

## Crestline Summit Equity Alpha Fund

Information as of: August 31, 2016

Currency: USD

### General Information

<b>Strategy:</b>	Multi-PM Equity Relative Value	<b>Target Gross Exposure:</b>	Up to 450%	250% to 450%
<b>Fund Inception Date:</b>	7/2015	<b>Target Net Exposure:</b>	+/- 20%	-20% to +20%
<b>Fund AUM (\$MM):</b>	\$310 million	<b>Average Gross Exposure:</b>	286%	200% to 300%
<b>Strategy AUM (\$MM):</b>	\$310 million	<b>Average Net Exposure:</b>	0.2%	-10% to +7%
<b>Sector Focus:</b>	Diversified			
<b>Regional Focus:</b>	U.S. Equities, up to 20% international			

### Firm Information

<b>Firm Inception Date:</b>	10/1997	<b>SEC Registered</b>	X
<b>Firm AUM (\$MM):</b>	\$9.1 billion	<b>Qualified Professional Asset Manager (QPAM)</b>	X
		<b>Separately Managed Accounts (SMA)</b>	X

#### Firm Overview

Crestline is an employee-controlled asset management firm founded in 1997. The company was originally formed to manage the alternative investments of Edward P. Bass and in 2001 was expanded to outside investors. The firm's mission is to provide attractive risk-adjusted returns for sophisticated asset owners. We use our investment expertise and innovative products to pursue value creation in global markets.

Crestline employs 73 investment professionals with broad investment experience across market cycles, geographies, and asset classes. In addition, a team of dedicated professionals provides the highest caliber of operational excellence, relationship management and governance for Crestline's clients.

**Summit Equity Alpha was launched in 2015, with institutional backing and is led by portfolio manager Phil Harris who has 12 years of experience managing multi-PM portfolios.**

### Investment Strategy

Summit Equity Alpha is a multi-PM equity relative value hedge fund. The Fund targets 8-10% net returns with 6% volatility while exhibiting low beta and low correlation to equity markets. Crestline's proprietary portfolio construction and risk management technology, Crestline Litmus Test, drives the investment process. Our approach is differentiated by: 1) Open architecture approach to talent sourcing, PM selection and fund structure and 2) Crestline Litmus Test, our proprietary, multi factor portfolio construction and risk management system and 3) Detailed data analysis pre investment to assess PM talent, alpha generating capabilities and portfolio suitability. Sector-specialist portfolio managers serve as Sub-Advisers while Summit's portfolio management process is designed to produce strong risk-adjusted returns through the systematic targeting of volatility, beta, and correlation metrics across the fund's underlying equity portfolios.

### Investment Professionals

**Philip M. Harris**, Portfolio Manager, Head of Equity Strategies, joined Crestline in May 2015. Mr. Harris is responsible for the development of Crestline's equity strategies and is the portfolio manager of the Crestline Summit Equity Alpha fund. Prior to joining Crestline, Mr. Harris was a Managing Director at Lighthouse Investments responsible for investments in U.S. Equity strategies. Prior to joining Lighthouse Investments, Mr. Harris held a similar role at GAM. Before moving into the alternative investment arena, he managed sales and research in equity derivatives and convertible bonds at UBS and predecessor company SBC Warburg. Mr. Harris has a B.A. Honors in Economics from Durham University, United Kingdom.

**Caroline Cooley**, Partner - Ms. Cooley is the Chief Investment Officer of Crestline's Hedge Fund Solutions. Ms. Cooley's responsibilities include leading the diversified hedge fund investment team and managing portfolios of hedge funds. Ms. Cooley has over 33 years of experience in the investment industry, focusing almost exclusively in the absolute return area. She has significant experience in proprietary trading, as well as hedge fund risk management. Prior to joining Crestline in April 1998, she was a trader and risk manager with Taylor & Company, an investment firm associated with the Bass Family of Fort Worth, TX. Her experience includes trading equity derivatives and fixed income arbitrage in the U.S. and international markets. Additionally, she was responsible for risk management of the various absolute return strategies employed by Taylor & Company, including monitoring and hedging equity, currency and interest rate exposure. Ms. Cooley began her career in the investment industry at Manufacturers Hanover Trust Company in New York and Chicago after receiving her B.A. in Economics from The College of William and Mary in 1983. Ms. Cooley serves on the Advisory Board of Texas Wall Street Women and the Investment Advisory Committee of Texas Employee Retirement System.

