



DIMENSION CAPITAL MANAGEMENT

## DIMENSION CAPITAL MANAGEMENT LLC

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March 28, 2024

This brochure provides information about the qualifications and business practices of Dimension Capital Management LLC (“DCM” or the “Company”). If you have any questions about the contents of this brochure, please contact us at 305-371-2776. 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.

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

**Item 2 – Material Changes**

There have been no material changes made to this brochure since Adviser's Form ADV Part 2A was filed in March 2023.

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## Item 4 – Advisory Business

DCM was founded in 1980 and has been registered with the Securities and Exchange Commission since 1997. Miguel F. Dueñas serves as DCM’s Managing Partner and maintains ultimate responsibility for DCM’s operations. The firm is majority owned by MNA Capital LLC. As of December 31<sup>st</sup> 2023, DCM provided wealth management and accounting services on \$6,195,276,597. Specifically, DCM had regulatory assets under management of \$5,878,984,475 and \$316,292,123 in discretionary and non-discretionary assets, respectively. Additionally, DCM provided accounting and reporting services on \$311,169,271. As required by Form ADV instructions, regulatory assets under management includes certain assets counted at both the individual client and private fund levels.

DCM provides the following advisory services:

### Investment Advisory Services

DCM provides investment advisory services on a discretionary and non-discretionary basis to individuals, trusts, foundations, pension funds and corporate entities (collectively referred to as “Client Accounts”). Our firm provides a broad range of asset allocation, manager selection and investment advisory services.

DCM provides objective guidance, customized solutions, and benefits of scale through DCM’s open-architecture asset management platform. The firm’s investment platform has a broad reach in terms of the regions, asset classes and strategies in which the firm invests, ranging from traditional equity and fixed income to more sophisticated alternative investment strategies including hedge funds, private equity, private credit, and real estate.

DCM builds customized portfolios for each client based on return, volatility, risk, liquidity, and income objectives. DCM uses its broad platform of third-party managers to build exposures and express its investment views. The firm designs a top-down asset allocation policy for each portfolio and builds portfolios from the bottom-up using its network of third-party managers that are selected based on their team, process, strategy, portfolio construction and performance. DCM uses a combination of low-cost passive ETFs, mutual funds, separately managed accounts, LLCs, limited partnerships, and individual securities to build portfolios and optimize results.

### Private Fund and Special Purpose Vehicles

DCM acts as investment advisor to a series of onshore and offshore liquid and drawdown vehicles to amalgamate clients’ investments (collectively referred to as the “Funds”). These vehicles are used to facilitate client access and create economies of scale.

### Account Aggregation and Consolidated Reporting Services

DCM invests considerable resources to provide consolidated reporting and performance benchmarking. Our goal is to provide consolidated reporting on a client’s assets across

multiple custodians, accounts, and non-custodial positions. DCM focuses on providing transparent reports to assist DCM clients in understanding their portfolios, measure, and frame performance, and make data driven investment decisions.

DCM generates all portfolio reports internally. The firm has a robust operations team that is responsible for all accounting aspects including fund accounting, family office accounting and treasury functions. DCM utilizes institutional accounting and performance reporting software to provide clients with monthly consolidated reporting statements on their portfolio. Statements report geometrically linked investment returns at the aggregate portfolio level, asset classification level and individual position level. All calculated investment returns are referenced to relevant benchmarks.

*Relying Adviser – DCM Private Equity Group, LLC and the DCM Private Equity Partners, LLC Fund Series*

DCM Private Equity Group, LLC (“DCM PEG”), is the managing member of DCM Private Equity Partners, LLC (“DCM PEP”). DCM PEG, a separate but affiliated firm to DCM, is a private equity partnership that is focused on sourcing, researching and structuring direct private equity investments. DCM PEG’s focus is to source opportunistic investments through relationships with private equity firms, family-owned businesses, management teams and like-minded investment professionals within its network. DCM PEP is a private fund structured as a multi-series LLC to provide access to private equity investments on a deal-by-deal basis. DCM PEG does not have a private fund structure but rather offers investments on a deal-by-deal basis through DCM PEP.

