in certain cases, such counsel's fees are paid through or by the GCM Grosvenor Funds and therefore in effect by the GCM Grosvenor Fund investors.

Item 9 – Disciplinary Information

We are required to disclose to you all legal and disciplinary events relating to us or to our personnel that are material to your evaluation of our advisory business or the integrity of our management.

To the best of our knowledge, there are no legal or disciplinary events relating to us or our personnel that are material to your evaluation of our advisory business or the integrity of our management.

Item 10 – Other Financial Industry Activities and Affiliations

GCMLP is registered with the Commodity Futures Trading Commission as a commodity pool operator and a commodity trading advisor, and is a member of the National Futures Association.

Affiliated Registered Investment Adviser

GCMLP is under common control with GCM CFIG, an investment adviser registered as such with the SEC. GCMLP manages a number of investment vehicles, including closed-end investment companies, unit investment trusts, private investment companies, and offshore funds.

Similar to the investment advisory services we provide our clients, GCM CFIG offers customized and commingled investment funds and accounts that invest primarily in private equity, real estate, infrastructure, and venture capital investments.

While GCMLP shares certain operational infrastructure with GCM CFIG, GCMLP generally maintains separate investment teams and investment processes. However, investment and non-investment personnel are encouraged to collaborate with their colleagues at GCM CFIG, and investment opportunities sourced by us or by GCM CFIG may be allocated pursuant to GCM Grosvenor's policies across the enterprise.

Affiliated Investment Managers

GCM Investments UK LLP (**GCM UK**), an affiliate of GCM Grosvenor, is a UK based firm that provides certain services to GCM Grosvenor. GCM UK is authorized and regulated by the UK Financial Conduct Authority to provide investment advisory and arranging services to professional investors. GCM UK seeks to obtain information on and access to UK and Europe based investment managers and to furnish GCM Grosvenor advice with respect to such managers. In addition, employees of GCM UK meet with existing and prospective clients of GCM Grosvenor in the UK and Europe and assist employees of GCM Grosvenor when they are present in the UK. As compensation for the services GCM UK performs, GCM Grosvenor pays GCM UK a service fee based on a percentage mark-up over the cost of providing such services.

GCM UK has an incentive to introduce GCM Grosvenor Funds to GCM UK's clients because additional investments in such products will result in additional investment management or advisory fees for GCM Grosvenor. In cases where GCM UK provides investment advisory or arranging services to investors, such investors will be informed of the affiliation between GCM Grosvenor and GCM UK, and thus will be aware of this incentive prior to the time they invest in a GCM Grosvenor Fund.

GCM Investments Hong Kong Limited (**GCM HK**), an affiliate of GCM Grosvenor, is located in Hong Kong. GCM HK is licensed to deal in securities (Type 1) and advise on securities (Type 4) by the Hong Kong Securities and Futures Commission. It seeks to obtain information on and access to Asia-based investment managers and provides GCM Grosvenor advice with respect to such managers. In addition, employees of GCM HK provide ongoing client service to GCM Grosvenor clients in Asia and assistance to employees of GCM Grosvenor when they are traveling in Asia. As compensation for the services GCM HK performs, GCM Grosvenor pays GCM HK a service fee based on a percentage mark-up over the cost of providing such services.

GCM Japan (as defined herein) acts as a discretionary investment manager on behalf of clients in Japan and, in that connection, under certain circumstances allocates client assets to one or more investment vehicles managed or advised by GCMLP or GCM CFIG.

Affiliated Placement Agents/Distributor

GCMLP's affiliate, GRV Securities LLC (**GSLLC**), serves as placement agent or distributor for certain GCM Grosvenor Funds.

GSLLC is registered as a broker-dealer with the SEC under the U.S. Securities Exchange Act of 1934 and with 53 U.S. state and territorial jurisdictions and is a member of the U.S. Financial Industry Regulatory Authority, Inc.

GSLLC's sole functions are to:

- act as a private placement agent for certain securities (including interests in certain GCM Grosvenor Funds)
- provide wholesaling and distribution services to closed-end RICs sponsored and advised or managed by us
- provide certain support services to third-party selling agents that market the RICs
- provide wholesaling services to open end RICs advised or sub-advised by us

Pursuant to a Master Placement Agent Agreement, we and GCM CFIG compensate GSLLC on a flat annual fee basis for the placement agent and distribution services provided by GSLLC, regardless of the success of GSLLC's services. GSLLC has no employees. However, certain of our employees, including many of our executive-level employees, are registered as representatives of GSLLC so that they may engage in private placement activities on behalf of certain GCM Grosvenor Funds. We are exclusively responsible for compensating such employees, and neither we nor GSLLC pays any sales commissions to any such employees in connection with the private placement activities they perform on behalf of the GCM Grosvenor Funds.

GCM Investments Japan K.K. (**GCM Japan**), an affiliate of GCM Grosvenor, is located in Tokyo, Japan. GCM Japan is registered as a securities company in Japan with the Kanto Local Finance Bureau. GCM Japan acts as placement agent for certain GCM Grosvenor Funds that are privately offered in Japan to Japanese investors, provide ongoing services to Japanese investors in such vehicles and provide research services to GCM Grosvenor. GCM Grosvenor compensates GCM Japan for such placement agent services with an asset based fee and may compensate GCM Japan for ongoing client and research services based on a percentage mark-up over the cost of providing such services. GCM Japan is exclusively responsible for compensating its employees, and neither GCMLP or GCM CFIG, nor GCM Japan, pays any sales commissions to such employees in connection with the private placement activities they perform.

GSLLC and GCM Japan have an incentive to introduce GCM Grosvenor Funds to prospective investors, because additional investments in such products will result in additional investment management or advisory fees for GCM Grosvenor. However, all prospective investors are informed of the affiliation between GCM Grosvenor and GSLLC or GCM Japan, as applicable under the circumstances, and are thus aware of this incentive prior to the time they invest funds in a GCM Grosvenor Fund.

