

Rockbridge Growth Equity Management, L.P. Part 2A of Form ADV The Brochure



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This brochure (the “Brochure”) provides information about the qualifications and business practices of Rockbridge Growth Equity Management, L.P. (“Rockbridge Growth Equity”). If you have any questions about the contents of this brochure, please contact us at 313-373-7898. 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.

Rockbridge Growth Equity is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information about Rockbridge Growth Equity is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Material Changes

Not Applicable

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Advisory Business

Based in Detroit, Michigan, Rockbridge Growth Equity, LLC (“RB LLC”) was established in 2007 by Dan Gilbert, Brian Hermelin and Kevin Prokop to serve as a private equity firm affiliated with Rock Holdings Inc. (“Rock Holdings”). Rock Holdings is the holding company for Quicken Loans Inc. and other companies owned by Mr. Daniel Gilbert (collectively the “FOC”). Collectively, the FOC employs over 21,000 individuals representing a broad set of industries and end markets, which provides Rockbridge Growth Equity with access to a deep breadth of resources that Rockbridge Growth Equity leverages throughout the lifecycle of its investments.

Today, Rockbridge Growth Equity, a spin-off from RB LLC, is an independent firm wholly owned by Messrs. Hermelin and Prokop, who serve as Co-Managing Partners and are responsible for Rockbridge Growth Equity’s day-to-day management.

Rockbridge Growth Equity will serve as an investment manager and provide discretionary advisory services to RB Equity Fund I, L.P. and RB Equity Fund I-A, L.P. (collectively, “RB Fund I”) and RB Equity Fund II, L.P. and RB Equity Fund II-A, L.P., (collectively, “RB Fund II”) each a Delaware limited partnership (collectively, the “Funds”), each of which are expected to be operated in a manner such that they will be exempt from registration under the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder.

Accordingly, interests in the Funds are offered and sold exclusively to investors (collectively, “Investors”) satisfying applicable eligibility and suitability requirements in private transactions within the United States. RB LLC will continue to serve as an investment manager for certain historical investment entities that have deployed capital under its management in the past for Daniel Gilbert and his affiliates.

Each Fund structure has a designated general partner (the “General Partner”). While the General Partner maintains ultimate authority over the Fund, Rockbridge Growth Equity has been appointed to the role of investment adviser to carry out certain of the General Partner’s responsibilities.

The following general partner entities are affiliated with Rockbridge Growth Equity:

- RB Equity GP I, L.P.
- RB Equity GP II, L.P.

Each General Partner is subject to the Advisers Act pursuant to Rockbridge Growth Equity’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with Rockbridge Growth Equity.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “portfolio companies.” Rockbridge Growth Equity’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Rockbridge Growth Equity or its affiliates generally serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Rockbridge Growth Equity’s advisory services to the Funds are detailed in the applicable private placement memoranda or other offering documents (each, a “Memorandum”), limited partnership or other operating agreements or governing documents (the “Governing Fund Documents”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Governing Fund Documents. The Funds or the General Partners generally enter into side letters or other similar agreements (“Side Letters”) with certain Investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Governing Fund Document(s) with respect to such Investors.

Messrs. Prokop and Hermelin, along with Steve Linden (collectively the “Partners”), will be responsible for investing the Fund. The Partners have been with Rockbridge Growth Equity since its inception and have played instrumental roles in developing and executing Rockbridge Growth Equity’s strategy. The Partners are supported by an experienced team of professionals with complementary skill sets.

As of November 13, 2018, Rockbridge Growth Equity manages \$0 on a discretionary basis.