## Item 5 – Fees and Compensation

### Client Accounts

DCM structures its fee arrangements with an eye towards eliminating any potential conflict of interest. We charge a tiered percentage fee based on assets under management which is billed quarterly in arrears. Fees are based on a waterfall schedule (apart from DCM PEP Sub-Fund investments which are charged separately on a deal-by-deal basis and fees are disclosed in underlying documents of the particular DCM PEP Sub-Fund) and may be individually tailored to certain circumstances. At an eligible Client Account's request, DCM may negotiate fee structures that include performance incentive fees and/or hurdle rates. Our standard client fee structure is as follows:

• First \$10mm:	1.00%
• \$10mm to \$20mm:	0.90%
• \$20mm to \$40mm:	0.80%
• \$40mm to \$80mm:	0.70%
• \$80mm to \$160mm:	0.60%
• Over \$160mm:	0.55%

In cases when a Client Account is invested in one or more of the Funds, DCM will apply the fee schedule above to the total account value and credit any management fees payable to DCM indirectly through those Funds (with the exception of DCM PEP Sub-Fund investments in which fees are treated separately and paid separately), which will reduce the amount of the total invoice.

DCM deducts fees directly from Client Accounts. In limited circumstances where Client Accounts do not have a custodial account available for DCM to deduct fees directly, DCM will invoice the Client Account for investment advisory fees.

### Private Funds and Special Purpose Vehicles

Fees charged for advisory services to the DCM offshore and onshore Funds are asset-based fees, which are set forth in each Fund's relevant governing documents. Investors in certain of the Funds indirectly share in the administrative service costs charged to the Fund. These include expenses such as organizational costs, accounting and audit, insurance, research, Fund-related travel, and other costs necessary to carrying out the business of the Fund and production of the Fund's net asset values as permitted by the offering memorandums.

Expenses for services that are shared across multiple Funds, or between multiple Funds and DCM, such as insurance, audit services or certain types of research, are generally allocated pro rata based on the Funds' net asset values. In some instances, certain investors may not participate in an allocation of fund organizational costs, when for example, additional sub-funds or structures are created after the particular Fund's organizational costs have been already paid and/or allocated.

In certain instances, investors in the Funds that are not otherwise DCM clients may negotiate a fee with DCM which is charged per annum (quarterly in arrears) with a calculation methodology consistent with the underlying Fund's fees.

#### Account Aggregation and Consolidated Reporting Services

These services are provided to portfolios that are not managed by DCM. Fees are charged quarterly, in arrears, and based on assets. All fees are subject to negotiation.

#### Fund Operations Fees and Services

The Funds do not have full third-party administrator services; instead, such vehicles have entered into an agreement (the "Fund Operations Agreement") with DCM. Under the terms of the Fund Operations Agreement, each Fund can pay up to an annual rate of .06% (the "Fund Operations Fee"), calculated and assessed monthly in arrears based on the aggregate net assets of the Fund. The Fund Operations Fee is separate and in addition to the advisory fees charged by DCM as detailed above. Any applicable services and expenses not included in the Fund Operations Agreement are charged to the Fund, if applicable, as an additional operating expense. Details of Funds' fees are provided in the PPMs.

#### Important Additional Information Regarding Fees

In addition to fees assessed by DCM, Client Accounts and investors in the vehicles will indirectly bear the fees and expenses charged by the third-party investment managers hired by DCM. Those fees, which vary, will typically include management fees based on a percentage of assets under management, and may also include performance-based fees or allocations. Additionally, the fees paid to DCM are exclusive of all custodial and transaction costs paid to custodians, brokers or any other third parties which will be paid by the Funds separately. Investors should review all fees charged by DCM, custodians and brokers and others (including the third-party sub advisers), as disclosed in the Funds' governing documents, to fully understand the total amount of fees to be paid.

#### Termination

Services may be terminated by either party at any time and unearned fees (if any) will be determined and refunded based upon the time and effort expended by DCM as reflected in the time records through the date of notice. All fee schedules are subject to adjustment upon written notification.

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

As stated in the Fees and Compensation section above, DCM may charge a performance-based fee to certain Client Accounts and Funds, which are fees based on a share of capital gains or capital appreciation of the client's assets. These performance based fees will be reflected in the individual Client Accounts' investment management agreement.

To the extent DCM charges a performance-based fee to a Client Account or Fund it may create an incentive for DCM to make investments that are riskier or more speculative than would be the case in the absence of a performance fee. Performance based fees may create an incentive for the Company to favor accounts that pay a performance-based fee over other accounts that do not pay a performance-based fee. In addition, DCM may receive increased compensation with regard to unrealized appreciation as well as realized gains in the client's account. As a result, the performance-based fee earned could be based on unrealized gains that clients may never realize.

DCM mainly manages accounts with an asset-based fee. In certain limited instances, DCM will manage an account with a combination of an asset-based fee and performance fees and potential conflicts of interest may exist. In order to mitigate any such conflicts, DCM has developed allocation procedures that are designed to ensure all clients are treated fairly and equitably and are driven by top-down macro views, diversification guidelines and clients' needs.