Other Affiliates

GCM Investments (Korea) Co. Ltd. (**GCM Korea**), an affiliate of GCM Grosvenor, is located in Seoul, South Korea. The activities of GCM Korea are not regulated in South Korea. GCM Korea provides ongoing services to Korean clients in investment vehicles or accounts managed by GCM Grosvenor. In addition, employees of GCM Korea provide assistance to employees of GCM Grosvenor when they are present in South Korea. GCM Grosvenor may compensate GCM Korea for ongoing client services based on a percentage mark-up over the cost of providing such services. GCM Korea does not introduce GCM Grosvenor Funds to prospective Korean clients.

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

Code of Ethics

GCM Grosvenor has adopted a Code of Ethics pursuant to Rule 204A-1 under the Advisers Act and Rule 17j-1 under the ICA (**Code of Ethics**). The Code of Ethics outlines the Firm's duties of care and loyalty; the standards of conduct required of all covered persons; and the requirements applicable to outside business activities, conflicts of interest, and personal trading.

GCM Grosvenor personnel have several basic obligations under the Code of Ethics:

(1) act consistently with our fiduciary duties to our clients
(2) comply with applicable federal securities and commodities laws
(3) understand and adhere to the Firm's compliance policies and procedures
(4) periodically submit certain statements or certifications to us
(5) obtain pre-clearance from us in connection with certain types of activities and transactions (**Pre-Clearance Transactions**), including investments in securities issued in private placements
(6) refrain from engaging in certain types of prohibited transactions and activities

Compliance may deny an employee's request to engage in a Pre-Clearance Transaction or revoke approval of a previously approved Pre-Clearance Transaction if they determine:

- such employee is delinquent in filing reports required to be filed by such employee pursuant to the Code of Ethics
- such transaction or activity involves a company on the Restricted List
- such employee may unfairly benefit from such transaction or activity at the expense of our or our affiliate's clients
- such employee may benefit from such transaction or activity as a result of information that is proprietary to us, any of our affiliates or any of our affiliates' clients
- such transaction or activity involves, or appears to involve, a conflict between the interests of such employee or us and those of any of our or our affiliates' clients
- such transaction or activity involves undue litigation, regulatory, enforcement or reputational risk to us
- such transaction or activity is otherwise prohibited or conflicts with the terms and conditions of the Code of Ethics

In applying the foregoing criteria, Compliance may take such facts and circumstances into account as appropriate.

Our Ability to Invest in the Same Securities in which the GCM Grosvenor Funds Invest

GCM Grosvenor may for its own account invest in GCM Grosvenor Funds for its own account alongside investors who are not related to us. When GCM Grosvenor does so, GCM Grosvenor participates in the investment opportunities in which such GCM Grosvenor Funds participate, alongside the other investors in such GCM Grosvenor Funds.

In addition, GCM Grosvenor may for its own account place assets under the management of (or otherwise procure investment advisory or investment management services from) any Investment Manager directly or indirectly used by one or more GCM Grosvenor Funds. For example, GCM Grosvenor may invest in an Underlying Fund for its own account in which one or more GCM Grosvenor Funds invest. Further, GCM Grosvenor may invest in an Underlying Fund at or about the same time one or more GCM Grosvenor Funds invest in such Underlying Fund.

GCM Grosvenor for its own account and one or more GCM Grosvenor Funds that place assets under the management of, or otherwise procure investment advisory or investment management services from, any Investment Manager directly or indirectly used by one or more other GCM Grosvenor Funds may do so on terms (including terms relating to fees, liquidity and transparency) that are the same as or more advantageous than those applicable to the investments that may be made by such other GCM Grosvenor Funds with such Investment Manager. To the extent that GCM Grosvenor invests for its own account with a given Investment Manager on terms that are more advantageous than those on one or more GCM Grosvenor Funds may invest with such Investment Manager, GCM Grosvenor may have an incentive to maintain or increase the investment by such GCM Grosvenor Funds with such Investment Manager in order to obtain or maintain such advantageous terms for the benefit of GCM Grosvenor.

Serving as Directors of Public Companies

Certain employees of GCM Grosvenor serve as directors of public companies. GCM Grosvenor requires the approval of GCM Grosvenor's Global Chief Compliance Officer prior to any employee's serving as a director of any public company. As of December 31, 2019, those companies were: Aqua America Inc.

We will provide you a copy of our Code of Ethics upon your request.

Item 12 – Brokerage Practices

Our Brokerage Practices

In respect of transactions in Underlying Funds, except in the very limited case of secondary market transactions in interests in Underlying Funds, when the GCMLP Funds invest in Underlying Funds—which typically constitutes their principal business activity—the GCMLP Funds contract directly with the Underlying Funds without the involvement of a financial intermediary such as a broker-dealer. Commissions are not payable in connection with such investments.

To the extent that GCMLP Funds managed on a discretionary basis purchase or sell investments other than investments in Underlying Funds, GCMLP has the authority to determine the financial intermediaries to be used in connection with such purchases or sales and to negotiate the commissions or other transactional compensation to be paid to such intermediaries in connection with such purchases or sales—which commissions or other compensation are borne by the affected GCMLP Funds. In determining which intermediaries to use, to effect purchases and sales of securities on behalf of the GCMLP Funds, GCMLP focuses on the quality of the execution-related services provided by the intermediaries, often called best execution. Best execution generally includes a variety of factors such as price quotes, execution quality, including the applicable spread or commission and commission rates among brokers, the extent to which the broker-dealer makes a market in the securities involved or has access to such markets, financial responsibility, responsiveness to GCMLP, and the broker-dealer's ability to accommodate any special execution or order handling requirements that may surround the particular transaction. Best execution does not necessarily mean always obtaining the best price for any single transaction. GCMLP does not necessarily select those that charge the lowest commissions or other transactional costs. GCMLP sometimes recommends trades in the same security for several different GCMLP Funds. Rather than placing trades individually, GCMLP will seek to aggregate trades together for multiple GCMLP Funds to reduce commission rates, fulfill best execution, and ensure fair and equitable pricing. To fulfill its fiduciary duty, GCMLP reasonably ensures that the aggregation of trades does not purposely favor one client over others, treats clients fairly over time, accurately maintains records of trades, allocations and positions, and identifies potential conflicts related to trading and takes reasonable steps to address those conflicts.