Fees and Compensation

Management Fees

Commencing on the effective date indicated in the applicable Governing Fund Documents (the “Effective Date”) and during the investment period, RB Fund II will pay the General Partner (or an affiliate thereof) an annual management fee (the “Management Fee”), payable quarterly in advance, equal to 2% of aggregate capital commitments held by Partners not designated as “affiliated partners” by the General Partner (“Commitments”). Commencing with the first Management Fee due date after the expiration of the investment period or earlier upon the occurrence of certain events as set forth in the applicable Governing Fund Documents, the Management Fee will equal 2% of (i) the aggregate investment contributions made, less (ii) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or permanently written-down, in each case with respect to Partners not designated as “affiliated partners”; provided that investments in a portfolio company will be treated as having been disposed of or permanently written down only to the extent that, as of the date of any such disposition or write-down, the aggregate fair market value of all remaining Fund investments in such portfolio company is less than the Fund’s aggregate investment contributions made with respect to such portfolio company.

The Management Fee will commence as of the Effective Date based on aggregate Commitments, regardless of when a Limited Partner is actually admitted. Limited Partners participating in a subsequent closing after the initial closing date will be assessed Management Fees retroactive to the Effective Date as if such Limited Partner was admitted for its full Commitment on the Effective Date and, in addition, will be charged an amount equal to the product of (a) 8% per annum multiplied by (b) the amount of such assessed Management Fees, calculated from the date such Management Fee payments would have been due if such Limited Partner were admitted for its full Commitment on the initial closing date. Any such amounts will be paid to the General Partner. The Management Fee will be paid out of current income and investment proceeds of the Funds and/or, in the General Partner’s discretion, from drawdowns that will reduce unfunded Commitments.

Management fees will also be paid to the General Partner by RB Fund I on the same basis as those management fees paid by RB Fund II but at a rate of 1.25% of assets under management per annum until the earlier of: (x) 2.5 years or (y) the date as of which RB Fund II has accepted aggregate subscriptions of \$350 million or more at which point the rate will be lowered to 1.00% per annum.

Except as otherwise agreed, the General Partner and certain Limited Partners who are affiliates, employees or other designees of the General Partner may not be subject to the Management Fee.

Transaction Fees

The Management Fee will be reduced by an amount equal to 80% of Transaction Fees attributable to Partners not designated as “affiliated partners” by the General Partner. “Transaction Fees” include: (i) directors’ fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund investment; (ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) break up fees with respect to Fund transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Governing Fund Documents; but not including, in any event, any amount received by the General Partner, the Executive Advisors (as defined below) or other persons from a portfolio company (a) as reimbursement for expenses directly related to such portfolio company, (b) as payment for services provided to such portfolio company in the ordinary course of such portfolio company’s business, (c) as compensation for services provided by the General Partner or other persons as an employee of or in a similar capacity for such portfolio company or (d) as compensation (including fees, incentive equity or other stock awards) for services rendered by the Executive Advisors to a portfolio company or prospective portfolio company.

Various costs and expenses will reduce Transaction Fees (and therefore such amounts will not reduce the Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by the General Partner in connection with any consummated or unconsummated transaction or in connection with generating any such Transaction Fees.

Any Transaction Fees with respect to an investment or potential investment (including a transaction not consummated) shall be allocated to the Fund (and offset against the Management Fee as described above) only to the extent of the Fund’s relative ownership (or anticipated ownership) of such investment or potential investment on a fully diluted basis. Accordingly, the Fund will, in most cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such Transaction Fee and not the portion allocable to any other person that holds an economic interest in (or, in the case of a transaction not consummated, would have held an economic interest in) the applicable investment.

Other Information

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the applicable Governing Fund Documents, over the term of the relevant Fund, and Investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of Rockbridge Growth Equity, RB LLC and/or their respective affiliates generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Rockbridge Growth Equity or its affiliates.