## **Item 7 – Types of Clients**

DCM's Client Accounts consist of high net-worth individuals, trusts, estates, businesses, foundations, and profit-sharing plans, among others. Additionally, DCM acts as investment adviser to the Funds.

While DCM does not have an absolute minimum value of assets for starting or maintaining an account, a Client Account should evidence the capability of growing to a \$10 million level over the medium-term. At its discretion, the Company may make exceptions.

The foreign domiciled offshore Funds have established a minimum investment amount of \$50,000 per investor regardless of the series in which they are invested, however, this is subject to the discretion of DCM.

The US domiciled Funds generally accept investors with a minimum amount of \$50,000 however this is subject to the discretion of DCM.

The DCM PEP funds generally accept investors with a minimum amount of \$1,000,000, however, this is subject to the discretion of DCM PEG.

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

DCM's Chief Investment Officer and the investment team conduct due diligence on current and prospective managers and will discuss potential investments and general investment themes with the other members of the Investment Committee on an ad hoc basis. Additionally, DCM's investment team, with direction and approval from the Investment Committee, maintains "model portfolios" from which DCM clients' portfolios are customized. DCM also conducts periodic meetings which involve pertinent team members in discussions regarding the model portfolios, market news, underlying manager news, and new ideas and strategies, among other items.

DCM performs comprehensive due diligence on all potential investments, which includes, as applicable, a review of offering documents, prospectuses, performance records, audited financial statements, peer analyses, and calls and in-person meetings with investment managers.

DCM uses its network of previous business relationships and contacts to identify potential third-party investment managers for its clients. DCM may also utilize certain third-party investment databases to identify potential managers.

On at least an annual basis, DCM corresponds with third-party investment managers to discuss performance, market trends, valuations, and other issues as necessary. Periodically, DCM will conduct due diligence reviews of its third-party investment managers, either onsite or via video conferencing. Finally, DCM will gather information from its professional network and conduct background checks and/or reference checks on key principals if warranted.

The following are certain risks applicable to DCM. All investing involves a risk of loss that Client Accounts and investors in the Funds should be prepared to bear. DCM clients primarily invest in third-party investment managers through private investment vehicles sponsored by the third-party investment manager or its affiliate (“Underlying Private Funds”).

### Cybersecurity

Investment advisers, including DCM, must rely in part on digital and network technologies (“cyber networks”) to maintain substantial computerized data about activities for client accounts and otherwise conduct their businesses. Such cyber networks might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of confidential computerized data or client data to unintended parties, or the intentional misappropriation or destruction of data by malicious hackers seeking to compromise sensitive information, corrupt data, or cause operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to electronically circumvent network security or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. DCM maintains policies and procedures on information technology security, has certain technical and physical safeguards intended to protect the confidentiality of its internal data, and takes other reasonable precautions to limit the potential for cybersecurity incidents, and to protect data from inadvertent disclosure or wrongful misappropriation or destruction. Nevertheless, despite reasonable precautions, the risk remains that cybersecurity incidents could potentially occur, and such incidents, in some circumstances, might result in unauthorized access to sensitive information about DCM or its clients or their investors, and/or cause damage to client accounts or DCM’s activities for clients or their investors. DCM will seek to notify affected clients and investors of any known cybersecurity incident that may pose a substantial risk of exposing confidential personal data about such clients or investors to unintended parties.

### Force Majeure

Portfolio investments may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events may adversely affect the ability of a party (including a portfolio investment or other service provider) to perform its obligations until it is able to remedy the force majeure event. Force majeure events that are incapable of or are too costly to cure may have a permanent adverse effect on portfolio investments. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which DCM’s clients may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss

to DCM clients, including if the investment is canceled, unwound, or acquired (which could be without adequate compensation). Prolonged changes in climatic conditions may have significant impact on the revenues, expenses, and conditions of certain DCM client investments. While the precise future effects of climate change are unknown, it is possible that climate change could affect precipitation levels, droughts, wind levels, annual sunshine, sea levels and the severity and frequency of storms and other severe weather events. These natural occurrences could cause certain portfolio investments and other service providers to incur expenses to prevent damages. Any of the foregoing may therefore adversely affect the performance of DCM client and their investments.