## Crestline Summit Equity Alpha Fund

**Neilson Arbour**, CFA, Director, joined Crestline in 2007 and is currently the Director of Equities and Associate Portfolio Manager for Crestline Summit Equity Alpha Fund. Prior to joining the firm, he held various positions within equity sales and trading at JPMorgan, with an emphasis on equity research and capital market transactions. Mr. Arbour's primary focus was generating and tailoring potential equity trades for hedge funds and institutional clients. His previous experience includes equity research at an institutional, long-only investment firm. Mr. Arbour holds a BBA in Finance from Texas Christian University, is a CFA charterholder, and is a member of the Dallas-Fort Worth Society of Financial Analysts.

### Performance (Net of Fees)\*

<b>2015:</b>	1.98% (Jul-Dec)	<b>YTD 2016:</b>	3.75%	<b>As Of:</b>	8/2016
		<b>Annualized Since Inception:</b>	4.95%		
		<b>Cumulative Return:</b>	5.80%		

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
<b>2016</b>	-1.70%	1.29%	0.27%	1.77%	1.09%	-0.07%	0.90%	0.19%					3.75%
<b>2015</b>							-0.54%	2.32%	-1.31%	1.72%	0.95%	-1.12%	1.98%

\*August 2016 return is estimated

### Legal Disclaimer

Crestline Summit performance numbers are returns for a fee-paying investor in the onshore fund. Performance numbers prior to May 2016 are returns on equity, net of accounting expenses, net of manager fees and net of hypothetical Crestline Summit fees consisting of a 2% capped management and 10% performance fee.

Past performance is not a guaranty of future results. Current and prospective investors should not assume that the future performance of any Crestline fund will equal its prior performance results or the results of any previous fund with a similar strategy, and investors risk loss of their entire investment. Each fund's performance results portrayed reflect the deduction of that fund's advisory fees, brokerage commissions and other expenses. The performance results also include the reinvestment of income and dividends, in investment vehicles where such are applicable. For each Crestline fund, an individual investor's returns will vary from the historical performance due to restrictions on participation in certain types of investments and due to the timing of subscriptions, withdrawals, and redemptions; further, the general economic conditions during extreme highs and lows may have affected the returns of the funds.

AUM for Crestline, its affiliates and its affiliated management team is estimated at \$9.1 billion, which includes uncalled capital commitments and \$1.7 billion of beta overlay notional amounts, \$0.8 billion of AUM consists of previous funds managed by principals of Denali via DC Funding Partners LLC independently of Crestline. The above estimate is based on valuations as of 9/1/2016 for certain assets managed by Crestline affiliates, which are valued as of earlier dates based on the most recently available data for such assets. Crestline Denali Capital also provides operational and administrative support services to DC Funding Partners LLC. Specialty Lending Fund AUM includes leverage.

Within a particular strategy, Crestline may offer a domestic fund and an offshore fund ("Funds") that are managed pari passu. In such cases the Funds managed by Crestline will have investment objectives that are identical or substantially similar. It is not anticipated, however, that the Funds managed by Crestline having identical or substantially similar investment objectives will have identical or substantially similar investment portfolios. Differing investment portfolios can be expected to result from several factors, including, without limitation, the following:

- Regulatory constraints that apply to the Funds managed by Crestline;
- Investment constraints imposed by the Investment Managers of the underlying fund that the Funds may invest in;
- The availability of underlying funds for investment at certain times but not at others; and
- The amount of cash available for investment at certain time by the Funds.