To the extent that the GCMLP Funds that we advise on a non-discretionary basis engage in transactions in investments other than investments in Underlying Funds, GCMLP does not have the authority to determine the financial intermediaries used in connection with such transactions or to negotiate the commissions or other transactional compensation to be paid to such intermediaries in connection with such transactions, unless the client expressly confers that authority on us and GCMLP agrees to accept such authority. In all such cases, the commissions or other compensation are borne by the client.

We do not separately compensate financial intermediaries for the provision of non-execution related services and we do not believe that we pay up for such services. However, we do from time to time use financial intermediaries that provide research-related products or services to most or all of their customers, and—although we do not request research-related products or services from such financial intermediaries—we on occasion receive and use research provided by such intermediaries. In this situation, we receive a benefit because we do not have to produce or pay for the research. Accordingly, we may have an incentive to select financial intermediaries based on our interest in receiving the research or other products or services rather than on our clients' interest in receiving the most favorable execution. However, since the research provided is not material in nature and quantity and is provided without our request, we believe that our receipt of such research does not have a material effect on our selection of financial intermediaries.

GCM Grosvenor may in the future select service providers that furnish GCM Grosvenor with proprietary or third-party brokerage and research services that provide, in GCM Grosvenor's view, appropriate assistance to GCM Grosvenor in its investment advisory process. GCM Grosvenor may pay for such brokerage and research services with "soft" or commission dollars.

To the extent that the GCMLP Funds engage in secondary market transactions in interests in Underlying Funds, we generally have limited ability to select the financial intermediaries involved in connection with any proposed transaction or to negotiate the commissions or other transactional compensation to be paid to such intermediaries in connection with such transactions. The commissions charged by such intermediaries sometimes vary significantly from intermediary-to-intermediary, and from transaction-to-transaction.

Brokerage Practices of Investment Managers of Underlying Funds

Investment Managers of the Underlying Funds in which the GCMLP Funds invest select the financial intermediaries that execute transactions for their respective Underlying Funds and negotiate the related brokerage commissions and other transactional costs paid to such intermediaries.

In selecting financial intermediaries and/or in negotiating commissions and other compensation with them, such Investment Managers, subject to their overall duty in seeking to obtain best execution of all transactions for the Underlying Funds they manage:

- have authority to and may consider the full range and quality of the services and products provided by the intermediaries, including factors such as the ability of the intermediaries to execute transactions efficiently, their responsiveness to instructions, their facilities, reliability and financial responsibility and the value of any research or other services or products they provide
- do not necessarily select intermediaries that charge the lowest transaction costs. In this regard, Investment Managers may engage in the practice known as "paying up," whereby the Investment Managers cause their Underlying Funds to pay higher transaction costs than they would otherwise pay so that the Investment Managers may receive certain non-execution related products and services provided by or through the intermediaries, so-called soft dollar benefits

The practices discussed above create conflicts between the interests of an Investment Manager and the interests of the Underlying Funds managed by such Investment Manager. This is because an Investment Manager that receives soft dollar benefits receives a benefit that it does not have to purchase out of its own resources. This benefit, in turn, may create an incentive to utilize particular intermediaries based not on the interest of the Underlying Funds in seeking to obtain best execution of their transactions, but on the Investment Manager's interest in receiving benefits for which it does not have to pay out of its own resources.

Further, an Investment Manager may cause an Underlying Fund managed by such Investment Manager to pay transaction costs to a financial intermediary even though such Investment Manager and/or clients of such Investment Manager other than such Underlying Fund are the exclusive beneficiaries of soft dollar benefits provided by the intermediary.

GCMLP is ordinarily authorized to consent—on behalf of GCMLP Funds that GCMLP manages on a discretionary basis—to practices in which the Investment Managers of the Underlying Funds in which such GCMLP Funds invest receive soft dollar benefits from the financial intermediaries selected by such Investment Managers to effect transactions in securities or other financial instruments for such Underlying Funds (subject to the Investment Managers' overall duty to seek to obtain best execution of all transactions for the Underlying Funds they manage). This is the case regardless of whether such Investment Managers' soft dollar practices conform to the requirements of the so-called "safe harbor" provided by Section 28(e) of the Exchange Act (except where regulatory considerations do not permit such Investment Managers to engage in such practices). However, most of the Underlying Funds in which the GCMLP Funds invest either do not engage in soft dollar practices or do so within the safe harbor provisions of Section 28(e) of the Exchange Act. In those cases where the Investment Manager of an Underlying Fund indicates that it may engage in soft dollar practices outside of the safe harbor, we—as part of our due diligence review and ongoing monitoring of Underlying Fund investments—obtain information concerning such soft dollar practices and make an assessment as to whether such practices are appropriate and reasonable under the circumstances.