### *Pandemic Risks*

Disease outbreaks that affect local economies or the global economy may materially and adversely impact our investment funds and portfolios and/or our business. For example, uncertainties regarding the novel Coronavirus (COVID-19) outbreak resulted in serious economic disruptions across the globe. These types of outbreaks can be expected to cause severe decreases in core business activities such as manufacturing, purchasing, tourism, business conferences and workplace participation, among others. These disruptions lead to instability in the marketplace, including stock market losses and overall volatility. In the face of such instability, governments may take extreme and unpredictable measures to combat the spread of disease and mitigate the resulting market disruptions and losses. We have in place business continuity plans reasonably designed to ensure that we maintain normal business operations, and that our investment portfolios and client assets are protected, and we periodically test those plans. However, in the event of a pandemic or an outbreak, there can be no assurance that we or our and our investment Funds' and portfolios' service providers will be able to maintain normal business operations for an extended period of time or will not lose the services of key personnel on a temporary or long-term basis due to illness or other reasons. The full impacts of a pandemic or disease outbreaks are unknown, resulting in a high degree of uncertainty for potentially extended periods of time.

### *Increased Scrutiny of Private Fund Advisers*

The SEC has recently increased its scrutiny of the private fund industry, including conducting numerous examinations and bringing a number of enforcement actions against private fund managers. The SEC has also recently finalized a number of rules related to private funds, which affect the firm and its operations. The regulatory environment for private funds and other financial entities is evolving. Changes in law or regulations may adversely affect the value of each fund's investments, may affect the ability of the funds to pursue their investment strategies, or may restrict or prevent the firm from continuing to perform services for its clients in the manner currently contemplated. The effect of these future regulatory changes on the firm and its clients cannot be predicted at this time.

### *Litigation*

Some of the activities that DCM engages as part of its operations may result in litigation. DCM or the Underlying Private Funds could be a party to lawsuits either initiated by it, or

by a company in which the Underlying Private Funds invest other shareholders, or state, federal and non-U.S. governmental bodies. There can be no assurance that any such litigation, once begun, would be resolved in favor of any Underlying Private Fund.

#### *Underlying Private Funds Registration and Transparency*

The Underlying Private Funds will not be registered as investment companies under the Investment Company Act of 1940 (the “1940 Act”) and, therefore, clients will not be entitled to the various protections afforded by the 1940 Act with respect to its investments in Underlying Private Funds. Accordingly, the provisions of the 1940 Act, which, among other things, require investment companies to have securities held in custody at all times in segregated accounts and regulate the relationship between the investment company and its asset management, are not applicable to an investment in the Underlying Private Funds. Unlike registered investment companies, Underlying Private Funds generally are not obligated to disclose the contents of their portfolios. This lack of transparency may make it difficult for the Company to monitor whether holdings of the Underlying Private Funds cause its clients to be above specified levels of ownership in certain asset classes. Although DCM clients expect to receive information from each Underlying Private Fund regarding its investment performance on a regular basis, in most cases there is little or no means of independently verifying this information. An Underlying Private Fund may use proprietary investment strategies that are not fully disclosed to its investors and may involve risks under some market conditions that are not anticipated by the client. In addition, certain advisers to Underlying Private Funds will not be registered as investment advisers under the Investment Advisers Act in reliance on certain exemptions from registration under that Act. In such cases, the advisers will not be subject to various disclosure requirements and rules that would apply to registered investment advisers.

#### *Generation of Multiple Levels of Fees and Expenses*

Investors in Underlying Private Funds bear the applicable fees discussed in the Fees and Compensation section in addition to asset-based fees and allocations of the Underlying Private Funds.

#### *General Economic and Market Conditions*

DCM’s activities may be affected by general economic and market conditions, such as global and local economic growth, interest rates, availability of credit, credit defaults, inflation rates, economic uncertainty, changes in laws (including laws relating to taxation of clients’ investments), trade barriers, currency exchange controls, and national and international political circumstances (including wars, terrorist acts or security operations). These factors may affect the level and volatility of the prices and the liquidity of clients’ investments. Volatility or illiquidity could impair clients’ profitability or result in losses.

#### *Underlying Private Funds May Be Illiquid*

The redemption or withdrawal provisions regarding the Underlying Private Funds vary from fund to fund. Therefore, DCM clients may not be able to withdraw their investment in an Underlying Private Funds promptly after it has made a decision to do so. The client must adhere to the liquidity terms set forth by the Underlying Private Funds. Some Underlying Private Funds may impose early redemption fees. This may adversely affect the client's investment return or increase the client's expenses and limit the client's ability to make offers to repurchase units.

