

TPG PEP Advisors, LLC

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Part 2A of Form ADV: Firm Brochure
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This brochure provides information about the qualifications and business practices of TPG PEP Advisors, LLC. If you have any questions about the contents of this brochure, please contact us at (817) 871-4000. 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 TPG PEP Advisors, LLC also is available on the Securities and Exchange Commission's website at www.adviserinfo.sec.gov.

An investment adviser's registration with the United States Securities and Exchange Commission does not imply a certain level of skill or training.

ITEM 2 – MATERIAL CHANGES

This Brochure, dated August 7, 2014, serves as an update to TPG PEP Advisors, LLC's Brochure dated May 16, 2014 (the "Prior Brochure"). This Brochure contains routine updates to the Prior Brochure.

Furthermore, the assets under management in Item 4 have been updated.

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ITEM 4 – ADVISORY BUSINESS

For purposes of this brochure, “TPEP” or the “Registrant” means TPG PEP Advisors, LLC, together (where the context permits) with any TPEP subsidiaries that provide investment advisory services. TPEP provides investment advisory services to pooled investment vehicles that are not registered under the Investment Company Act of 1940, as amended (the “Investment Company Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”) and may in the future provide such services to certain individual investors through separately managed account arrangements (collectively, the “TPEP Funds”). The investors in the TPEP Funds are primarily “qualified purchasers,” as defined in the Investment Company Act, and may include, among others, high net worth individuals, banks, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, corporations, limited partnerships and limited liability companies. TPEP also serves as the sponsor of entities that act as feeder vehicles into certain TPEP Funds.

The only advisory clients of TPEP are the TPEP Funds.

TPEP is a Delaware limited liability company formed in 2013. TPEP is part of a commonly controlled, broad based asset manager founded in 1992 (together with its affiliates, including TPEP, “TPG”). The ultimate principal control parties of TPG are, indirectly, David Bonderman and James Coulter.

As an investment adviser, TPEP identifies investment opportunities and participates in the acquisition, management, monitoring and disposition of investments for each TPEP Fund. TPEP primarily provides investment advisory services related to investments in publicly traded equities globally across all sectors and capitalizations. TPEP will generally take both long and short positions. Although the primary focus of the TPEP Funds is generally on publicly traded equity investments, in order to gain exposure to desired asset classes or securities, or for hedging or other investment purposes, TPEP may also utilize derivative instruments, such as foreign currency exchange contracts, options, stock index futures contracts, warrants, forwards, futures contracts, swap agreements and other commodity interests, in each case to the extent consistent with the applicable TPEP Fund’s investment objectives and strategies (please see Item 8 – Methods of Analysis, Investment Strategies and Risk of Loss, below).

TPEP generally provides investment advisory services to each TPEP Fund pursuant to a separate investment advisory agreement (each, an “Advisory Agreement”). The terms of the investment advisory services to be provided by TPEP to a TPEP Fund are set forth in each TPEP Fund’s Advisory Agreement. Investment guidelines for the TPEP Funds, if any, are generally established in the organizational or offering documents of the applicable TPEP Fund. Investment advice is provided directly to the TPEP Funds, and not individually to the investors in the TPEP Funds.

Any TPEP Fund’s general partner or any TPEP Fund, in their sole discretion, also may enter into side letter agreements (“Side Letters”) with certain investors in the TPEP Funds providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, notice or reporting rights, and liquidity or transfer rights. The general partners of the TPEP Funds and the TPEP Funds have no obligation to disclose or offer

all such additional rights, terms or conditions, to any other investor in such TPEP Funds, except to the extent required by the organizational or offering documents of the applicable TPEP Fund. Once invested in a TPEP Fund, investors generally cannot impose additional investment guidelines or restrictions on such TPEP Fund.

As of August 31, 2014, TPEP managed on a discretionary basis a total of \$259,363,983 of client assets.

ITEM 5 – FEES AND COMPENSATION

TPEP generally charges asset-based investment advisory fees to the TPEP Funds. Advisory fees paid by a TPEP Fund are indirectly borne by investors in such TPEP Fund. Such investment advisory fees are deducted from fund assets and generally payable quarterly in advance, depending upon the TPEP Fund. The amount of any investment advisory fee is prorated for periods of less than a full billing cycle at the beginning or end of TPEP's provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of investment advisory services. TPEP's Advisory Agreements generally restrict a TPEP Fund's ability to terminate the agreement. The specific restrictions may vary depending on the nature of the TPEP Fund.

The precise amount of, and the manner and calculation of, the advisory fees for each TPEP Fund are established by TPEP, as modified by negotiations with investors in the applicable TPEP Fund, and are set forth in such TPEP Fund's Advisory Agreement, organizational documents, offering documents and/or other documentation received by each investor prior to investment in such TPEP Fund (together with any applicable side letters, "Governing Documents").

Each TPEP Fund bears all expenses incurred in connection with its operations and investments, meetings and liquidation, including interest, fees and expenses associated with the purchase and sale of securities; audit, accounting and tax, legal, insurance, indemnification, litigation, and custodian expenses; fees and expenses of consultants and servicers; expenses relating to compliance with regulatory requirements applicable to such TPEP Fund; and taxes, fees, and other governmental charges levied against such TPEP Fund or its subsidiaries. Details regarding these expenses are generally disclosed to investors in each TPEP Fund's Governing Documents. For more information on brokerage practices, please see Item 12 below.

TPEP has an affiliate, TPG Capital BD, LLC ("TPG BD"), which is a broker-dealer registered with the Securities and Exchange Commission and a FINRA member. See Item 10 below for more information regarding TPG BD.

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

The TPEP Funds generally allocate a portion of their investment profits to their general partners, which are affiliated with TPEP, as a performance allocation, as set forth in each TPEP Fund's Governing Documents. Such general partners' entitlement to performance-based distributions may create an incentive for TPEP to take risks in managing the TPEP Funds that it would not otherwise take in the absence of such arrangements.

Additionally, performance allocations made at different rates, or subject to different hurdle rates, may create an incentive for TPEP or its affiliates to disproportionately allocate time, services or functions to vehicles making performance allocations at a higher rate, or to allocate investment opportunities to such vehicles. However, TPEP has adopted policies and procedures that, among other things, seek to ensure that investment opportunities are allocated in a manner that TPEP believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. See Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by TPEP.

ITEM 7 – TYPES OF CLIENTS

See Item 4 – Advisory Business.

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

Methods of Analysis and Investment Strategy

TPEP employs a private equity approach to public market investing, which means that the team takes a long-term, fundamentally oriented perspective when evaluating investments. TPEP seeks to generate superior risk-adjusted returns on an absolute basis through proprietary, deep, fundamental, bottom-up research, aimed at developing variant perceptions relative to consensus thinking. This longer duration approach to investing allows TPEP to take advantage of opportunities created by market volatility and general investor short sightedness.

The Funds have a broad mandate to invest in publicly traded equities globally across all sectors and market capitalizations. This broad mandate enables TPEP to take an opportunistic approach to investing. At the same time, the TPEP team seeks to remain within its circle of competence with a disciplined research process and only invests where it is able to gain conviction in an investment and properly analyze the risk/reward.

On the long side of the portfolio, TPEP seeks to invest in businesses that are trading at a substantial discount to TPEP's estimate of intrinsic value. While the approach is flexible, there is a bias towards investing in high quality businesses that are run by strong management teams. The team evaluates business quality based on barriers to entry, sustainability of a company's competitive advantages, pricing power, returns on capital and cash flow among other attributes. On the short side, the team seeks to profit from selling shares when trading values do not reflect the true earnings power of the company. This disconnect can result from fundamental misperceptions about the quality of a business or its growth opportunity, secular pressures, new competitive entrants, changes in industry structure and weak balance sheets and management teams.

Risk management starts at the position level. TPEP views risk as potential for permanent impairment of capital and not the volatility of a security. TPEP manages risk through extensive fundamental analysis and disciplined portfolio construction with a re-allocation of capital to the best perceived risk/reward scenarios. Portfolio level risk is evaluated by sector, geography and factor exposure (currency, commodity, rates, etc.). TPEP specifically seeks to avoid investments

where a macroeconomic outcome is likely to be significantly more important to stock price performance than the company-specific investment case.

Material Risks of Significant Investment Strategies

The investment strategies described above, and other strategies that may be pursued by the TPEP Funds, involve a substantial degree of risk, and the TPEP Funds may lose all or a substantial portion of the value of their investments. Material risks relating to the investment strategies and methods of analysis described above are described in more detail in the applicable TPEP Fund's offering document and representatives of TPEP or its affiliates are available to discuss with potential investors risks involved in the strategies pursued by the TPEP Funds.

Nature of Investment. An investment in the TPEP Funds is speculative, requiring a long-term commitment, with no certainty of return. No assurances can be given that the TPEP Funds' investment objectives will be achieved or that investors will receive a return of any of their capital. Therefore, an investor should only invest in a TPEP Fund as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment.

Potential Lack of Diversification. There is no assurance as to the degree of diversification that will actually be achieved in the TPEP Funds' portfolio. Any non-diversification would increase the risk of loss to the TPEP Funds if there was a decline in the market value of any security or sector in which the TPEP Funds have invested a large percentage of its assets. Even if the TPEP Funds achieve significant diversification, such diversification may not provide meaningful risk control, and may reduce the TPEP Funds' profit potential as a result of certain investments being unprofitable while others are profitable. Investment in a non-diversified fund will generally entail greater risks than investments in a diversified fund.

Past Performance. The TPEP Funds have limited operating history on which prospective investors may base an evaluation of likely performance. To the extent that TPG, each TPEP Fund's general partner, TPEP, TPEP professionals or any of their affiliates, is responsible for the investment results of previous investment funds, or of previous investments in public equity securities by such TPEP Funds, those results are, in any event, past results and are not indicative of future results. There can be no assurance that any of the TPEP Funds' investments will perform as well as the past investments of TPG.

Conflicts. The potential for conflicts of interest should be carefully evaluated before making an investment in a TPEP Fund. Conflicts of interest include the fact that the TPEP Funds may be restricted from trading in securities where TPG personnel outside TPEP possess material non-public information; master-feeder structures; side-by-side investment by funds; and relationships with other investors. For a description of material conflicts of interest, as well as a description of how such conflicts are addressed, please see Item 11 below. By acquiring an interest in a TPEP Fund, each investor will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflict of interest.