Item 13 – Review of Accounts

Account Reports and Reporting Packages

Basic Account Reports

Except where GCMLP expressly agrees otherwise with a client, GCMLP delivers or causes to be delivered—no less frequently than quarterly—to each person who was an investor in a GCMLP Fund, or their designated representative, at any time during the relevant reporting period a written report setting forth:

- an unaudited statement of the estimated return of the GCMLP Fund for the period covered by the report (except in the case of GCMLP Funds that are RICs)
- the estimated value of the investor's investment in the GCMLP Fund as of the end of such period
- such other financial reports and information as we may deem appropriate

For each GCMLP Fund that is an entity, and for which GCMLP has custody (as further described in Item 15 – Custody), as soon as reasonably practicable after the end of such GCMLP Fund's fiscal year, and in no event not more than 180 days after the end of such fiscal year or 60 days, in the case of the RICs, GCMLP delivers or causes to be delivered to each person who was an investor in such GCMLP Fund at any time during such fiscal year a written report containing audited financial statements of the GCMLP Fund for such fiscal year. Such audited financial statements generally include or are accompanied by:

- a statement of assets, liabilities and investors' capital (including a condensed schedule of investments in the case of GCMLP Funds that are not RICs, and a schedule of investments for GCMLP Funds that are RICs)
- a statement of operations
- a statement of changes in investors' capital
- a statement of cash flows
- the financial statements of any GCMLP Fund in which such GCMLP Fund invests

Clients or their designated representatives generally access reports and, where available, analytical tools online via our client web portal or a designated third-party client web portal. The types of information that may be available may include portfolio, investment manager, and industry information. Reporting may vary by investment size, structure, and investment vertical.

Exceptions to Investment Constraints

To the extent that a monthly review by the Portfolio Management Team indicates an exception to a GCMLP Fund's compliance with applicable investment constraints, the Portfolio Management Team assigned to such GCMLP Fund and certain other members of the Investments Department review the exception to determine what action, if any, is required to remedy the exception.

Investment Committee Changes in Strategy and/or Allocation Guidelines

If an Investment Committee changes one or more strategy and/or allocation guidelines, manager allocation guidelines or the approval status of certain Investment Managers, the assigned Portfolio Management Team and certain other members of the Investments Department or Investment Committee review the changes to determine what action, if any, is required to adjust the portfolios of the GCMLP Funds in light of the changes.

Capital Inflows/Outflows

To the extent there are capital inflows or outflows with respect to a GCMLP Fund, the Portfolio Management Team assigned to such GCMLP Fund reviews the portfolio of such GCMLP Fund to determine what changes are required to accommodate such capital flows.

Portfolio Management Team Proposed Changes in Allocations

If the Portfolio Management Team assigned to a GCMLP Fund decides to propose changes to the portfolio allocations of such GCMLP Fund based on its assessment of specific Investment Manager opportunities or market opportunities, certain members of the Investments Department review such GCMLP Fund to determine whether the proposed changes would be consistent with such GCMLP Fund's investment constraints.

The personnel who are responsible for the reviews discussed above include persons who are at levels including Analysts, Associates, Principals, Executive Directors, or Managing Directors. However, primary responsibility for such reviews rests with the Portfolio Management Team assigned to the relevant GCMLP Fund.

Different Reporting Packages

Different investors, including different investors in the same GCMLP Fund, as well as certain other persons, including (i) persons to whom GCMLP provides investment advisory services on a non-discretionary basis and (ii) persons who currently have, or who previously have had, an interest in us or who otherwise currently are, or who previously have been, associated with us, receive oral and/or written reports from us that differ in form, substance, level of detail, timing and/or frequency.

Recipients of oral and written reports should be aware that:

- GCM Grosvenor does not permit such recipients to copy, transmit or distribute such reports, or any data or other information contained therein, in whole or in part, or authorize such actions by others, without our express prior written consent
- by their receipt of such reports, such recipients will be deemed to have acknowledged that: (i) the data and/or other information contained therein may include data and/or information that, under applicable law, may be deemed to be material, non-public information regarding particular securities and/or the issuers thereof; (ii) under certain circumstances, United States securities laws prohibit the purchase and sale of securities by persons or entities who are in possession of material, non-public information relating to such securities and/or the issuers thereof; (iii) securities laws of other jurisdictions may contain a similar prohibition; and (iv) as a result, it is possible that trading in securities that are the subject of data and/or information contained in such reports may be prohibited by law

If you are a recipient of our oral or written reports, we strongly urge you to review your own policies and procedures relating to the possible receipt of confidential or material, non-public information to ensure that any information that you receive from us relating to particular securities and/or the issuers thereof will not be used in any manner that conflicts with applicable laws.

Item 14 – Client Referrals and Other Compensation

Receipt of Payments from Third Parties

We serve as a sub-adviser to certain investment vehicles that are managed by independent third parties. These independent third parties compensate us, either directly out of the investment management fees they receive from such investment vehicles or otherwise, out of their own resources or indirectly from the relevant investment vehicles, for the sub-advisory services we provide to such investment vehicles.

Payment of Compensation for Investor Referrals

As discussed in greater detail in Item 10 of this Brochure under the heading Affiliated Placement Agents, we compensate certain affiliated entities for referring prospective investors to certain GCMLP Funds.

In addition, we or one of our affiliates may pay compensation or commissions from our own resources, either at the time of sale or on an ongoing basis, to intermediaries for sales by such intermediaries of interests to investors in the RICs, as well as for ongoing investor servicing. Such payments, sometimes referred to as “revenue sharing,” may be made:

- from the investment advisory fees we receive from the RICs
- for the provision of sales training, product education and access to sales staff, the support and conduct of due diligence, balance maintenance, the provision of information and support services to investors, inclusion on preferred provider lists and the provision of other services

The receipt of such payments could create an incentive for the intermediaries to offer or recommend a GCMLP Fund instead of similar investments where such payments are not received. Such payments may be different for different intermediaries.

We may from time to time compensate unaffiliated third parties in connection with our participation in investor introduction conferences sponsored by such third parties in which we meet with prospective investors introduced to us by such third parties.