*Underlying Private Funds May Not Allow Withdrawals and May Distribute In-Kind*

Underlying Private Funds may be permitted to redeem their interests' in-kind (distributing securities instead of cash). Thus, upon the DCM client's withdrawal of an interest in an Underlying Private Fund, it may receive securities that are illiquid or difficult to value. Limitations on the client's ability to withdraw its assets from Underlying Private Funds may, as a result, limit each fund's ability to repurchase units from investors.

*Underlying Private Funds May Be Difficult to Value*

The valuation of the client's investments in Underlying Private Funds is ordinarily determined based on valuations calculated by the Company as per information provided by the Underlying Private Funds and their auditors. Although the Company reviews the valuation procedures used by the Underlying Private Funds, the Company may not be able to confirm or review the accuracy of such valuations. DCM may face a conflict of interest in valuing Underlying Private Funds, since the Underlying Private Funds' values will affect DCM's compensation. In order to mitigate this potential conflict, DCM relies on the valuations provided by the Underlying Private Funds.

*The Advisor Will Not Control the Underlying Private Funds*

The Company does not and will not control the Underlying Private Funds. DCM will monitor the Underlying Private Funds to detect any deviations from their stated investment mandate, but there is no guarantee that these funds will not deviate unexpectedly.

Details on specific risks related to the Funds are described in their respective governing documents.

*DCM PEG and DCM PEP*

DCM and its affiliates may not devote all of their time to the management of DCM PEG and the DCM PEP Series Funds ("DCM PEP Sub-Funds or Sub-Funds") and may continue to manage assets other than those of DCM PEG and Sub-Funds. All the officers, directors, shareholders and partners of DCM PEG may be involved in many other business activities, including, but not limited to, those of DCM. Each of such persons will spend the time they deem appropriate on business affairs of the Fund. Conflicts of interest may arise in allocating management time, services, or functions. DCM may have existing investments and/or funds which may be in competition with, and/or draw their time and attention away from, the Sub-

Funds. A Sub-Fund may make an investment in an operating company which is already held by one or more other Sub-Funds or accounts of DCM or a position that is subordinated or senior to or otherwise adverse to a position held by one or more other Sub-Funds or accounts. For example, a Sub-Fund may own debt of an operating company while another Sub-Fund or account managed by DCM or its affiliates owns equity in the same operating company. It is possible that the activities or strategies used for other Sub-Funds or accounts could conflict with the activities and strategies employed in managing the assets of another Sub-Fund and affect the prices and availability of the securities and instruments in which a Sub-Fund invests.

In addition to carried interest and/or any management fees generated by DCM PEP Sub-Funds, DCM PEG may realize other benefits from the operation of the fund and its Sub-Funds, such as gaining access to certain sponsors and investment opportunities and other relationships that may provide economic or business benefits to DCM PEG and its affiliates. More specifically, fee discounts provided by the Underlying Private Fund will typically be extended to DCM clients through DCM's core wealth management business. However, fee discounts will not typically be extended through DCM PEG, the affiliated private equity partnership.

In certain instances, DCM PEG will source investments through relationships with third-party managers which were established using DCM's scale and platform. In these instances, DCM PEG will benefit from reduced sourcing and due diligence costs due to the existing relationship with the third-party managers. DCM clients do not incur any additional expenses associated with investment sourcing opportunities for DCM PEG.

Additional details on specific risks related to DCM PEG and the DCM PEP Sub-Funds are described in the fund's governing documents.

### **Item 9 – Disciplinary Information**

DCM and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to a client's evaluation of the company or its personnel.

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

As discussed in the Fees and Compensation section, DCM will recommend that eligible Client Accounts invest in the Funds, and such recommendations are made only if the Funds are deemed suitable for the Client Account. Client Accounts that invest in the Funds are not assessed with fees at both the Fund and Client Account levels.

As discussed above, DCM provides investment advice to the Funds. The general partners or managing members of certain of the Funds are affiliated with DCM by common ownership; the general partners or managing members of the respective Funds are:

<u><i>General Partner / Managing Member</i></u>	<u><i>Fund</i></u>
DCM Credit Opportunities Partners, LLC	DCM Credit Opportunities Fund, LLC
DCM Event Driven Partners, LLC	DCM Event Driven Fund, LP
DCM VG Long Only GP, LLC	DCM VG Long Only Fund, LP
DCM Investments, Corp.	DCM Investments, L.P.
DCM Private Equity Group, LLC	DCM Private Equity Partners, LLC

DCM is the investment manager of each Fund listed immediately above and is the managing member of any other Fund not listed immediately above. With respect to DCM-KF CHE Holdings, an affiliate of DCM assisted in sourcing the transaction and shares in the carried interest. A representative of the affiliate serves on the advisory board of DCM-KF CHE.