Market Conditions. The TPEP Funds' performance will be materially affected by conditions in financial markets and economic conditions throughout the world, including regulatory

intervention and policies, interest rates, availability and terms of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, commodity prices, currency exchange rates and controls, and national and international political circumstances. Difficult market conditions may reduce the value or performance of the portfolio investments.

Restrictions on Transfer and Withdrawal. Interests in the TPEP Funds are not generally transferable without the consent of such TPEP Fund's general partner and the withdrawal rights of the investors are restricted. The TPEP Funds' interests will not be registered for public sale under the Securities Act or the securities laws of any other jurisdiction, and neither the TPEP Funds nor their general partners has an intention of registering such interests in the future. Therefore, no public market for the interests exists, and one is not expected to develop. Aside from the withdrawal rights described in the Governing Documents, such interests may not be resold, transferred or otherwise disposed of by investors in the absence of an effective registration statement or the availability of an exemption from registration under the Securities Act and the securities laws of other relevant jurisdictions. These restrictions on an investor's ability to transfer interests and to withdraw from the TPEP Funds materially increase the risk of an investment in the TPEP Funds, and investors must be prepared to bear the risks of owning interests for an extended period of time.

Reliance on Management. The success of the TPEP Funds will depend in large part upon the skill and expertise of the TPEP Funds' general partner, TPEP and TPEP professionals. There can be no assurance that any individual professional will continue to be associated with the TPEP Funds or that TPEP will continue to be able to recruit, retain, and motivate qualified professionals. There is competition among alternative asset firms, financial institutions, hedge funds, investment managers, and other industry participants for hiring and retaining qualified investment professionals. Should any of these professionals join or form a competing firm, become incapacitated or in some other way cease to participate in investment activities of the TPEP Funds, the TPEP Funds' performance could be adversely affected. The TPEP Funds' investment strategy permits investments to be made in a broad range of issuers, securities, financial instruments and transactions. Within these broad parameters, TPEP will make investment decisions for the TPEP Funds as it deems appropriate in its sole discretion. An investor subscribing for Interests must rely upon the ability of TPEP and TPEP's investment professionals in identifying and implementing investments consistent with the TPEP Funds' investment objective and policies. No assurance can be given that the TPEP Funds will be successful in obtaining suitable investments, or that if such investments are made, the objectives of the TPEP Funds will be achieved.

If legislation were to be enacted to treat carried interest as ordinary income rather than capital gain, the amount of taxes that the recipients of the general partner's performance allocation would be required to pay with respect to their performance allocation would materially increase, thereby adversely affecting the ability of a TPEP Fund to offer such attractive incentive opportunities.

Misconduct of Employees and of Third Party Service Providers. Misconduct by employees of TPEP or by third party service providers to the TPEP Funds could cause significant losses to the TPEP Funds. Employee misconduct may include binding the TPEP Funds to transactions that present unacceptable risks and unauthorized activities or concealing unsuccessful activities

(which, in either case, may result in unknown and unmanaged risks or losses). Losses could also result from actions by third party service providers, including, without limitation, failing to record transactions or improperly performing their responsibilities as administrators. In addition, employees and third party service providers may improperly use or disclose confidential information, which could result in litigation or serious financial harm, including limiting the TPEP Funds' business prospects. Although TPEP has adopted measures reasonably designed to prevent and detect employee misconduct and to select reliable third party providers, such measures may not be effective in all cases.

Valuations. Each TPEP Fund's general partner has delegated to TPEP the responsibility of valuing each TPEP Fund's assets and liabilities. TPEP either (i) will value the assets of the TPEP Funds in accordance with GAAP, including Accounting Standards Codification Topic 820, or such other rules as may be required by GAAP, or (ii) will follow some other prudent method of valuation that TPEP considers in the circumstances reflects more fairly the value of a particular investment.

Valuation determinations made by TPEP will be conclusive and binding. Investors will be provided with notice of any material modification to the valuation procedures set forth above and as further described herein.

It is possible that the foregoing valuation procedure may produce different valuations than those produced pursuant to Accounting Standards Codification Topic 820. In this case, the valuation presented in the TPEP Funds' audited financial statements will differ from those used to determine the net asset value of the TPEP Funds, and contributions and withdrawals as well as management fees and performance allocations will continue to be calculated based on each TPEP Fund's net asset value.

For the purpose of calculating the net asset value of the TPEP Funds, TPEP shall, and shall be entitled to, rely on, and will not be responsible for the accuracy of, financial data furnished to it by the TPEP Funds' prime brokers, market makers or independent third party pricing services. TPEP also may use and rely on industry standard financial models in pricing any of the TPEP Funds' securities or other assets.

Conflicts; Performance Allocation Structure. The fact that each TPEP Fund's general partner's compensation is directly related to the performance of such TPEP Fund may create an incentive for such general partner and its affiliates to approve and cause such TPEP Fund to make more speculative investments than it would otherwise make in the absence of such performance-based compensation. In addition, because the performance allocation is calculated on a basis that includes unrealized appreciation of the TPEP Funds' assets, it may be greater than if the performance allocation were based solely on realized gains. The computations required to be made for purposes of computing the performance allocation may be made separately with respect to separate contributions to or withdrawals from the TPEP Funds by a particular limited partner, to reflect appropriately the different times at which limited partners may have contributed capital to the TPEP Funds or withdrawn capital from the TPEP Funds and the net asset values of the TPEP Funds at such times. As a result, a performance allocation may be charged with respect to a specific investment in the TPEP Funds made by a limited partner even if no performance

allocation would have been charged had all of such limited partner's investments been aggregated for purposes of calculating the performance allocation.

Limited Liquidity; No Market for Interests. An investment in the TPEP Funds is a relatively illiquid investment because Interests are not generally transferable without the consent of the general partner and the withdrawal rights of the limited partners are restricted. In addition, transfer of the Interests may be affected by restrictions on resales imposed by federal and state securities laws. The TPEP Funds are not intended as complete investment programs and are designed only for persons who are able to bear economic risk of investment and are sophisticated persons in connection with financial and business matters who do not need liquidity with respect to their investments.

Counsel for the TPEP Funds and their general partners. The TPEP Funds have retained Ropes & Gray LLP and Maples and Calder (together, the "Fund Counsel") as legal counsel to the TPEP Funds in connection with the formation of the TPEP Funds and may retain the Fund Counsel in connection with the operation of the TPEP Funds. The Fund Counsel also may act as counsel to TPEP, each TPEP Fund's general partner and its affiliates. However, the Fund Counsel will not represent any investor with respect to the formation, management or operation of the TPEP Funds, the offering of Interests in the TPEP Funds or in any dispute that may arise between an investor on the one hand and the fund's general partners, TPEP or the TPEP Funds on the other hand, in the absence of a clear and explicit written agreement to such effect. In addition, each investor will acknowledge that, whether or not the Fund Counsel has in the past represented or is currently representing such investor with respect to other matters, the Fund Counsel has not represented (or is not currently representing) the investor in the preparation and negotiation of the Governing Documents.

Conflicts of Interest Among Investors. Investors should be aware that each TPEP Fund's general partner and its affiliates may encounter potential conflicts of interest in connection with the TPEP Funds' activities. For example, the investors are expected to include taxable and tax exempt entities and may include persons or entities organized in various jurisdictions. As a result, the investors may have conflicting investment, tax, and other interests with respect to their investments in the TPEP Funds. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by the TPEP Funds, the structuring or acquisition of portfolio investments, the timing of disposition of portfolio investments or any other decisions made by each TPEP Fund's general partner that may be more beneficial for one type of investors than for another, including investors affiliated with any TPEP Funds' general partner. In selecting investments appropriate for a TPEP Fund, its general partner will consider the investment objectives of such TPEP Fund as a whole, not the investment objectives of any investor individually.

Side Letters. Each TPEP Fund or its general partner may enter into side letters with one or more investors, each which entitle such investor to make an investment in a TPEP Fund on terms other than those described herein, in the Governing Documents and their subscription agreement.

Relationships with Investors. Although it is the policy of each TPEP Fund's general partner to treat each such TPEP Fund's investors fairly, as discussed above, the general partners or the TPEP Funds may treat investors differently. For example, the general partner of a TPEP Fund or

a TPEP Fund may enter into side letter provisions that differ from investor to investor. In addition, the TPEP Funds' general partners may exercise discretion granted to it under the Governing Documents in a manner that is more favorable to some investors than to others.

Management Fees and Expenses. The TPEP Funds' investors will incur management fees and expenses which will offset their returns.

Indemnification. Each TPEP Fund will be required to indemnify its general partner, its administrator and certain persons and entities affiliated with such TPEP Fund and its general partner for liabilities incurred in connection with the affairs of such TPEP Fund. Such liabilities may be material and may have material and adverse effect on the returns to such TPEP Fund's investors. The indemnification obligations of each TPEP Fund will be payable from the assets of such TPEP Fund. Furthermore, a TPEP Fund's Government Documents limit the circumstances under which such TPEP Fund's general partner may be held liable to such TPEP Fund or its investors. As a result, such TPEP Fund's investors may have a more limited right of action in certain cases than they would in the absence of such a limitation.

Any insurance policies utilized by the TPEP Funds' general partners to help mitigate the exposure of the TPEP Funds for any indemnifiable costs and liabilities may be subject to limitations and restrictions on payments. There is no guarantee that the TPEP Funds' general partners will be able to collect on claims against such policies. In addition, the TPEP Funds' general partners currently benefit from insurance obtained by and covering the larger TPG firm, and actions connected to TPG outside of the general partners' control may negatively impact a general partner's ability to collect under such policies.

Recourse to Assets of a TPEP Fund. The assets of a TPEP Fund, including its investments and any capital held thereunder, may be available to satisfy all liabilities and other obligations of such TPEP Fund. If a TPEP Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to such TPEP Fund's assets, which may reduce such TPEP Fund's returns.

Repayment of Certain Distributions. If a TPEP Fund is unable to meet its obligations, its investors may be required to repay to such TPEP Fund, or to pay to creditors of such TPEP Fund, distributions previously received by them, including pursuant to the Governing Documents or pursuant to the laws of the State of Delaware or other jurisdictions as applicable. In addition, investors may be required to pay to a TPEP Fund amounts that are required to be withheld by such TPEP Fund for tax purposes.