Payment of Compensation for Client Referrals

From time to time, we make cash payments for client referrals to persons other than our employees and our affiliates pursuant to applicable laws, including Rule 206(4)-3 under the Advisers Act, when applicable. These payments may differ by referrer and are negotiated based on a range of factors, including but not limited to: target markets; nature and size of potential client relationships; quality of service and industry reputation. In general, a referrer is compensated based (i) on a fixed periodic fee that is not contingent upon any person referred to us by such referrer becoming a client of ours; or (ii) on a percentage of the amount of the referred client's investment with us over some set period of time. Some referrers or their affiliates receive a retainer amount against which future payments are offset. Referrers also sometimes receive reimbursement for certain expenses related to their activities associated with referring clients to us. Any such payments will be disclosed in accordance with Rule 206(4)-3 and relevant guidance.

We are also referred clients by unaffiliated consultants that are retained by clients or prospective clients. While we do not make payments to these consultants for client referrals, we may pay to participate in investment advisory searches conducted by certain consultants on behalf of their clients as well as in conferences and other events sponsored by certain consultants. We may also purchase products and services from such consultants or their affiliates.

Our participation in conferences and other events sponsored by consultants, or by industry-related organizations to which we pay a fee for membership, helps us interact with investment industry participants and develop an understanding of industry trends and the points of view and challenges of industry participants. Conference and other event participants sometimes include trustees, fiduciaries, consultants, administrators, state and municipal personnel and other clients or prospective clients.

Non-Affiliated Placement Agents

From time to time, we engage non-affiliated placement, distribution, or similar agents to assist us in marketing interests in our investment products. If you acquire an interest in any of our investment products as a result of a recommendation made by any such placement, distribution or similar agent, you should not view such recommendation as being disinterested, as we generally will pay the agent for the introduction. Also, you should regard such an agent as having an incentive to recommend that you retain your interest in our investment products, since such agent may be paid a portion of our fees for all periods during which you do so. To the extent that such agent is compensated by GCM Grosvenor, such compensation will be separately disclosed to investors.

Item 15 – Custody

Pursuant to the Advisers Act—which imposes certain requirements on SEC-registered investment advisers that have custody of client funds or securities—GCMLP is deemed to have custody of the funds and securities of certain GCMLP Funds even though:

- subject to certain SEC-permitted exceptions, we and our affiliates do not physically hold the funds or securities of such GCMLP Funds
- the funds and securities of such GCMLP Funds are not held or registered in GCMLP's name or in the name of any of its affiliates

Although GCMLP or its affiliates are deemed, under applicable rules, to have custody of the funds and securities of certain GCMLP Funds that are entities, GCMLP is generally excepted from many of the provisions of the custody rule because we undertake to deliver to the investors, within 180 days after the end of the fiscal year of such GCMLP Fund, financial statements that are:

- prepared in accordance with Accounting Standards Generally Accepted in the United States (**U.S. GAAP**), or with accounting principles other than U.S. GAAP under certain circumstances

- audited by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board

Item 16 – Investment Discretion

GCMLP manages most GCMLP Funds on a discretionary basis, which means that GCMLP has the authority to decide which securities to purchase and sell for such GCMLP Funds. GCMLP considers a GCMLP Fund to be managed by us on a discretionary basis if GCMLP has been granted legal authority in GCMLP Fund Documents to invest and reinvest the assets of such GCMLP Fund without receiving prior authorization from any investor in such GCMLP Fund or any other person to engage in particular investment activities for such GCMLP Fund. In certain cases where GCMLP has been granted discretionary investment authority over GCMLP Funds, the investors or participants in those GCMLP Funds have informally reserved the right to approve or not approve its investment decisions for those GCMLP Funds prior to the implementation of such decisions.

GCMLP manages, on a discretionary basis, many GCMLP Funds that are designed for multiple investors. In these cases, we determine the particular **Investment Guidelines** that will apply to management of the GCMLP Fund. These restrictions typically do not include restrictions on the GCMLP Fund's ability to make investments in particular securities or particular types of securities. Further, investors in the GCMLP Fund are not afforded the opportunity to place restrictions on the GCMLP Fund's ability to make particular investments or particular types of investments, or otherwise to place any additional material limitations on GCMLP's exercise of discretionary authority over such GCMLP Fund. We re-evaluate Investment Guidelines from time to time based on various factors, including its assessment of market conditions, and amend or modify the Investment Guidelines from time to time based on such re-evaluations. Such modifications may be made without notice to investors in such GCMLP Funds.

We also manage, on a discretionary basis, many GCMLP Funds that are designed for single investors or groups of related investors. In these cases, prior to the launch of the GCMLP Fund, we propose to the single investor or group of investors the Investment Guidelines that will apply to our management of the GCMLP Fund, and the investor is afforded the opportunity to review and suggest changes to such guidelines, including restrictions on the GCMLP Fund's ability to make particular investments or particular types of investments. If we agree to be bound by any such changes, we will follow them in connection with managing such GCMLP Fund.

Item 17 – Voting Client Securities

Background

GCMLP's Proxy Voting Policies and Procedures (**Proxy Voting Policy**) set forth the policies and procedures by which GCMLP exercises its authority to vote on or make recommendations on how to vote on proxy requests relating to securities held by GCMLP Funds (Proxy Requests). GCMLP Funds receive Proxy Requests from Underlying GCMLP Funds, public companies, and other issuers. GCMLP seeks to take action on Proxy Requests in the best economic interests of the GCMLP Funds for which it has the authority to vote or to which it makes voting recommendations. The Proxy Voting Policy establishes standards for the proxy voting process, identification and management of related conflicts of interest and client disclosure obligations.

Investors can request a copy of the Proxy Voting Policies and Procedures or request an opportunity to review the proxy voting records, by contacting the Investor Relations Team (telephone: +1.855.426.9321; e-mail: client.services@gcmlp.com).