Miguel F. Dueñas, DCM's Managing Partner serves on the Board of Advisors or on the Board of Directors for several of the underlying funds in which DCM invests. DCM does not receive direct or indirect compensation from any of its Underlying Private Funds or their respective investment managers for these services.

Mr. Duenas also founded GD Capital Partners, an asset management advisor, where he advises on direct public and private investments and alternative funds for his family members and their respective investment entities. Mr. Duenas receives a quarterly fixed management fee for these services based on individual investment advisory agreements with each entity.

As noted in the Client Referrals and Other Compensation section below, DCM acts as administrator to an unaffiliated private fund. DCM is responsible for maintaining the accounting books and records, calculation of NAVs, recording of all accounting transactions and maintains



subscription and redemption records. DCM also liaises with legal counsel for any amendments to the offering memorandum.

DCM PEG and its funds are affiliated to DCM, which are under common control. The principals of DCM PEG are also principals for DCM. DCM PEG has engaged DCM to serve as the investment adviser for its funds. DCM PEG and DCM share office space and facilities and by virtue of that shared space, personnel of the Company who are not associated with DCM PEG or its funds, may have access to confidential and/or investor information of its funds. Due to the common control and sharing of space of certain personnel with an SEC-registered investment adviser, DCM PEG is a "Relying Adviser" of DCM and will comply with federal and state laws applicable to investment advisers. Thus, the fees addressed in the Fees and Compensation section do not apply to DCM PEG or its funds. The fees for these Funds are charged on a deal-by-deal basis. Additional details relating to conflicts of interest can be found in the funds' governing documents.

### **Item 11 – Code of Ethics**

DCM has adopted a Code of Ethics (the "Code"), which includes a formal code of ethics and insider trading policies and procedures. The Code requires, among other things, that DCM employees:

- Act with integrity, competence, diligence, respect, and in an ethical manner with the public, clients, prospective clients, employers, employees, colleagues in the investment profession, and other participants in the global capital markets.
- Place the integrity of the investment profession, the interests of clients, and the interests of DCM above one's own personal interests.
- Adhere to the fundamental standard that you should not take inappropriate advantage of your position.
- Avoid any actual or potential conflict of interest.
- Conduct all personal securities transactions in a manner consistent with this policy.
- Use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, taking investment actions, and engaging in other professional activities.
- Practice and encourage others to practice in a professional and ethical manner that will reflect credit on the employee and the profession.
- Promote the integrity of, and uphold the rules governing, capital markets.
- Maintain and improve professional competence and strive to maintain and improve the competence of other investment professionals.
- Comply with applicable provisions of the federal securities laws.

The Code also requires employees to: 1) pre-clear certain personal securities transactions, 2) report personal securities transactions on at least a quarterly basis, and 3) provide DCM with a detailed summary of certain holdings (both initially upon commencement of employment and annually thereafter) over which such employees have a direct or indirect beneficial interest.

Clients, investors, or prospective clients and investors may obtain a copy of the Code by contacting



Mr. Albert Marques (DCM's Chief Compliance Officer ("CCO")) via phone at (305) 371-2776.

The Company and its related persons, including its employees, may invest their personal funds in the Funds, and, therefore, such persons may hold the same securities as other investors in the Funds. In addition, DCM and its related persons may own securities in their personal accounts that are also recommended by the Company to its clients.

DCM has established procedures intended to limit conflicts of interest in cases where the Company, a related person, or any of its employees, buys or sells securities recommended by DCM to its clients. These procedures include the obligation to pre-clear transactions in private placements (which includes interests in private investment funds) through the CCO and a quarterly review of investment activity within the personal accounts of DCM employees.

As previously discussed, DCM will recommend that certain eligible Client Accounts invest in the Funds, in which DCM or a related person holds a financial interest. However, Client Accounts that invest in the Funds are not assessed with fees at both the Fund and Client Account levels and therefore DCM does not have a material incentive to direct the Client Accounts to invest in the Funds.

## **Item 12 – Brokerage Practices**

DCM has been granted discretionary authority in limited cases by its clients, including the Funds, to select the brokers or dealers utilized to effect securities trades. Any limitations which might be placed on DCM with respect to security or investment manager selection are "client specific" and, to the extent that they exist, are detailed at the opening of the client's account. DCM typically invests Client Accounts' assets in exchange traded funds, open-end mutual funds, the Funds, or recommends the use of Underlying Private Funds or client accounts managed by unaffiliated third-party investment advisers.