Amendments for Regulatory Changes. Each TPEP Fund's general partner may amend such TPEP Fund's Government Documents from time to time, without the consent of the investors, in order to address, for example, any changes in regulatory, tax or other legislation affecting such TPEP Fund, including by reorganizing or reconstituting such TPEP Fund and forming feeder funds, parallel vehicles or other structures, subject to certain limitations set forth in the Governing Documents.

Absence of Regulatory Oversight. The TPEP Funds are not registered, and does not intend to register, as such under the Investment Company Act or the laws of any other country or

jurisdiction and, accordingly, the provisions of the Investment Company Act will not be applicable to the TPEP Funds. These provisions require investment companies to have a majority of disinterested directors, require securities held in custody to be individually segregated at all times from the securities of any other person and to be clearly marked to identify such securities as the property of such investment company and regulate the relationship between the adviser and the investment company.

In addition, neither any of the TPEP Funds' general partner nor TPEP is registered as a broker-dealer under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or with FINRA, and consequently neither is subject to the record-keeping and specific business practice provisions of the Exchange Act and the rules of FINRA.

Exemptions from Registration Under U.S. Commodities Laws. While the TPEP Funds may invest in certain commodity interests (directly or indirectly through other fund investments) including swaps, futures, and currency forwards, each TPEP Fund's general partner filed a notice of exemption with the NFA from registration with the CFTC as a CPO with respect to the TPEP Funds pursuant to CFTC Rule 4.13(a)(3) because of the TPEP Funds' limited trading in commodity interests, and, accordingly, is not required to deliver a Disclosure Document or a certified Annual Report (as those terms are used in the CFTC's rules). Likewise, the Investment Manager is exempt from registration with the CFTC as a commodity trading advisor, and as such, it will not be required to satisfy certain requirements under the CFTC rules.

Changing Regulatory Landscape. The financial services industry generally, and the activities of private investment funds and their managers, in particular, have been subject to intense and increasing regulatory oversight.

The passage of the Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act") has resulted in extensive rulemaking and regulatory changes that affect private fund managers, the funds that they manage and the financial industry as a whole. Pursuant to the Dodd-Frank Act, the SEC has adopted rules that require additional reporting by registered investment advisers to private funds, which have added costs to the legal, operations and compliance obligations of TPEP, each TPEP Fund's general partner and the TPEP Funds and have increased the amount of time that TPEP spends on noninvestment-related activities.

The Dodd-Frank Act affects a broad range of market participants with whom the TPEP Funds interact or may interact, including banks, non-bank financial institutions, rating agencies, mortgage brokers, credit unions, insurance companies and broker-dealers, futures commission merchants and swap dealers. Regulatory changes that will affect other market participants are likely to change the way in which the TPEP Funds conduct business with counterparties. It is difficult to anticipate the impact of these and other regulatory changes on each TPEP Fund's general partner and the TPEP Funds. It may take years to understand the impact of the Dodd-Frank Act on the financial industry as a whole, and therefore, the continued uncertainty may make markets more volatile, and it may be more difficult for each TPEP Fund's general partner to execute the investment strategy of such TPEP Fund.

The regulatory environment for hedge funds is evolving, and changes in the regulation of hedge funds may adversely affect the value of investments held by the TPEP Funds and the ability of

the TPEP Funds to obtain the leverage it might otherwise obtain or to pursue its trading strategies. The financial services industry generally, and the activities of alternative investment funds and their managers in particular, have been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase the TPEP Funds', TPEP's and/or each TPEP Fund's general partner's exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight can also impose administrative burdens on each TPEP Fund's general partner, including responding to investigations and implementing new policies and procedures. Such burdens may divert each TPEP Fund's general partner's time, attention and resources from portfolio management activities.

The Dodd-Frank Act covers a broad range of market participants including banks, non-banks, rating agencies, mortgage brokers, credit unions, insurance companies, payday lenders, broker-dealers and investment advisers. The Dodd-Frank Act may also affect the TPEP Funds in a number of other ways. The Dodd-Frank Act creates the Financial Stability Oversight Council (the "Council") that is charged with monitoring and mitigating systemic risk. As part of this responsibility, the Council would have the authority to subject banks and other financial firms (like the TPEP Funds) to regulation by the Federal Reserve Board, which could limit the amount of risk-taking engaged in by the TPEP Funds. In addition, there is a possibility that the TPEP Funds may be subject to new or revised legislation or regulations, which may be enforced by entirely new governmental agencies. In addition, the securities markets are subject to comprehensive statutes, regulations and margin requirements. The effect of any future regulatory change on the TPEP Funds could be substantial and adverse.

The implementation of the AIFM Directive may have an adverse effect on the continued operation of the TPEP Funds where interests are offered to or placed with investors in any European Economic Area ("EEA") Member State where the AIFM Directive has been implemented. The AIFM Directive applies to the manager of any investment fund that is not authorized under the Undertakings for Collective Investment in Transferable Securities Directive (an "AIF") or does not otherwise fall within a relevant exclusion under the AIFM Directive (an "AIFM"). Beginning in 2015, it may be possible for certain third country AIF Managers to market funds actively in any EEA Member State on the basis of a pan-EEA "passport" subject to authorization of the AIFM in an EEA Member State and compliance by the AIF general partner of each TPEP Fund and TPEP with all relevant provisions of the AIFM Directive.

The general partner of each TPEP Fund and TPEP may be more restricted in marketing the TPEP Funds to investors who are domiciled or have a registered office in any EEA Member State where the AIFM Directive is in force than was the case before its implementation. Although it is fully expected that a full range of suitable cooperation agreements will be in place between the home state regulators of the general partner of each TPEP Fund, TPEP and the TPEP Funds and each relevant EEA Member State jurisdiction, which would enable the general partner of each TPEP Fund and TPEP to offer and place interests, if the relevant agreements are not in place in a particular EEA Member State when the AIFM Directive is implemented, the general partner of each TPEP Fund and TPEP may not be able to offer LP Interests to investors in such EEA Member State. This could limit the TPEP Funds' ability to attract investors, resulting in a reduction in the overall amount of capital raised by the TPEP Funds which may limit the range of investments that the TPEP Funds are able to make.

The general partner of each TPEP Fund and TPEP will be required to comply with additional initial disclosure, annual reporting and regulatory filing requirements in relation to the TPEP Funds and in certain EEA Member States may be required to comply with registration requirements, including the requirement to appoint a depositary. Compliance with these requirements may result in additional costs to the TPEP Funds, reducing the returns for investors.

There is still some uncertainty as to the manner in and extent to which the AIFM Directive is being implemented in various EEA Member States. This uncertainty increases the risk of a breach by any TPEP Fund's general partner and TPEP in an EEA Member State of the requirements imposed by the AIFM Directive. Such a breach may result in a regulatory authority or court in that or another EEA Member State requiring any TPEP Fund's general partner and TPEP to return any capital or other funds to investors or otherwise seeking to take other enforcement or remedial action against any TPEP Fund's general partner, TPEP or the TPEP Funds. This may result in a loss to the TPEP Funds.

Potential Reporting Obligations; Other Regulatory Regimes. Acquisitions by the TPEP Funds of equity securities may result in reporting and compliance obligations under the Exchange Act and the Hart-Scott-Rodino Antitrust Improvements Act of 1976, or their equivalent regimes in non-U.S. jurisdictions. In addition, the TPEP Funds will be subject to tax reporting requirements in the United States and possibly in other jurisdictions. The costs of compliance will be borne by each such TPEP Fund.

Anti-Money Laundering and Anti-Terrorism Measures. The TPEP Funds and each TPEP Fund's general partner may become subject to certain anti-money laundering and customer identification regulations promulgated pursuant to applicable anti-money laundering laws and regulations. The general partners and the TPEP Funds will take such steps as each deems reasonably necessary or desirable to comply with any anti-money laundering regulations applicable to any of them or to any of the investments, or as the general partners deem reasonably necessary or desirable to comply with the anti-money laundering regulations or policies of financial institutions or service providers or others providing financing or other services to the TPEP Funds or an investment. Such steps may include obtaining additional information with respect to the identity of investors and their beneficial owners, if any, and disclosing such information to such parties or to law enforcement or regulatory authorities.

Risk Management; Operational Controls. Although TPEP and each TPEP Fund's general partner will seek to manage investment risks by employing appropriate due diligence, analysis and pricing models prior to a TPEP Fund's investment in a portfolio investment and continued monitoring of investments in each TPEP Fund, there is no assurance that these methods will expose all the considerations relevant to the investment decision. Further, the operational controls and risk management techniques used by TPEP and a TPEP Fund's general partner involve third parties over whom TPEP and such general partner do not exercise control, including outsourced providers of fund administration and custody services. The proper operation of a TPEP Fund and safekeeping of a TPEP Fund's assets depends on the performance and financial wherewithal of these third parties. The operational controls and risk management techniques used by TPEP and a TPEP Fund's general partner also necessarily include subjective elements, making the judgment and discretion of TPEP and such general partner's investment professionals, and TPG's "Corporate Services" (i.e., control-side) professionals, fundamental to

the risk management process. The greater the importance of subjective factors, the more challenging it becomes for TPEP and a TPEP Fund's general partner to control for risk, which in turn increases the likelihood of unpredictable results with respect to a portfolio investment and the TPEP Funds' overall performance.

Effect of Substantial Withdrawals. Substantial withdrawals by a TPEP Fund's investors could be triggered by a number of events, including, for example, investment performance, changes in prevailing interest rates and financial market performance, significant change in personnel or management of TPEP, legal or regulatory issues that investors perceive to have a bearing on such TPEP Fund, its general partner or TPEP, or other factors. Actions taken to meet substantial withdrawal requests from such TPEP Fund could result in prices of securities held by such TPEP Fund decreasing and in Fund expenses increasing (e.g., due to increased transaction costs incurred in the liquidation of positions or in connection with the termination of counterparty agreements). Substantial withdrawals could also significantly restrict such TPEP Fund's ability to obtain financing or derivatives counterparties needed for its investment and trading strategies, which would have a further material adverse effect on such TPEP Fund's performance.