Authority to Vote and Make Recommendations

GCMLP's authority to vote on or make voting recommendations on Proxy Requests for GCMLP Funds is based on regulatory requirements, any arrangements made with the client and whether GCMLP has investment discretion. For some GCMLP Funds, GCMLP must notify the client, or obtain affirmative or negative consent from the client, before responding to certain Proxy Requests or inform the client, after responding to certain Proxy Requests, of what actions have been taken.

Discretionary Investment Authority
GCMLP has the authority to vote on Proxy Requests in connection with GCMLP Funds over which it has investment discretion, with some exceptions. GCMLP does not vote on Proxy Requests if the GCMLP Fund is a single investor or single participant fund and GCMLP has agreed in writing with the investor that GCMLP is not required to vote on Proxy Requests for the fund.

However, in the case of a GCMLP Fund that is subject to ERISA:

- Where the authority to manage the assets of the GCMLP Fund has been delegated to GCMLP pursuant to Section 403(a)(2) of ERISA, no person other than GCMLP has authority to vote on Proxy Requests on behalf of the GCMLP Fund, except to the extent a named fiduciary of the ERISA investor in the GCMLP Fund has reserved to itself or to another named fiduciary so authorized by the ERISA investor's governing documents the exclusive right to direct a plan trustee of the ERISA investor regarding the voting of proxies.
  - A named fiduciary of an ERISA investor, in delegating investment management authority to GCMLP, could reserve to itself the exclusive right to direct a trustee of the ERISA investor with respect to the voting of all proxies or reserve to itself the exclusive right to direct a trustee as to the voting of only those proxies relating to specified assets or issues.
- If the governing documents relating to the GCMLP Fund or the plan documents relating to the ERISA investor in the GCMLP Fund provide that GCMLP is not required to vote on Proxy Requests, but does not expressly preclude GCMLP from voting on proxies, GCMLP has exclusive authority to vote on Proxy Requests on behalf of the GCMLP Fund.

GCMLP ordinarily does not consult with clients prior to taking action. However, in certain cases, clients that grant investment discretion to GCMLP may make arrangements to reserve the right to approve or disapprove, or simply receive notice, of GCMLP's decisions with respect to voting on Proxy Requests that affect their account.

Non-Discretionary Investment Authority
When GCMLP does not have authority to vote on Proxy Requests on behalf of a GCMLP Fund, depending on its agreement with the GCMLP Fund, it may have an obligation to make recommendations to the GCMLP Fund on how to vote on Proxy Requests.

In certain cases, GCMLP may not have the authority to vote on Proxy Requests on behalf of a GCMLP Fund, or have any obligation to make recommendations to the GCMLP Fund on how to vote on Proxy Requests, but may from time to time, at the request of the investor in the GCMLP Fund, make recommendations to the investor on how to vote on Proxy Requests.

In the case of a GCMLP Fund subject to ERISA, GCMLP will not make recommendations if an authorized fiduciary of the fund has agreed in writing with GCMLP that GCMLP is precluded from making recommendations and that a party associated with the GCMLP Fund, such as the plan sponsor, has reserved in writing the authority and right to take actions in response to Proxy Requests.

When GCMLP does not have authority to vote on Proxy Requests on behalf of a GCMLP Fund, the client's custodian or an Underlying Fund may provide Proxy Requests to the client directly. However, if GCMLP receives a Proxy Request, it will forward the information to the client.

Upon client request and subject to ERISA considerations, GCMLP will vote on Proxy Requests in accordance with the client's voting instructions.

<u>Reasonable Best Efforts to Vote and Abstentions</u>
GCMLP uses its reasonable best efforts to vote on or make voting recommendations on Proxy Requests in a timely manner. However, there may be circumstances in which GCMLP abstains from taking action.

Timeliness of Receipt of Materials
GCMLP may abstain from voting on or making voting recommendations on a Proxy Request when GCMLP does not receive the Proxy Request with sufficient time prior to the voting cut-off date to consider the impact of the proposals and complete its evaluation procedures.

Lack of Adequate Information
GCMLP may abstain from voting on or making voting recommendations on a Proxy Request when GCMLP does not believe that the Proxy Request provides sufficient detail to support a decision.

Abstentions Where Cost of Consideration Outweighs Benefit
GCMLP may abstain from voting on or making voting recommendations on a Proxy Request when GCMLP believes that the expected cost or administrative burden of giving due consideration to the proposal does not justify the potential benefits to the affected GCMLP Fund that might result from adopting or rejecting the proposal in question.

Public Companies – Share Blocking and Re-Registration
In certain countries, shareholders that vote on an issuer's proxy must deposit their shares with a designated depositary prior to the date of the meeting. The owner may not sell its shares until after the meeting when the shares are returned to the custodian. In countries that require shares to be blocked, GCMLP will consider the potential benefit of taking action on Proxy Requests to determine if it will consider voting and the resulting share blocking of the security.

In certain countries, an owner of a company's shares must re-register the shares in order to take action on a proxy. Similar to share blocking, re-registration temporarily prevents a shareholder from selling shares. In countries that require re-registration, GCMLP will consider the potential benefit of taking action on Proxy Requests to determine if it will consider voting and re-registering the security.

Conflicts of Interest
GCMLP takes measures to identify and address conflicts of interest with respect to Proxy Requests. The test for determining whether circumstances present a conflict of interest is if it can reasonably be argued that the circumstances give GCMLP or a Proxy Principal a meaningful incentive to respond to a Proxy Request in a manner that:
- places the interests of GCMLP or the Proxy Principal over the interest of a GCMLP Fund even if there is no apparent detriment to the GCMLP Fund
- places the interests of one GCMLP Fund over the interests of another GCMLP Fund

The Proxy Voting Coordinator evaluates the circumstances of a potential conflict of interest based on the test described above to determine whether or not there is a conflict of interest.