As a result of factors such as these, Funds that are managed pari passu may have a different investment portfolio (and, as a result, different performance results) even though the funds may have identical or substantially similar investment objectives.

Principal executive officers of Crestline are also associated with Bratton Capital Management, LP ("BCM") a firm that acts as the investment adviser and general partner to single family-office-related investments. Crestline and BCM are under common control.

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## **Crestline Summit Equity Alpha Fund**

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Any opinions expressed herein are our current opinions only. There can be no assurance or guarantee that Crestline's investment strategy will achieve its stated goal. All information provided in this presentation is for informational purposes only. In addition, it should not be assumed that any of the securities and/or strategies discussed herein were or will prove to be profitable. Crestline accepts no liability for loss arising from the use of this material.

Correlations to the performance of the indices presented in this report (including, but not limited to the S&P 500 Index) are shown for comparison purposes only. The securities included in those indices are not necessarily included in the portfolios of the Crestline funds and criteria for inclusion in those indices are different and not limited to particular investment strategies. In addition, investors may not invest directly in an index. Therefore, the returns of Crestline funds and the returns of such indices may not be comparable.

### **General Risks of Investing in the Crestline Funds**

An investment in the Funds is speculative and involves a high degree of risk. Crestline Management, L.P., is a federally registered investment adviser and serves as the investment manager to the domestic and offshore hedge fund of funds. Crestline Canada, Inc., an affiliate, provides portfolio overlay and hedging execution capabilities to client portfolios as well as Crestline's diversified fund of hedge funds. Crestline Investors, Inc., Crestline Management, L.P. and Crestline Canada, Inc. are individually and collectively referred to herein as "Crestline" or "the Firm." Crestline's investment funds (the "Funds") utilize a fund of funds investment approach whereby Fund assets are allocated among portfolio managers. As a result, the success of the Funds is dependent on the portfolio managers' ability to develop and implement investment strategies that achieve the Funds' investment strategies. The Funds are generally not subject to regulatory restrictions or oversight. The principals of Crestline Investors, Inc. are Douglas K. Bratton, John Cochran and Caroline Cooley (the "Principals"). The success of the Funds' investment program will also depend on the expertise of the Principals in choosing portfolio managers and executing on investment transactions. If the Principals were to cease to be associated with the Funds, it is likely that the success of their investment program would be adversely affected. The Funds may employ leverage, which among other investment techniques, can make their investment performance volatile. Opportunities for redemptions and transferability of interests in the Funds are restricted so investors may not have access to their capital if and when it is needed. There is generally no secondary market for an investor's interest in the Funds and none is expected to develop. The Funds' management fees, incentive fees/allocations, and expenses, may offset their trading profits. An investor should not invest in the Funds unless it is prepared to lose all or a substantial portion of its investment.

The targeted returns are forward-looking statements that are subject to uncertainties described further in the relevant offering memorandum. The targeted returns are based on research conducted by Crestline and the conclusions are Crestline's opinions based on its own independent study. The return targets are supported by various quantitative measures including 1) the actual track record of the funds, 2) back-tested returns of a pro-forma portfolio using the fund's current asset allocation and 3) a forecast return calculated using a third-party risk model. For further information on targeted returns including input data and calculation methodology please contact Client Servicing. While Crestline believes that the return targets are supportable, there is no guarantee that the funds will achieve the targeted returns. The targeted rates of return included in this presentation are hypothetical returns, and are for illustrative purposes only. Accordingly, no assumptions or comparisons should be made based upon these returns. Targeted returns are subject to inherent limitations, including but not limited to the fact that the returns do not take into account the impact that market and economic risks may have on investment decision trading. In no circumstances should the targeted returns be regarded as a representation, warranty or prediction that the fund will reflect any particular performance or that it will achieve or is likely to achieve any particular result or that investors will be able to avoid losses, including total losses of their investment.