Equity Risk. The market price of securities owned by the TPEP Funds may go up or down, sometimes rapidly or unpredictably. A risk of investing in the TPEP Funds is that the equity securities in its portfolio will decline in value due to factors affecting equity securities markets generally or particular industries represented in those markets. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes on dividend, interest or other payments, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which TPEP believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices or within the time frame TPEP anticipates. As a result, a TPEP Fund may lose all or substantially all of its investment in any particular instance.

Short Sales. TPEP makes short sales of investment securities on behalf of the TPEP Funds. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. The making of short sales exposes the TPEP Funds to the risk of liability for the market value of the security that is sold, which is an unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase or that securities will be available to be borrowed by the TPEP Funds at reasonable costs. If a request for return of borrowed securities occurs at a time when other short sellers of the security are receiving similar requests, a "short squeeze" can occur, and the TPEP Funds may be compelled to replace borrowed securities previously sold short with purchases on the open market at the most disadvantageous time, possibly at prices significantly in excess of

the proceeds received in originally selling the securities short. The SEC has in the past adopted interim rules requiring reporting of all short positions above a certain de minimis threshold and is expected to adopt rules requiring monthly public disclosure of short positions in the future. In addition, other non-U.S. jurisdictions where the TPEP Funds may trade have adopted reporting requirements. If the TPEP Funds' short positions or its strategy become generally known, it could have a significant effect on the TPEP's ability to implement its investment strategy. In particular, it would make it more likely that other investors could cause a "short squeeze" in the securities held short by the TPEP Funds forcing the TPEP Funds to cover its positions at a loss. Such reporting requirements may also limit the TPEP ability to access management and other personnel at certain companies where TPEP seeks to take a short position. In addition, if other investors engage in copycat behavior by taking positions in the same issuers as the TPEP Funds, the cost of borrowing securities to sell short could increase drastically and the availability of such securities to the TPEP Funds could decrease drastically. Such events could make the TPEP Funds unable to execute its investment strategy. The SEC has adopted restrictions on the short sale of securities which fall more than 10 percent in a given day (referred to as the "circuit breaker" or "modified uptick rule"). If the SEC were to adopt additional restrictions on short sales, such restrictions could restrict the TPEP Funds' ability to engage in short sales in certain circumstances, and the TPEP Funds may be unable to execute their investment strategy as a result. The SEC and regulatory authorities in other jurisdictions may adopt (and in certain cases have adopted) bans on short sales of certain securities in response to market events. Bans on short selling may make it impossible for the TPEP Funds to execute certain investment strategies and may have a material adverse effect on the TPEP Funds' ability to achieve their investment objectives and generate returns. In addition, engaging in short selling may increase the risk of the TPEP Funds becoming subject to government investigation.

Leverage. TPEP may utilize leverage in investing the TPEP Funds' assets, including through engaging in trading on margin by borrowing funds and pledging securities as collateral. While such use of borrowed funds increases returns if the TPEP Funds earn a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if the TPEP Funds fail to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of the TPEP Funds than if the TPEP Funds were not so leveraged. Any use by the TPEP Funds of short-term margin borrowings will result in certain additional risks to the TPEP Funds. For example, the securities pledged to brokers to secure the TPEP Funds' margin accounts could be subject to a "margin call," pursuant to which the TPEP Funds would be required to either deposit additional funds with the broker or suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of the TPEP Funds' assets accompanied by corresponding margin calls could force the TPEP Funds to liquidate assets quickly, and not for what TPEP perceives to be their fair value, in order to pay off its margin debt. In addition, the TPEP Funds may engage in certain derivative transactions which implicitly contain leverage and subject the TPEP Funds to the same risks discussed above.

Risks of Derivative Instruments. The TPEP Funds may use derivative instruments. Use of derivative instruments present various risks, including market risk, legal risk, operations risk and the following additional risks:

Tracking – When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged may prevent the TPEP Funds from achieving the intended hedging effect or expose the TPEP Funds to the risk of loss.

Liquidity – Derivative instruments, especially when traded in large amounts, may not be liquid in all circumstances, so that in volatile markets, the TPEP Funds may not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which each TPEP Fund may conduct its transactions in derivative instruments may prevent prompt liquidation of positions, subjecting such TPEP Fund to the potential of greater losses.

Leverage – Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments will magnify the gains and losses experienced by the TPEP Funds and could cause the TPEP Funds’ net asset value to be subject to wider fluctuations than would be the case if the TPEP Funds did not use the leverage feature in derivative instruments.

Over-the-Counter Trading/Counterparty Risk – The TPEP Funds are exposed to counterparty risk to the extent it uses “over-the-counter” derivatives, enters into repurchase agreements, lends its portfolio securities or allows a prime broker, if any, or an over-the-counter derivative counterparty to retain possession of collateral. If a counterparty fails to meet its contractual obligations, goes bankrupt, or otherwise experiences a business interruption, the TPEP Funds could miss investment opportunities or otherwise hold investments it would prefer to sell, resulting in losses for the TPEP Funds. Certain markets in which the TPEP Funds may effect transactions are “over-the-counter” or “interdealer” markets, and may also include unregulated private markets. The lack of a common clearing facility creates counterparty risk. The participants in such markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the investor to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the TPEP Funds to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the TPEP Funds have concentrated its transactions with a single or small group of counterparties. The TPEP Funds may also be exposed to similar risks with respect to non-U.S. brokers in jurisdictions where there are delayed settlement periods.

There can be no assurance that a counterparty will be able or willing to make timely settlement payments or otherwise meet its obligations, especially during unusually adverse market conditions. The TPEP Funds typically may only close out over-the-counter transactions with the relevant counterparty, and may only transfer a position with the consent of the particular counterparty. When a counterparty’s obligations are not fully secured by collateral, then the TPEP Funds are essentially an unsecured creditor of the counterparty. If the counterparty defaults, the TPEP Funds will have contractual remedies, but there is no assurance that a counterparty will be able to meet its obligations pursuant to such contracts or that, in the event of default, the TPEP Funds will succeed in enforcing contractual remedies. Counterparty risk is still present even if a counterparty’s obligations are secured by collateral because the TPEP

Funds' interest in collateral may not be perfected or additional collateral may not be promptly posted as required. To the extent the TPEP Funds allows a prime broker, if any, or any over-the-counter derivative counterparty to retain possession of any collateral, the TPEP Funds may be treated as an unsecured creditor of such counterparty in the event of the counterparty's insolvency. Counterparty risk also may be more pronounced if a counterparty's obligations exceed the amount of collateral held by the TPEP Funds (if any), the TPEP Funds are unable to exercise its interest in collateral upon default by the counterparty, or the termination value of the instrument varies significantly from marked-to-market value of the instrument.

The TPEP Funds will be exposed to the credit risk of its counterparties and may also bear the risk of settlement default. For example, although the seller under a repurchase agreement will be required to maintain the value of the securities subject to the agreement in an amount exceeding the repurchase price, default by the seller would expose the TPEP Funds, as buyer, to possible loss due to adverse market action or delay in connection with the disposal of the underlying obligations. Conversely, where the TPEP Funds act as seller under a repurchase agreement it is exposed to the risk of the buyer defaulting in its obligation to return the securities when it is required to do so, and the TPEP Funds could realize a loss on the purchase of the underlying security to the extent that the purchase price of the underlying security is greater than the cash collateral posted by the buyer. In addition, if the seller becomes involved in bankruptcy or litigation proceedings, the TPEP Funds may incur delay and costs in selling the underlying security or may suffer a loss of principal and interest if the TPEP Funds are treated as an unsecured creditor and is required to return the underlying collateral to the seller's estate.

Securities purchased or sold on a "when-issued" or "delayed delivery" basis involve a risk of loss if the value of the securities to be purchased declines prior to the settlement date or if the value of the securities to be sold increases prior to a settlement date. Loans of securities also involve risks of delay in receiving additional collateral or in recovering the securities loaned, or possibly loss of rights in the collateral, should the borrower of the securities become insolvent.

Additionally, the TPEP Funds may be exposed to documentation risk, including the risk that the parties may disagree as to the proper interpretation of the terms of a contract (*e.g.*, the definition of default). If a dispute occurs, the cost and unpredictability of the legal proceedings required for the TPEP Funds to enforce its contractual rights may lead the TPEP Funds to decide not to pursue its claims against the counterparty. The TPEP Funds, therefore, may be unable to obtain payments that TPEP believes are owed to it under over-the-counter derivatives contracts or those payments may be delayed or made only after the TPEP Funds has incurred the costs of litigation.

Due to the nature of the TPEP Funds' investments, the TPEP Funds may invest in derivatives or execute a significant portion of its securities transactions through a limited number of counterparties and events that affect the creditworthiness of any of those counterparties may have a pronounced effect on the TPEP Funds. In addition, the creditworthiness of a counterparty may be adversely affected by larger than average volatility in the markets, even if the counterparty's net market exposure is small relative to its capital. TPEP evaluates the creditworthiness of the counterparties to the TPEP Funds' transactions or their guarantors at the time the TPEP Funds enters into a transaction. The TPEP Funds are not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. The ability of the TPEP Funds to transact business with any one of a number of counterparties, the lack of any

meaningful and independent evaluation of such counterparties' financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the TPEP Funds.

Counterparty risk may be further complicated by recently enacted U.S. financial reform legislation which includes provisions for new clearing, margin and reporting requirements for derivatives transactions and new restrictions on the types of derivatives transactions that can be entered into by certain financial companies.

Hedging. The TPEP Funds may, but will not be required to, employ hedging techniques intended to reduce the risks of adverse movements in interest rates, securities prices, and currency exchange rates. While such transactions may reduce certain risks, they may entail certain other risks and will involve costs. While the TPEP Funds may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices, or currency exchange rates may result in a poorer overall performance for the TPEP Funds than if they had not entered into such hedging transactions.