GCMLP will not make a final decision with respect to a Proxy Request until the Proxy Voting Coordinator performs the following:

- identifies whether GCMLP is subject to a conflict of interest in taking action in response to the Proxy Request
- addresses the conflict in a manner designed to serve the best economic interests of the affected GCMLP Funds

Identifying Conflicts of Interest
Generally, an Investment Committee may identify conflicts of interest and notify the Global CCO or the Proxy Voting Coordinator. In addition, each Proxy Principal notifies the Proxy Voting Coordinator of any potential conflicts of interest they have with respect to a Proxy Request on which they are considering action.
Addressing Conflicts of Interest
If the Proxy Voting Coordinator receives information indicating that GCMLP, its senior management, or a Proxy Principal is subject to a conflict of interest in taking action with respect to a Proxy Request, the Proxy Voting Coordinator will not instruct or make a recommendation on a vote until the conflict is mitigated.

The Proxy Voting Coordinator, together with the Global CCO, determines the actions to be taken to address any conflicts of interest, which may include:
- excluding a conflicted party from the decision making process
- for GCMLP Funds for which GCMLP makes voting recommendations on Proxy Requests, disclosing the conflicts to the appropriate parties
- for GCMLP Funds for which GCMLP has the authority to take action on Proxy Requests, disclosing the conflict to the appropriate parties and obtaining consent to take specific action on the proposals

- engaging an independent third party to recommend or determine the actions to be taken in response to the Proxy Request

For GCMLP Funds subject to ERISA, if a conflict relates to the Proxy Principal or a voting member of a committee involved in the proxy voting process, the affected employees will recuse themselves from the process if feasible and not detrimental to the GCMLP Fund. If the impact of the conflict goes beyond specific employees who can reasonably be recused from the action, GCMLP must engage an independent third party to recommend a response to the Proxy Request. In the case of a GCMLP Fund for which GCMLP does not have investment discretion, the independent third party could be the fiduciary for the client if the fiduciary agrees in writing to assume full fiduciary responsibility for the response without advice from GCMLP.

Voting GCMLP Fund Interests
Where a GCMLP Fund has issued a Proxy Request and GCMLP has the discretionary authority to vote on the Proxy Request on behalf of other GCMLP Funds that invest in such GCMLP Fund, to the extent that there are other investors in such GCMLP Fund—including GCMLP Funds where GCMLP does not have discretionary authority to vote proxies, or investors other than GCMLP Funds—GCMLP typically will vote the Proxy Request in the same manner that such other investors vote on the Proxy Request. Alternatively, the Global CCO or General Counsel may decide to engage an independent third party to recommend or determine the actions to be taken in response to the Proxy Request or to vote on the Proxy Request by other appropriate means.

Independent Third Party
Prior to engaging an independent third party, the Proxy Voting Coordinator and the Global CCO must first determine that the independent third party:

- has the capacity and competency to analyze the proxy issues in question
- can make recommendations in an impartial manner and in the best economic interests of the affected GCMLP Funds

Item 18 – Financial Information

GCMLP is required to disclose any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its clients.

GCMLP does not have any financial condition that impairs or is reasonably likely to impair its ability to meet its contractual commitments to its clients, and GCMLP has never been the subject of any bankruptcy petition.

Item 2 – Material Changes

This Brochure contains the following material change to our Brochure dated March 29, 2019:

- In Item 5, we updated the language relating to Expenses borne by GCMLP Funds.
- In Item 8, we updated the discussion of the risks and conflicts of interest associated with investments in GCMLP Funds.
- In Item 11, we added discussion about GCM Grosvenor employees' serving as directors of public companies.

This report is being provided by Grosvenor Capital Management, L.P. and/or GCM Customized Fund Investment Group, L.P. (together with their affiliates, "GCM Grosvenor"). GCM Grosvenor and its predecessors have been managing investment portfolios since 1971. While GCM Grosvenor's business units share certain operational infrastructure, each has its own investment team and investment process, and is under no obligation to share with any other business unit any investment opportunities it identifies.

The information contained in this report ("GCM Information") relates to GCM Grosvenor, to one or more investment vehicles/accounts managed or advised by GCM Grosvenor (the "GCM Funds") and/or to one or more investment vehicles/accounts ("Underlying Funds") managed or advised by third-party investment management firms ("Investment Managers"). **GCM Information is general in nature and does not take into account any investor's particular circumstances. GCM Information is neither an offer to sell, nor a solicitation of an offer to buy, an interest in any GCM Fund. Any offer to sell or solicitation of an offer to buy an interest in a GCM Fund must be accompanied by such GCM Fund's current confidential offering or risk disclosure document ("Fund Document").** All GCM Information is subject in its entirety to information in the applicable Fund Document. Please read the applicable Fund Document carefully before investing. **Except as specifically agreed, GCM Grosvenor does not act as agent/broker for prospective investors. An investor must rely on its own examination in identifying and assessing the merits and risks of investing in a GCM Fund or Underlying Fund (together, "Investment Products").**