In cases where DCM has been given the discretion to select broker-dealers to execute transactions, DCM's guiding principle generally is to execute the transaction at the custodian in which the client holds the security. As a result of this, DCM may pay a brokerage commission that is higher than the lowest commission that might otherwise be available for any given trade. DCM does not maintain formal soft dollar arrangements and does not accrue commissions in order to direct payment for research or brokerage services.

In certain instances, DCM will aggregate purchase and sale orders of investments held by client accounts managed by DCM with similar orders being made simultaneously for other accounts or entities if, in DCM's reasonable judgment, such aggregation is reasonably likely to result in an overall economic benefit to clients based on an evaluation that they will be benefited by relatively better purchase or sale prices, lower commission expenses or beneficial timing of transactions, or a combination of these and other factors. In many instances, the purchase or sale of investments for clients will be affected simultaneously with the purchase or sale of like investments for other accounts or entities. Such transactions may be made at slightly different prices, due to the volume of securities purchased or sold. In such event, the average price of all securities purchased or sold

in such transactions may be determined, at DCM's sole discretion, and the client account may be charged or credited, as the case may be, with the average transaction price.

In many cases, a Client Account directs DCM to utilize a particular broker-dealer to execute some or all transactions for the Client Account. Specifically, many Client Accounts direct DCM to execute all securities transactions through the broker-dealer that acts as custodian for the Client Account's assets. In such circumstances, the Client Account is responsible for negotiating the terms and arrangements for the account with that broker-dealer. In this situation, DCM may not be able to aggregate the Client Account's transactions, for execution through other brokers-dealers, with orders for other accounts advised or managed by DCM. As a result, the Client Account may pay materially disparate commissions, greater spreads or other transaction costs, or receive less favorable net prices on transactions for the account than would otherwise be the case. In the event that a Client Account or investor is referred to DCM by a broker-dealer, DCM has a potential conflict between the Client Account and/or Funds' interest in obtaining best execution and DCM receiving future referrals from the broker-dealer.

Typically, eligible clients participate in investments in registered and unregistered funds on a pro rata basis. Certain investments may not be appropriate for all DCM clients and, as such, shall only be offered to those clients that have investment guidelines consistent with the investment.

DCM takes great care in making and implementing investment decisions on behalf of client accounts. To the extent that any errors occur, they will be corrected as soon as practicable and in such a manner that the client incurs no loss. Clients will retain any gains resulting from a trade error.

### **Item 13 – Review of Accounts**

DCM provides periodic investment supervisory and monitoring services to seek to ensure that performance of the recommended third-party managers compares favorably with financial market indices, benchmarks and the universe of similar managers. DCM also reviews the unaffiliated third-party investment managers' performance versus the mandates agreed to and presents periodic reports to the Client Accounts in the form of newsletters and Client Account presentations. DCM provides similar services to the Funds.

Client Service Officers work with DCM's investment team to create a customized portfolio for each of their Client Accounts taking into account their unique situations. Each Client Account's portfolio is periodically reviewed by their respective Client Service Officer. The Investment Team and the CIO will review and approve the overall asset allocation targets for all model portfolios which may be adjusted for any subsequent changes based on Client Account requirements. The overall model portfolio is reviewed and assessed by the Investment Team and CIO once approved, and the Client Service Officers review the individual Client Account portfolios against the model.

DCM reports to each Client Account on a monthly or quarterly basis as agreed with the Client Account. The reports vary according to the Client Account's needs but will generally include balances for each period's beginning and ending market value, gain or loss for the period, time weighted rates of return, comparison of returns to appropriate market indices. Client Accounts

can also request web access to their account information. Investors in the Funds will receive audited financial statements on an annual basis within 180 days following the end of each year, and may also receive periodic reporting from certain of the Underlying Private Funds.

DCM reviews investments in the DCM PEP Sub-Funds at least semi-annually.

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

DCM does not receive any economic benefits from non-clients in connection with the provision of investment advice to clients. Additionally, DCM is not currently a party to any solicitation agreements and does not compensate any third party (promoter) for client referrals.

DCM provides administration services to Funds managed by DCM as well as funds not managed by DCM. These services include fund accounting and financial reporting services, preparing and reviewing investment documentation and maintaining detailed records of all investment transactions, execution of authorized trades, calculating management fees and recording expenses in accordance with the fund agreements, calculating the fund's NAV's and returns, maintaining the limited partner register and transfer of interests as required, coordinating any regulatory filings, drafting the fund audited financial statements, and supervision of the audit process. DCM receives a separate fee for the services provided to third-party private funds not managed by DCM. Fees charged for such services can include a combination of fixed fees and asset-based fees.