Should TPEP seek to employ a hedging strategy, its success will depend, in part, upon the ability of each TPEP Fund's general partner to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments being hedged. Since the characteristics of many investments change as markets change or time passes, the success of the TPEP Funds' hedging strategy will also be subject to the ability of each TPEP Fund's general partner to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the TPEP Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the TPEP Funds than if it had not engaged in such hedging transactions. For a variety of reasons, each TPEP Fund's general partner may not seek to establish a perfect correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imperfect correlation may prevent the TPEP Funds from achieving the intended hedge or expose the TPEP Funds to risk of loss. Each TPEP Fund's general partner may be unable to or may not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge, or because it does not foresee the occurrence, probability or magnitude of the risk. The successful utilization of hedging and risk management transactions requires skills complementary to those needed in the selection of the TPEP Funds' investments. In addition, although such hedging transactions may hedge economic risks, they may not be effective hedges for tax purposes. For example, the tax character of the gain or loss on the hedging transaction may differ from the character of the loss or gain on the investment, or the timing of gain or loss for tax purposes may differ between the hedging transaction and the investment.

Non-U.S. Investments. The TPEP Funds may invest outside the United States. Such investments may be subject to a greater risk than U.S. investments due to non-U.S. economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of taxes on dividends, interest payments, or capital gains, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control

of TPEP. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which the TPEP Funds may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries there are restrictions on investments or investors such that the only practicable way for the TPEP Funds to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by TPEP. To the extent such non-U.S. laws and regulations do not provide the TPEP Funds with equivalent rights and privileges necessary to promote and protect the TPEP Funds' interest in any such proceeding, portfolio investments may be adversely affected. Each TPEP Fund's general partner will analyze risks in the applicable foreign countries before making such investments, but there can be no assurance that adverse developments with respect to these risks will not adversely affect the assets of the TPEP Funds that are held in certain countries.

The risks described above may be particularly relevant to the extent the TPEP Funds make investments in emerging market countries. Emerging market countries generally are subject to greater risks of expropriation, confiscatory taxation, nationalization, political, economic or social instability and other negative developments.

Options. The TPEP Funds may invest in options. Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. Although an option buyer's risk is limited to the amount of the original investment for the purchase of the option, an investment in an option may be subject to greater fluctuation than an investment in the underlying securities would entail. In theory, an uncovered call writer's loss is potentially unlimited, but in practice the loss is limited by the term of existence of the call. The risk for a writer of a put option is that the price of the underlying securities may fall below the exercise price. The ability to trade in or exercise options may be restricted in the event that trading in the underlying securities interest becomes restricted. Unlike exchange-traded options, which are standardized with respect to the underlying instrument, expiration date, contract size, and strike price, the terms of over-the-counter options (options not traded on exchanges) are generally established through negotiation with the other party to the option contract. While this type of arrangement allows the TPEP Funds greater flexibility to tailor an option to their needs, over-the-counter options generally involve greater credit risk than exchange-traded options, which are guaranteed by the clearing organization of the exchanges where they are traded.

Interest Rate Risks. The TPEP Funds may have exposure to interest rate risks, meaning that changes in prevailing interest rates could negatively affect the TPEP Funds. Factors that may affect market interest rates include, without limitation, inflation, slow or stagnant economic growth, or recession, unemployment, money supply and the monetary policies of the Federal Reserve Board, international disorders, and instability in domestic and foreign financial markets.

The TPEP Funds expects that it will periodically experience imbalances in the interest rate sensitivities of its assets and liabilities and the relationships of various interest rates to each other. In a changing interest rate environment, the TPEP Funds may not be able to manage this risk effectively. If a TPEP Fund is unable to manage interest rate risk effectively, its performance could be adversely affected.

Portfolio Turnover. The TPEP Funds may not place any limit on the rate of portfolio turnover, and portfolio securities may be sold without regard to the time they have been held when, in the opinion of TPEP, investment considerations warrant such action. A high rate of portfolio turnover involves correspondingly greater expenses than a lower rate, may act to reduce a TPEP Fund's investment gains, or create a loss for investors and may result in taxable costs for investors depending on the tax provisions applicable to such investors.

Cash and Other Investments. The TPEP Funds may invest all or a portion of its assets in cash or cash items for investment purposes, pending other investments or as provision of margin for futures or forward contracts. These cash items are generally expected to be of high quality at the time of investment and may include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, high quality commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers deemed to be creditworthy by TPEP. The TPEP Funds may also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by the TPEP Funds at the time of investment.

Lending of Securities. The TPEP Funds may lend portfolio securities to broker-dealers and other financial institutions. The advantage of such loans is that the TPEP Funds continue to receive the interest or dividends on the loaned securities, while at the same time earning interest on the collateral which is invested in short-term obligations. If the borrower fails to maintain the requisite amount of collateral, the loan automatically terminates, and the TPEP Funds could use the collateral to replace the securities while holding the borrower liable for any excess of replacement cost over collateral. On termination of the loan, the borrower is required to return the securities to the TPEP Funds; any gains or loss in the market price during the loan would inure to the TPEP Funds. In the event of the bankruptcy of the other party to a securities loan, the TPEP Funds could experience delays in recovering the securities they lent. To the extent that the value of the securities the TPEP Funds lent has increased, the TPEP Funds could experience a loss if such securities are not recovered.

In-Kind Distributions. Although the TPEP Funds intend to pay withdrawals in cash, withdrawals may be paid in cash, securities or a combination of cash and securities, in the sole discretion of each TPEP Fund's general partner. There can be no assurance that the TPEP Funds will have sufficient cash to satisfy withdrawal requests, or that it will be able to liquidate investments at favorable prices at the time such withdrawals are requested. Investments distributed in kind may not be readily marketable or saleable and may have to be held by investors for an indefinite period of time, and may include interests in special purpose vehicles established by the TPEP Funds for tax, regulatory, liquidity or other reasons. The risk of loss and delay and expense

relating to liquidating or transferring these securities will be borne by such investors, with the result that such investors may receive less cash than they would have otherwise received on the date of withdrawal. Investors have no right to request in-kind distributions, and should not expect the TPEP Funds to accommodate any such request.

Custodial Risk. Each TPEP Fund's prime brokers will have custody of a TPEP Fund's securities, cash, distributions and rights accruing to each TPEP Fund's securities accounts. SEC rules require the prime brokers to maintain physical possession and control of fully paid securities held in a TPEP Fund's account and to establish certain reserves for the benefit of customers. However, subject to these limitations, the prime brokers generally have the ability to loan, pledge, and rehypothecate the securities in a TPEP Fund's account, as is typical market practice, and may have insufficient assets to meet all of its obligations to customers in the event of an insolvency of the prime brokers. In such an event, a TPEP Fund would typically not have a right to recover its securities held by the prime brokers, but would rather have only an unsecured claim against the prime brokers and participate pro rata with other customers of the prime brokers in the proceeds of the sale of customer securities. Also, even if the prime brokers do have sufficient assets to meet all customer claims, there could be a delay before a TPEP Fund receives assets to satisfy its claims. In order to manage the risks associated with prime broker insolvency, the TPEP Funds may establish relationships with multiple prime brokers. However, there can be no assurance that the TPEP Funds will be able to establish or maintain such relationships. In addition, the TPEP Funds may not be able to identify potential solvency concerns with respect to the TPEP Funds' prime brokers or to transfer assets from one prime broker to another prime broker in a timely manner. The prime brokers may hold the TPEP Funds' securities through third parties such as clearing corporations, other brokers or banks. In addition, the TPEP Funds may hold securities, cash and other assets directly with banks or other third parties not associated with the prime brokers. As a result, the TPEP Funds may be subject to credit risk with respect to such third parties as well as with respect to the prime brokers. In addition, certain of the TPEP Funds' assets may be held by non-U.S. affiliates of the TPEP Funds' prime brokers and entities other than the prime brokers. Assets held by such non-U.S. affiliates may be subject to legal regimes that provide fewer or different investment protections than the U.S. If a TPEP Fund has over-collateralized derivative contracts, it is likely to be an unsecured creditor of any such counterparty in the event of its insolvency. Also, even if a TPEP Fund's prime broker or such other third parties do have sufficient assets to meet all claims, there could be a delay before the TPEP Funds receive assets to satisfy its claims. A TPEP Fund may change the brokerage arrangements any time without notice to its investors. There are likely to be operational and other delays associated with changes in prime brokerage arrangements.

Lack of Management Rights. Investors will have no opportunity to control the day-to-day operation, including investment and disposition decisions, of the TPEP Funds. The investors will not have the opportunity to evaluate the relevant economic, financial and other information that will be utilized by the general partners of the TPEP Funds in its selection of investments, nor to receive the detailed financial information on investments that is available to the general partners.

Partnership Law. Certain TPEP Funds are governed by the laws of the state of Delaware and the Delaware courts might not provide for the recognition and enforcement of judgments made in an investor's jurisdiction. Additionally, certain other Funds are governed by the laws of the

Cayman Islands and the Cayman Islands' courts might not provide for the recognition and enforcement of judgments made in an investor's jurisdiction. TPEP may organize investment vehicles that may be governed by the laws of other jurisdictions, and the courts of such other jurisdictions might not provide for the recognition and enforcement of judgments made in an investor's jurisdiction.

Risks Related to Electronic Communication. The general partner will provide to investors statements, reports and other communications relating to the TPEP Funds or the investor's Interest in electronic form, such as email or via a password protected website ("Electronic Communications"). Electronic Communications may be modified, corrupted, or contain viruses or malicious code, and may not be compatible with an investor's electronic system. 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 investor.

Tax Considerations. An investment in the TPEP Funds may involve complex U.S. federal income tax considerations that will differ for each investor, and there may be delays in distributing important tax information to investors. The TPEP Funds may be subject to income or withholding taxes in various jurisdictions in which it conducts investment activities. The rate of any withholding taxes and the creditability of such foreign taxes may depend on the facts and circumstances relating to the particular investment and may differ for each investment.

The TPEP Funds may take positions with respect to certain tax issues that depend on legal and other interpretive conclusions. Should the U.S. Internal Revenue Service ("IRS") successfully challenge any such positions, an investor might be found to have a different tax liability for that year than that reported on his, her, or its federal income tax return.

The TPEP Funds may engage in investment activities that would give rise to income and gain treated as ECI when allocated to a non-U.S. investor and UBTI when allocated to a tax-exempt investor.

The taxation of partnerships and partners is complex. Potential investors are strongly urged to consult their own tax advisors.

Delayed Schedules K-1. The TPEP Funds may be unable to provide final Schedules K-1 to investors for any given fiscal year until after the time such investors are required to file their income tax returns at the federal, state and local levels. Investors may therefore be required to obtain extensions from such filings. The general partners will endeavor to provide investors with estimates of the taxable income or loss allocated to their investment in the TPEP Funds on or before such date, but final Schedules K-1 may not be available until after completion of the TPEP Funds' annual audits.