A summary of certain risks and special considerations relating to an investment in the GCM Fund(s) discussed in this report is set forth below. A more detailed summary of these risks is included in the relevant Part 2A for the GCM Grosvenor entity (available at: http://www.adviserinfo.sec.gov). **Regulatory Status-** neither the GCM Funds nor interests in the GCM Funds have been registered under any federal or state securities laws, including the Investment Company Act of 1940. Investors will not receive the protections of such laws. **Market Risks-** the risks that economic and market conditions and factors may materially adversely affect the value of a GCM Fund. **Illiquidity Risks-** Investors in GCM Funds have either very limited or no rights to redeem or transfer interests. Interests are not traded on any securities exchange or other market. **Strategy Risks-** the risks associated with the possible failure of the asset allocation methodology, investment strategies, or techniques used by GCM Grosvenor or an Investment Manager. GCM Funds and Underlying Funds may use leverage, which increases the risks of volatility and loss. The fees and expenses charged by GCM Funds and Underlying Funds may offset the trading profits of such funds. **Valuation Risks-** the risks relating to the fact that valuations of GCM Grosvenor funds may differ significantly from the eventual liquidation values, and that investors may be purchasing/redeeming on such potentially inaccurate valuations. **Tax Risks-** the tax risks and special tax considerations arising from the operation of and investment in pooled investment vehicles. **Institutional Risks-** the risks that a GCM Fund could incur losses due to failures of counterparties and other financial institutions. **Manager Risks-** the risks associated with investments with Investment Managers. **Structural and Operational Risks-** the risks arising from the organizational structure and operative terms of the relevant GCM Fund and the Underlying Funds. **Cybersecurity Risks-** technology used by GCM Grosvenor could be compromised by unauthorized third parties. **Foreign Investment Risk-** the risks of investing in non-U.S. Investment Products and non-U.S. Dollar currencies. **Concentration Risk-** GCM Funds may make a limited number of investments that may result in wider fluctuations in value and the poor performance by a few of the investments could severely affect the total returns of such GCM Funds. In addition, GCM Grosvenor and the Investment Managers are subject to certain actual and potential conflicts of interest. An investment in an Underlying Fund may be subject to similar and/or substantial additional risks and an investor should carefully review an Underlying Fund's risk disclosure document prior to investing.

PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE RESULTS, AND THE PERFORMANCE OF EACH INVESTMENT PRODUCT COULD BE VOLATILE. AN INVESTMENT IN AN INVESTMENT PRODUCT IS SPECULATIVE AND INVOLVES SUBSTANTIAL RISK (INCLUDING THE POSSIBLE LOSS OF THE ENTIRE INVESTMENT). NO ASSURANCE CAN BE GIVEN THAT ANY INVESTMENT PRODUCT WILL ACHIEVE ITS OBJECTIVES OR AVOID SIGNIFICANT LOSSES.

By your acceptance of GCM Information, you understand, acknowledge, and agree that GCM Information is confidential and proprietary, and you may not copy, transmit or distribute GCM Information, or any data or other information contained therein, or authorize such actions by others, without GCM Grosvenor's express prior written consent, except that you may share GCM Information with your professional advisors. If you are a professional financial adviser, you may share GCM Information with those of your clients that you reasonably determine to be eligible to invest in the relevant Investment Product (GCM Grosvenor assumes no responsibility with respect to GCM Information shared that is presented in a format different from this report). Any violation of the above may constitute a breach of contract and applicable copyright laws. In addition, you (i) acknowledge that you may receive material nonpublic information relating to particular securities or other financial instruments and/or the issuers thereof; (ii) acknowledge that you are aware that applicable securities laws prohibit any person who has received material, nonpublic information regarding particular securities and/or an the issuer thereof from (a) purchasing or selling such securities or other securities of such issuer or (b) communicating such information to any other person under circumstances in which it is reasonably foreseeable that such person is likely to purchase or sell such securities or other securities of such issuer; and (iii) agree to comply in all material respects with such securities laws. You also agree that GCM Information may have specific restrictions attached to it (e.g., standstill, non-circumvent or non-solicitation restrictions) and agrees to abide by any such restrictions of which it is informed. GCM Grosvenor and its affiliates have not independently verified third-party information included in GCM Information and makes no representation or warranty as to its accuracy or completeness. The information and opinions expressed are as of the date set forth therein and may not be updated to reflect new information.

GCM Information may not include the most recent month of performance data of Investment Products; such performance, if omitted, is available upon request. Interpretation of the performance statistics (including statistical methods), if used, is subject to certain inherent limitations. GCM Grosvenor does not believe that an appropriate absolute return benchmark currently exists and provides index data for illustrative purposes only. Except as expressly otherwise provided, the figures for each index are presented in U.S. dollars. The figures for any index include the reinvestment of dividends or interest income and may include "estimated" figures in circumstances where "final" figures are not yet available. Indices shown are unmanaged and are not subject to fees and expenses typically associated with investment vehicles/accounts. Certain indices may not be "investable."

GCM Grosvenor considers numerous factors in evaluating and selecting investments, and GCM Grosvenor may use some or all of the processes described herein when conducting due diligence for an investment. Assets under management for hedge fund investments include all subscriptions to, and are reduced by all redemptions from, a GCM Fund effected in conjunction with the close of business as of the date indicated. Assets under management for private equity, real estate, and infrastructure investments include the net asset value of a GCM Fund and include any unallocated investor commitments during a GCM Fund's commitment period as well as any unfunded commitments to underlying investments as of the close of business as of the date indicated. GCM Grosvenor may classify Underlying Funds as pursuing particular "strategies" or "sub-strategies" (collectively, "strategies") using its reasonable discretion; GCM Grosvenor may classify an Underlying Fund in a certain strategy even though it may not invest all of its assets in such strategy. If returns of a particular strategy or Underlying Fund are presented, such returns are presented net of any fees and expenses charged by the relevant Underlying Fund(s), but do not reflect the fees and expenses charged by the relevant GCM Fund to its investors/participants.

GCM Information may contain exposure information that GCM Grosvenor has estimated on a "look through" basis based upon: (i) the most recent, but not necessarily current, exposure information provided by Investment Managers, or (ii) a GCM Grosvenor estimate, which is inherently imprecise. GCM Grosvenor employs certain conventions and methodologies in providing GCM Information that may differ from those used by other investment managers. GCM Information does not make any recommendations regarding specific securities, investment strategies, industries or sectors. Risk management, diversification and due diligence processes seek to mitigate, but cannot eliminate risk, nor do they imply low risk. To the extent GCM Information contains "forward-looking" statements, such statements represent GCM Grosvenor's good-faith expectations concerning future actions, events or conditions, and can never be viewed as indications of whether particular actions, events or conditions will occur. All expressions of opinion are subject to change without notice in reaction to shifting market, economic, or other conditions. Additional information is available upon request.