#### **Item 15 – Custody**

To the extent required, all client assets are held in custody by unaffiliated broker/dealers or banks; however DCM may have access to the Funds' assets since it or a related person serves as the general partner or managing member to the Funds. Generally, limited partners or members of the Funds will not receive statements from the custodian. Instead certain Funds are subject to an annual audit and the audited financial statements are distributed to each limited partner or member. In these cases the audited financial statements will be prepared in accordance with generally accepted accounting principles and distributed within 180 days of the partnership's fiscal year end. Funds that don't deliver audited financial statements to its investors on an annual basis shall ensure that the investors, or an elected representative, receive custodial statements directly from the relevant custodians on at least a quarterly basis. Assets in such accounts are subject to a surprise verification on an annual basis by an independent accounting firm in accordance with the requirements of Rule 206(4)-2 under the Investment Advisers Act of 1940.

Additionally, the Company can access many Client Account funds through its ability to debit advisory fees. For this reason the Company is considered to have custody of certain Client Account assets. The Client Account's custodians send statements directly to the account owners on at least a quarterly basis. Client Accounts should carefully review these statements, and should compare these statements to any account information provided by the Company.

DCM is also deemed to have custody of certain Client Accounts as a result of standing letters of authorization ("SLOA") in place from clients that allow DCM to direct the custodian to send client

funds based on the SLOA. As a result of having custody, these accounts undergo surprise asset verification annually by an independent public accountant.

### **Item 16 – Investment Discretion**

DCM has been granted the discretionary authority by the Funds and a substantial majority of the Client Accounts to determine, without specific consent, the securities to be bought or sold, the amounts of those securities, and the third-party investment managers to hire to manage certain clients' assets. Any limitations which might be placed on DCM with respect to security or investment manager selection are detailed in the Investment Management Agreement for the Client Accounts or governing documents for the Funds, as applicable.

### **Item 17 – Voting Client Securities**

Notwithstanding DCM's discretionary authority to make investment decisions on behalf of certain Client Accounts, DCM will not exercise proxy voting authority over securities held in Client Accounts. The obligation to vote Client Account proxies shall at all times rest with the Client. Clients shall in no way be precluded from contacting DCM for advice or information about a particular proxy vote. However, DCM shall not be deemed to have proxy voting authority solely as a result of providing such advice to a Client.

Client Accounts should receive proxy voting information directly from the third-party investment managers or their respective custodians. Should DCM inadvertently receive proxy information for a security held in a Client Account, then DCM will immediately forward such information on to the Client, but will not take any further action with respect to the voting of such proxy.

Upon termination of its Agreement to manage a Client Account, DCM shall make a good faith and reasonable attempt to forward proxy information inadvertently received by DCM on behalf of the Client Account to the forwarding address provided by the Client Account to DCM. Any information received by DCM which relates to the voting of Client Accounts' proxies shall be maintained by DCM for a period of five years from the date of receipt, the first two years in the offices of DCM.

DCM will be responsible for determining how to vote all proxies with respect to the Funds.

As a "fund-of-hedge-funds" adviser, DCM is rarely, if ever, requested to vote the proxies of traditional operating companies. Rather, DCM from time to time is requested to vote on behalf of its clients in their capacities as investors in other investment funds. In cases where the Company is voting proxies, DCM is guided by general fiduciary principles. DCM's goal is to act prudently, solely in the best interest of the Funds and their investors. DCM attempts to consider all factors of its vote that could affect the role of the underlying investment fund in a Fund or the value of the underlying investment fund. DCM votes Fund proxies in the manner that it believes is consistent with efforts to achieve its stated objectives, including maximizing portfolio values.

If a material conflict of interest over proxy voting arises between DCM and a Fund, DCM will convene its Investment Committee in order to determine how to vote the proxy in question.

Clients and Fund investors may obtain a copy of DCM's written proxy voting policies upon request or may obtain information on how/if, DCM voted a proxy, by contacting DCM's CCO.

DCM will not advise clients in any legal proceedings, including bankruptcies or class actions, involving securities held or previously held by the client. If class action documents are received by DCM for a Client Account, DCM will attempt to gather any requisite information it has and forward to the Client, to enable the Client to file the class action at the Client's discretion. The decision of whether to participate in the recovery or opt-out may be a legal one that DCM will not make for the Client Account. However, upon a Client's request, DCM will assist the Client in the administrative activities related to the filing of class action claims on a Client Account's behalf. DCM will be responsible for determining whether to participate in any class actions with respect to the Funds.

### **Item 18 – Financial Information**

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