ITEM 9 – DISCIPLINARY INFORMATION

Not applicable.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

TPEP has an affiliate, TPG Capital BD, LLC (“TPG BD”) (CRD no. 143876), which is a broker-dealer registered with the Securities and Exchange Commission. TPG BD places securities and instruments issued by certain private funds that TPEP and related entities manage individually or through their principals, as well as securities and instruments issued by other entities not related to TPEP or its related entities.

TPG BD may act as placement agent in respect of investment funds that are sponsored and managed by third-party investment managers, including funds that may compete with Funds. In providing such services to, or with respect to, a competitor fund or company, TPG BD will not take into consideration the interests of the relevant Funds or portfolio investments.

TPEP generally will evaluate any such transactions on a case-by-case basis to address any such conflicts. Transactions involving a TPEP Fund and TPG BD are also reviewed with regard to the appropriateness of the transaction and any fiduciary obligations.

For a description of material conflicts of interest created by TPEP’s relationship with TPG BD, please see Item 11 below.

The following investment advisers are affiliates of TPEP with which TPEP may have a relationship: TPG Capital Advisors, TPG Global Advisors, LLC, TPG Opportunities Advisors, LLC, TPG Real Estate, TSL Advisors, LLC, along with their respective relying advisers.

For a description of material conflicts of interest created by the relationship among TPEP and its affiliated advisers, as well as a description of how such conflicts are addressed, please see Item 11 below.

Various entities serve as general partners of the TPEP Funds, and are related persons of TPEP. For a description of material conflicts of interest created by the relationship among TPEP and the general partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

Code of Ethics

TPEP has adopted a comprehensive Code of Ethics that is applicable to all of its officers and employees, officers and employees of certain independent contractors, certain temporary personnel, and also to certain affiliates of TPEP and their officers and employees (collectively, “TPEP Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Transactions in certain permitted investments must be “pre-cleared” by TPEP’s Chief Compliance Officer or his designee. Under the Code of Ethics, TPEP Personnel also are required to file certain periodic reports as required by Rule 204A-1 under the Advisers Act. The records of any such trades by TPEP Personnel will not be open to inspection by the investors. TPEP management may from

time to time implement additional internal policies or restrictions on trading by TPEP Personnel and their family/household that are in addition to the requirements of TPEP's Code of Ethics.

TPEP will provide a copy of its Code of Ethics to any TPEP Fund or prospective client upon request.

Participation or Interest in Client Transactions; Related Person Investments

For information regarding circumstances in which TPEP or a related person (a) recommends to Funds, or buys or sells for Funds' accounts, securities in which TPEP or a related person has a material financial interest, (b) invests in the same securities that TPEP or a related person recommends to Funds, or (c) recommends securities to Funds, or buys or sells securities for Fund accounts, at or about the same time that TPEP or a related person buys or sells the same securities for TPEP's own (or the related person's own) account, as well as related conflicts of interest, please see "Conflicts of Interest" below.

Conflicts of Interest

TPEP has a number of related advisers that focus primarily on different investment strategies (collectively, the "Related Advisers"), although such investment strategies may overlap from time to time. The funds and accounts managed by the Related Advisers are referred to as the "Other TPG Funds."

The TPEP Funds are expected to benefit from TPEP's relationship with the broader TPG platform. Through TPEP, the TPEP Funds will have access to the industry knowledge of TPG's investment teams, which is expected to enhance the TPEP Funds' investment decision-making. TPEP expects to be able to leverage TPG resources to complement the TPEP Funds' investment process. These relationships, however, are also expected to give rise to a number of actual, potential and apparent conflicts of interest between the TPEP Funds, on the one hand, and TPG, on the other.

The following discussion enumerates certain of these actual, potential or apparent conflicts of interest and how TPG intends to manage them. Such conflicts are often resolved by the same or overlapping professionals within TPEP and the Related Advisors and conflicts will not necessarily be resolved in the TPEP Funds' favor. This brief summary is not intended to be an exhaustive list of all conflicts or their potential consequences.

TPG has established policies and procedures to address conflicts between its businesses. In addition, each TPEP Fund's adviser has been designated to represent that fund's interests. In most cases the resolution of the conflict will depend entirely on the exercise of TPEP's and TPG's best judgment in light of the relevant facts and circumstances at the time, including the immediate and long-term interests of the relevant fund. The specific weight ascribed to each of the relevant factors is a subjective judgment about which reasonable people may differ, and such judgments will remain in TPEP's and TPG's complete discretion.

Restrictions Arising from Activities of Related Advisers and Other TPG Funds

TPEP and the TPEP Funds will face trading and other restrictions because they are part of a larger TPG family of advisers and funds (including the Related Advisers and Other TPG Funds). TPG is one of the largest diversified alternative investment firms in the world and engages in a broad range of investment activities. The investment opportunities pursued by (and in some cases required to be offered to) the Other TPG Funds involve both public and private companies across the globe, in nearly every industry and in various stages of development. As a result of these expansive activities, the Related Advisers, Other TPG Funds and their investment platforms regularly obtain confidential information regarding various target companies and other investment opportunities. Since TPG does not currently maintain informational barriers among most of its businesses, TPG imputes confidential information received by one investment team to all other investment professionals that are not behind an information barrier, regardless of whether such professionals have actual knowledge of the information. As a general matter, this includes all of TPEP's personnel. As a result of the receipt by a Related Adviser or Other TPG Fund of confidential information with respect to certain companies and the application of securities law prohibitions on trading on the basis of material nonpublic information, the TPEP Funds will be limited in their ability to pursue new investments or dispose of existing investments in such companies. Moreover, Related Advisers routinely enter into confidentiality agreements which often include provisions, such as "standstills," that are expected to prevent the TPEP Funds from acquiring or disposing of investments, potentially for extended periods. These restrictions could cause a TPEP Fund to incur substantial losses if it were prevented from selling a declining investment, and could limit a TPEP Fund's ability to fully execute its investment strategy if it were unable to make investments it identifies as promising.

TPEP may determine to, in limited circumstances, erect temporary information barriers to restrict the transfer of confidential information with respect to certain companies between Related Advisers and TPEP, and thus free TPEP and the TPEP Funds from the restrictions described in the preceding paragraph with respect to such companies. In such instances, however, TPEP's ability to benefit from TPG expertise outside TPEP will be limited. TPG is under no obligation to erect such temporary barriers, and there can be no guarantee it will do so even when the absence of temporary barriers may have a material adverse effect on the TPEP Funds. In addition, in the event that a temporary information barrier is breached, even if inadvertently, TPEP may face the same restrictions on its investment activities as it would have had the temporary information barrier not have been established in the first place.

Although it is not expected that TPEP would have common investments with Related Advisers, in such a case a TPEP Fund could be disadvantaged as a result of, among other things: legal restrictions on the combined size of positions which may be taken for all accounts managed by TPEP and in some cases Related Advisers, thereby limiting the size of such TPEP Fund's position (examples include industry-specific limitations that arise in sectors like healthcare, trucking, and banking); the difficulty of liquidating an investment for more than one account where the market cannot absorb the sale of the combined positions; a Related Adviser serving on a committee in a proceeding under Chapter 11 of the Bankruptcy Code; and other regulatory or legal restrictions on transactions. Additionally, TPG may wish to avoid certain Exchange Act reporting requirements that may be triggered when TPG, in the aggregate, exceeds certain beneficial ownership thresholds. These restrictions could make an investment less attractive

than it may otherwise be and reduce or entirely inhibit a TPEP Fund's ability to acquire or dispose of particular investments at a desired time or price.

TPEP has concluded that the advantages of benefiting from the expertise of the Related Advisers currently outweigh the resulting disadvantages of limitations on TPEP's ability to trade and constraints on its investment universe. There is no guarantee however that this will be the case and the TPEP Funds could sustain substantial losses as a result of these conflicts and limitations.

Investments by a TPEP Fund and other TPEP Funds

Purchase and sale orders generally will be combined for the TPEP Funds with each entity paying its pro rata share of the total commission and paying or receiving its pro rata share of the total cost or sales proceeds. From the standpoint of each TPEP Fund, simultaneous identical portfolio transactions for such TPEP Fund and the other TPEP Funds may decrease the prices received, and increase the prices required to be paid, by such TPEP Fund for its portfolio sales and purchases.

There may be a conflict of interest in the allocation of investment opportunities among the TPEP Funds. TPEP intends to allocate investment opportunities in a manner which is believed to be appropriate and in the best interests of all the entities involved. While allocations between TPEP Funds for whom an investment is appropriate are generally made on a pro rata basis in proportion to the relative equity of each, there can be no assurances that an investment opportunity which comes to the attention of TPEP will not be allocated wholly or primarily to some TPEP Funds, with other TPEP Funds being unable to participate in such investment opportunity or participating only on a limited basis. If, in the discretion of TPEP, any of the TPEP Funds should not participate in a particular investment opportunity for tax or regulatory reasons, such investment opportunity will be allocated only to the TPEP Funds not affected by such tax or regulatory reasons. To the extent an investment is not allocated pro rata, a TPEP Fund could incur a disproportionate amount of income or loss related to such investment relative to the other TPEP Funds.

TPEP will evaluate for the TPEP Funds a variety of factors which may be relevant in determining whether a particular situation or strategy is appropriate and feasible at a particular time, including the nature of the investment opportunity taken in the context of the other investments at the time, the liquidity of the investment relative to the needs of the particular TPEP Fund, the investment or regulatory limitations on the particular entity and the transaction costs involved. Because these considerations may differ among the TPEP Funds in the context of any particular investment opportunity, investment activities of each TPEP Fund may differ considerably from time to time.

Expenses relating to making and monitoring common investments will generally be allocated pro rata among the TPEP Funds participating. However, TPEP reserves the right to allocate expenses in another manner it determines is fair and equitable in its discretion taking into account such factors as it considers relevant.

Time and Attention of Personnel; New Businesses

TPEP and TPG personnel will devote such time to the activities of the TPEP Funds as they determine to be necessary to properly conduct the business affairs of the TPEP Funds. It is generally expected that all of the officers and employees responsible for advising a TPEP Fund will have responsibilities with respect to other Funds, including funds and accounts that may be raised in the future. In addition, certain officers and other employees also have responsibilities to Other TPG Funds. Conflicts of interest may arise in allocating time, services or functions of these individuals.

If any of TPEP's personnel ceases to be actively involved with the TPEP Funds, investors will be relying on the ability of TPEP and TPG to identify and retain other investment professionals to conduct the TPEP Funds' business. In addition, TPG personnel who are not solely a part of TPEP may be focused on Other TPG Funds and may have limited time or attention for TPEP investments. Related Advisers may have an incentive to dedicate their most talented investment professionals to Other TPG Funds rather than the TPEP Funds.

In addition, TPG expects that its affiliates will continue to sponsor and manage new investment vehicles in the future as they continue to develop their respective investment management and related businesses, including by engaging in strategic transactions involving the acquisition of or business combination with other investment platforms. TPG expects that the investment strategies and other activities of future investment vehicles and businesses sponsored or managed by its affiliates may overlap with the investment strategies and activities of a TPEP Fund.

Transactions between the TPEP Funds or Other TPG Funds

The Governing Documents allow the TPEP Funds to participate in transactions in which a TPEP Fund's general partner, TPEP, or TPG is directly or indirectly interested. In connection with such transactions, the TPEP Fund, on the one hand, and the other party to the transaction, on the other hand, may have conflicting interests, including with respect to consideration.

Although certain TPEP Funds may pursue similar investment objectives, and investments will generally be allocated proportionately to each of the TPEP Funds with similar investment objectives, the portfolios of the TPEP Funds may differ as a result of purchases and redemptions being made at different times and in different amounts, as well as because of different tax and regulatory considerations. The TPEP Funds that have the same investment objectives may enter into "rebalancing" transactions with each other when contributions or withdrawals of capital to each of the TPEP Funds change the ratio of assets between the TPEP Funds. The purpose of any such rebalancing transactions would be to bring each TPEP Fund's exposure to a commonly held investment into line with each TPEP Fund's percentage of total equity under management. Each TPEP Fund could be a purchaser or a seller in such rebalancing transactions. Purchases and sales made through the public market will not be considered rebalancing transactions.

All rebalancing transactions: (i) are effected for cash consideration at the current fair value of the particular securities, (ii) do not involve restricted securities or securities for which market quotations are not readily available, and (iii) if executed through a broker, generally do not involve any brokerage commission fees (except for customary transfer fees and brokerage fees

for transactions involving U.S. options or certain non-U.S. equities or where some or all of a position is in a swap) or other remuneration.

In certain rare instances, TPEP may cause a TPEP Fund to purchase or sell investments from an Other TPG Fund or another Fund in a transaction other than a rebalancing trade. In such a transaction, there is a risk that a TPEP Fund may not receive the best possible price because the transaction was not exposed to public market forces. TPG and its professionals may have investments in or receive fees from the related party providing an incentive to favor the other Fund or Other TPG Fund.

In order to mitigate such conflicts of interest in such transactions, TPEP generally will seek to ensure that such transactions and any related disclosures are made consistent with applicable laws and agreements (including obtaining any requisite approvals thereunder) and TPEP's policies and procedures. In particular, TPEP generally will seek to ensure that the transaction is (i) in TPEP's judgment, in the best interests of any TPEP Fund involved in the transaction; and (ii) in compliance with any investment guidelines or restrictions of any TPEP Fund involved in the transaction. Additionally, TPEP will seek to ensure that the purchase or sale is effected at a price that is comparable to what price could be obtained through an arm's-length transaction with a third party and that is otherwise fair to the TPEP Funds. The willingness of a third-party investor to make an investment on the same or similar terms as a TPEP Fund or the view of a third-party service provider may demonstrate the fairness of the transaction to such TPEP Fund.

TPEP and the Related Advisers may express inconsistent views of a commonly held investment, or of market conditions more generally. For example, a TPEP Fund may choose to buy an investment in an entity while another Fund or Other TPG Fund sells its investment in such entity (or vice versa). In particular, an Other TPG Fund may exit or partially exit a position through a public offering in which a TPEP Fund participates as a purchaser.

Master-Feeder Structure

Some of the TPEP Funds expect to invest all or substantially all of their assets in master funds. This structure may pose conflicts of interest among the TPEP Funds invested in such master fund because, for tax or other reasons, some investments or potential investments by such master fund might be more appropriate or desirable for investors in one Fund than for investors in another Fund.

Certain TPEP Funds may have tax-exempt, taxable, and foreign investors, whereas most members of the general partners of the TPEP Funds are taxable at individual U.S. rates. Potential conflicts exist with respect to various structuring, investment and other decisions because of divergent tax, economic or other interests, including conflicts among the interests of taxable and tax-exempt investors, conflicts among the interests of domestic and foreign investors, and conflicts between the interests of investors and management. For these reasons, among others, decisions may be more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations.

Investing in Different Levels of the Capital Structure

TPG invests in a broad range of asset classes throughout the corporate capital structure, including loans and debt securities, preferred equity securities and common equity securities. It is therefore possible that the TPEP Funds will hold an interest in one part of a company's capital structure while an Other TPG Fund holds an interest in another part. Decisions taken by such Other TPG Fund in these circumstances to further its interests may be adverse to the interests of a TPEP Fund.

For example, a TPEP Fund could acquire a significant equity stake in a company whose debt securities are already held in part by an Other TPG Fund. As a creditor of the company, such Other TPG Fund could take actions, consistent with its obligations to maximize the return to its investors, with respect to its status as a creditor that may be adverse to the interests of such TPEP Fund as a holder of more junior securities. Such Other TPG Fund, for instance, could cause the acceleration of the portfolio company's debt or exercise other rights it has that could precipitate a sharp decline in the value of the equity held by such TPEP Fund. Such Other TPG Fund would be under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by such TPEP Fund.

Valuation Process

Each TPEP Fund's general partner will have significant discretion to determine the valuations of each TPEP Fund's investments in certain circumstances. TPEP either (i) will value the assets of the TPEP Funds in accordance with GAAP, including Accounting Standards Codification Topic 820, or such other rules as may be required by GAAP, or (ii) will follow some other prudent method of valuation that TPEP considers in the circumstances reflects more fairly the value of a particular investment. With respect to the TPEP Funds, the exercise of such discretion by TPEP may give rise to conflicts of interest, as the management fees and performance allocation is calculated based, in part, on these valuations.

Strategic Transactions

TPG is a broad-based alternative investment platform that may engage in strategic transactions, including the acquisition of, or combination with, other investment platforms. If TPG, its affiliates or any others engage in any such transaction or otherwise engage in any actions or any other event occurs that may result in an "assignment" (including for purposes of the Investment Advisers Act) of any agreement, including the Advisory Agreements, each TPEP Fund's general partner or Board of Directors will not be required to seek the consent of the investors but shall act for and on behalf of the TPEP Funds in determining whether or not to provide any required consent. Each TPEP Fund's general partner or Board of Directors will have a conflict of interest in determining whether to provide such consent.

Relationships with Other Investors

Any TPEP Fund's general partner, Board of Directors or any TPEP Fund, in their sole discretion, may enter into Side Letters with one or more investors providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, notice or reporting rights, and liquidity or transfer rights. These Side Letters may entitle

an investor to make an investment in such TPEP Fund on terms other than those described in the Governing Documents. Any such terms may be more favorable than those offered to any other investor. Furthermore, each TPEP Fund's general partner and the TPEP Funds permit affiliates and certain business associates and other "friends and family" of TPG and its affiliates to invest directly or indirectly in the TPEP Funds on terms that are more favorable than those offered to the other investors, including with respect to the payment of management fees and performance allocation. The general partners of the TPEP Funds and the TPEP Funds have no obligation to disclose or offer all such additional rights, terms or conditions, to any other investor in such TPEP Funds, except to the extent required by the organizational or offering documents of the applicable TPEP Fund.

The terms negotiated with individual investors may vary for a number of reasons, including the investor's regulatory or tax status or other requirements or policies applicable to it, the amount of the investor's investment, and the investor's overall commercial relationship with TPG and its affiliates.

Principal Transactions

Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. The Advisers Act generally requires that, when an investment adviser or an affiliate of the adviser proposes to purchase a security from, or to sell a security to, an advisory client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction.

TPEP has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that the requisite disclosures be made to the applicable TPEP Fund regarding any proposed principal transactions, if required by the Advisers Act or applicable law, and a TPEP Fund's prior consent to the transaction be received. In addition, the Governing Documents relating to the TPEP Funds may contain additional restrictions on the ability of the TPEP Funds or TPEP to engage in principal transactions and disclosures regarding principal transactions that are likely to arise in the activities of the TPEP Funds.

Third-Party Placement Agents

In the future, TPEP may from time to time enter into arrangements with third-parties to raise capital for a TPEP Fund. Such placement agents may receive a flat fee or in some cases a percentage of the investments they bring to the respective Fund. Such fees are generally borne by TPEP and not the TPEP Funds. There is a conflict of interest created by the placement agent's compensation being based on the investor's decision to invest.

Conflicts Relating to the General Partners, Funds, TPEP and Certain Related Advisers

TPEP, in its discretion, generally may contract for itself or on behalf of the TPEP Funds with (i) any related person of TPG (including but not limited to a portfolio investment of an Other TPG Fund or a family member of TPG personnel) or (ii) a person with which TPG has a relationship or from which TPG otherwise derives financial, personal or other benefit to perform

services (including but not limited to brokerage services). In such circumstances, TPG may have a financial, personal or other business incentive to recommend the related or other person even if another person may be more qualified to provide the applicable services or can provide such services at a lesser cost.

The general partners of many TPEP Funds are entitled to performance allocations under the terms of the Governing Documents of such TPEP Funds. Such general partners are affiliates of TPEP. The existence of the general partners' performance allocations may create an incentive for the general partners to cause such TPEP Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

TPEP and TPG have service providers, including for example, investment bankers and outside legal counsel, who are investors in Funds and/or who provide services to businesses that are competitors of TPEP. TPEP may have a conflict of interest with the TPEP Funds in recommending the retention or continuation of a service provider if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Funds or Other TPG Funds or will provide TPEP or TPG information about TPG's competitors. There is a possibility that TPEP, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

In rare circumstances, certain of TPEP's professionals, in connection with the monitoring of a portfolio investment, may serve on the board of directors of such portfolio investment. In those circumstances, it is customary for such professionals to receive director's fees, stock options and/or other equity compensation in connection with such service. While such compensation may initially be received by the applicable professionals, procedures are in place to transfer such compensation, after expenses, to the applicable TPEP Fund such that the compensation paid to professionals for this service is for the benefit of the applicable TPEP Fund only.

Business with Portfolio Investments and Investors

TPEP or TPG may engage in business opportunities arising from a TPEP Fund's investment, and such engagements may cause conflicts if such TPEP Fund is not allocated such opportunity (because such opportunity is outside of the TPEP Fund's investment mandate or for other reasons).

Other Potential Conflicts

The TPEP Funds and the Other TPG Funds will often engage common legal counsel and other advisers to represent all of the TPEP Funds and/or the Other TPG Funds in a particular transaction, including a transaction in which a TPEP Fund, other Funds or Other TPG Funds have conflicting interests because they are investing in different securities of a single company. In the event of a significant dispute or divergence of interest between a TPEP Fund, other Funds or Other TPG Funds, such as in a work-out or other distressed situation, separate representation may become desirable, in which case TPEP and the other Related Advisers may hire separate counsel in their sole discretion, and in litigation and other circumstances, separate representation may be required. Law firms engaged to represent Funds and Other TPG Funds, partners in those

firms or entities affiliated with those firms may be investors in such TPEP Fund, other Funds or Other TPG Funds, and may also represent one or more portfolio investments or limited partners of such TPEP Fund, other Funds and/or Other TPG Funds. Additionally, TPEP and the TPEP Funds may engage other common service providers. In such circumstances, there may be a conflict of interest between TPEP and the TPEP Funds in determining whether to engage such service providers, including the possibility that TPEP may favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the TPEP Funds.

A TPEP Fund and one or more other Funds or Other TPG Funds may hold “plan assets” subject to the Employee Retirement Income Security Act of 1974 (“ERISA”). With respect to those plan assets, if any, TPEP and certain related entities may be classified as “fiduciaries” under ERISA. ERISA imposes certain general and specific responsibilities and restrictions on fiduciaries with respect to plan assets. As a result, a TPEP Fund may be prohibited from entering into certain transactions if the investment would violate ERISA with respect to such TPEP Fund or such other Funds or Other TPG Funds, or may be obligated to take certain actions or refrain from taking certain actions in order to avoid a violation of ERISA with respect to such TPEP Fund, such other Funds or such Other TPG Funds.

ITEM 12 – BROKERAGE PRACTICES

Investment or Brokerage Discretion

For each of the TPEP Funds, TPEP has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. TPEP will seek the best price and execution available except to the extent it may be permitted to pay higher brokerage commissions in exchange for brokerage and research services. “Best execution” means obtaining for a TPEP Fund the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), subject to the circumstances of the transaction and the quality and reliability of the executing broker or dealer.

In selecting brokers or dealers, TPEP generally will consider various factors, including: the reputation, experience and financial stability of the broker-dealer; the ability to maintain TPEP’s anonymity; the ability to provide competitive pricing; the size and timing of the transaction; the ability and willingness to commit capital and provide prompt and accurate execution and settlement; whether the broker-dealer makes a market in a security and/or finds sources of liquidity; the nature of the market for the security and the difficulty of execution; the broker-dealer’s trading expertise, including its ability to minimize total trading costs and to trade without unduly impacting the market; the belief that the broker-dealer charges a fair and reasonable fee for each trade, and that the TPEP Funds have been treated fairly and honestly in prior trades; and the quality of execution, quality of the broker-dealer relationship, quality of service rendered by the broker-dealer in prior transactions, and quality of any proprietary research and investment ideas.

TPEP currently has no formal arrangements with specific brokers or dealers to receive research or other services beyond transaction execution in exchange for brokerage commissions from

client transactions. However, brokers or dealers may be selected who provide research reports and services to TPEP, including: proprietary broker-dealer company research and analyses; oral and written reports, statistics and advice about the economy, industries and individual securities' or company investment opportunities; and reports on underwriting activity, bank rates, loan defaults, loan new issuance volumes and other capital markets statistics, both of which may be attractive for one or more Funds or to TPEP; and opportunities to confer with company management. In accordance with Section 28(e) of the Securities Exchange Act of 1934, broker-dealers providing such services may be paid commissions on transactions for Funds in excess of those that other broker-dealers not providing such reports or services might charge so long as TPEP determines in good faith the amount of commissions is reasonable in relation to the value of the brokerage and research services provided, taking into account all of the accounts over which TPEP exercises investment discretion. Recognizing the value of the brokerage and research services provided, TPEP may allow a brokerage commission or negotiated term in excess of that which another broker might have charged for effecting the same transaction.

TPEP will periodically evaluate the overall reasonableness of the brokerage commissions and negotiated terms paid to or made with broker-dealers with respect to client transactions by, among other things, seeking to compare such commissions and terms with the commission rates and negotiated terms being charged by and entered into with other comparable broker-dealers. TPEP will also periodically review the past performance of the broker-dealers with whom it has placed orders to execute Fund transactions in light of the factors discussed above.

Please refer to the section above entitled "Conflicts Relating to the General Partners, TPEP and Certain Related Advisers" for a discussion of potential conflicts of interests that may result in the choice of TPEP service providers, including broker-dealers.

Trade Aggregation

In pursuing its investment objectives, TPEP may cause the TPEP Funds to purchase and sell publicly-traded securities through brokers. If TPEP has determined to sell or purchase a publicly-traded security at the same time for more than one Fund, the Chief Compliance Officer shall ensure that combined orders for all Funds are generally placed while assigning pre-order allocations. If an order for more than one Fund cannot be fully executed, TPEP may "bunch" buy or sell order for two or more Funds into a single large order, and place the bunched order with a single broker or dealer for execution. In many instances, such "bunching" of orders can result in lower commissions, a more favorable net price or more efficient execution than if each TPEP Funds order were placed separately. There may, however, be instances in which order bunching results in a less favorable transaction than a particular Fund would have obtained by trading separately. Similarly, when orders are not bunched, there may be circumstances when purchases or sales of portfolio securities for one or more Funds will have an adverse effect on other Funds TPEP is not obligated to place all transactions on a "bunched" basis. TPEP generally will seek to avoid putting any TPEP Fund at an advantage or disadvantage compared to other Funds that are buying or selling the same security. Each TPEP Fund participating in a "bunched" order generally will participate at the same price as all other participants, and all transaction costs on the order will be allocated pro rata to all participating Funds.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts

TPEP provides continuous advisory services for the TPEP Funds. The portfolio investments of each TPEP Fund are primarily reviewed by TPEP and its dedicated team of investment professionals. TPG provides general oversight and advice with respect to TPEP's investment decisions.

Reporting

TPEP generally does not provide formal written reports to any TPEP Fund unless specifically requested by the general partner of the vehicle. TPEP generally reports to investors in a TPEP Fund in accordance with the Governing Documents of the applicable TPEP Fund.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

For information regarding any economic benefits provided to TPEP by non-clients, including a description of related conflicts of interest, please see "Other Financial Industry Activities and Affiliations" above. In addition, as discussed in Item 11, TPEP and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies held by Funds and/or the customers or suppliers of such portfolio companies.

ITEM 15 – CUSTODY

Not applicable.

ITEM 16 – INVESTMENT DISCRETION

Pursuant to the Advisory Agreement of each TPEP Fund, and subject to the direction and control of the general partner of each TPEP Fund, TPEP generally performs the day-to-day investment operations of each such TPEP Fund in accordance with the terms and conditions of the Advisory Agreement and partnership agreement of such TPEP Fund.

ITEM 17 – VOTING CLIENT SECURITIES

TPEP has been delegated the authority to vote proxies (which, for these purposes, includes other corporate actions, such as consent requests) regarding securities held by the TPEP Funds. TPEP has adopted and implemented policies and procedures reasonably designed to ensure that it votes proxies in the best interests of the TPEP Funds. In exercising its voting discretion, TPEP seeks to avoid any direct or indirect conflict of interest between the TPEP Funds and the voting decision.

It is the general policy of TPEP to vote or to give consent on all matters presented to security holders in any proxy or similar request, and its policies and procedures have been designed with that in mind. However, TPEP reserves the right to abstain on any particular vote or otherwise to withhold its vote or consent on any matter if, in the judgment of certain professionals within TPG, the costs associated with voting such proxy outweigh the benefits to the applicable TPEP

Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the applicable TPEP Funds.

The TPEP Funds generally cannot direct TPEP's vote.

TPEP's Chief Compliance Officer or his or her delegate (a "Proxy Reviewer") is responsible for monitoring proxy decisions for any actual or perceived conflicts of interests. All proxy voting decisions require a mandatory conflicts of interest review by a Proxy Reviewer, which includes consideration of whether TPEP or any investment professional or other person recommending how to vote the proxy has an interest in how the proxy is voted that may present a conflict of interest. When the Proxy Reviewer deems appropriate in his sole discretion, unaffiliated third parties may be used to help resolve conflicts. In this regard, the Proxy Reviewer has the power to retain independent fiduciaries, consultants or professionals to assist with proxy voting decisions and/or to delegate voting or consent powers to such fiduciaries, consultants or professionals.

When voting proxies on behalf of Funds, TPEP votes in a manner that it believes is consistent with the best interest of the TPEP Funds, which may include TPEP agreeing with a third party to vote on a matter in a particular matter if TPEP deems such agreement to be in the best interest of the applicable TPEP Funds. TPEP does not permit proxy voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

In accordance with the requirements of the Advisers Act, TPEP maintains records of its proxy voting for at least five years and, at a TPEP Fund's request, will furnish proxy voting information, free of charge, to the requesting fund within a reasonable period of time (usually within ten business days). Funds may request proxy voting information by contacting the Chief Compliance Officer at (817) 871-4000 or by writing to TPG PEP Advisors, LLC, Attn: Chief Compliance Officer, at 301 Commerce St., Suite 3300, Fort Worth, Texas 76102.

ITEM 18 – FINANCIAL INFORMATION

Not applicable.