In addition to the Management Fee, each Fund will pay all other costs and expenses relating to the Fund's activities, investments and business that are not reimbursed by a portfolio company or potential portfolio company (which reimbursements may be for travel and any other expenses incurred in connection with such portfolio company) or applied to reduce Other Fees, including: (i) fees, costs, expenses, liabilities and obligations attributable to identifying, sourcing, structuring, organizing, acquiring, financing, refinancing, managing, operating, holding, taking public or private, valuing, winding up, liquidating, dissolving and disposing of a Fund's investments (including interest and fees on money borrowed by or on behalf of a Fund, registration expenses, commitment, real estate title, survey, brokerage, finders', custodial and other fees); (ii) legal accounting, administration, custodian, depository, auditing, insurance (including directors and officers, errors and omissions liability and other insurance protecting the Funds, the Partners, the members, managers, agents and employees of the General Partner, Rockbridge Growth Equity and the Funds, and the members of the advisory council, from liabilities for activities on behalf of the Funds), commercially reasonable travel, litigation and indemnification costs and expenses, judgments and settlements, consulting, advertising, marketing, investment banking, brokerage, finder's, financing, appraisal, third party valuation, filing, printing, title, transfer, registration and other similar fees and expenses; (iii) expenses incurred in connection with third party valuations; (iv) fees, costs and expenses associated with the preparation of a Fund's financial statements, tax returns, tax estimates, Schedule K-1s or any other administrative, regulatory or other Fund-related reporting or filing obligations (including Form PF and any Fund-related filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation); (v) fees, costs and expenses of the advisory council and annual meetings of the Limited Partners and any other periodic meeting with any Limited Partner(s); (vi) extraordinary expenses (such as litigation, indemnification, judgments and settlements, if any); (vii) all fees, costs, expenses, liabilities and obligations incurred by a Fund, its General Partner or any other Rockbridge Growth Equity person relating to investment and disposition opportunities for such Fund not consummated (including legal, accounting, auditing, insurance, commercially reasonable travel, consulting, brokerage, finders', financing, appraisal, filing, printing, real estate title, survey, reverse breakup, termination and other fees and expenses) (collectively, "Broken Deal Expenses"); (viii) costs and expenses associated with the investment committee for each Fund; (ix) fees incurred by a Fund for special advisory or consulting services, including a Fund's pro rata share of any minimum retainer amount due an executive recruiter for services rendered exclusively to businesses in a Fund's portfolio; (x) any taxes, fees or other governmental charges levied against a Fund; (xi) placement fees and expenses paid to third parties in connection with the organization and funding of a Fund; (xii) all fees, costs and expenses incurred in connection with the organization, management, operation and dissolution, liquidation and final winding-up of any alternative investment vehicles; (xiii) any organizational expenses; and (xiv) unreimbursed costs and expenses incurred in connection with any transfer. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

As described herein, in certain circumstances, the relevant General Partner is expected to permit certain Investors to co-invest in portfolio companies alongside one or more Funds, subject to

Rockbridge Growth Equity's related policies and the relevant Governing Fund Document(s) and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such Broken Deal Expenses.

Rockbridge Growth Equity and/or its affiliates generally have discretion over whether to charge Transaction Fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such compensation. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Rockbridge Growth Equity and/or its affiliates on the other hand.

Executive Advisors

Additionally, as further described herein and in the applicable Governing Fund Documents of each Fund, it is Rockbridge Growth Equity's practice to retain certain persons to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest ("Executive Advisors"). Such Executive Advisors generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Executive Advisors receive compensation, including, but not limited to cash fees, retainers, transaction fees, a profits or equity interest in a portfolio company, profits or equity interests in one or more Funds or General Partners, remuneration from Rockbridge Growth Equity and/or its Funds or affiliates or other compensation, which typically are determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Executive Advisors, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Executive Advisors also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset the Management Fee. The use of Executive Advisors subjects Rockbridge Growth Equity to conflicts of interest, as discussed under "Conflicts of Interest," below.

Performance Based Fees and Side-by-Side Management

Distributions of net cash proceeds attributable to the disposition of investments in portfolio companies, as well as distributions of securities in kind, together with any dividends and interest income received with respect to investments in portfolio companies, generally will be preliminarily apportioned among the Partners participating in the applicable investment in proportion to their respective participation in funding such investment. RB LLC will be entitled

to receive performance based fees from prior investment vehicles that have been deployed under its management in the past. The amount so apportioned to the General Partner generally will be distributed to it. The amount so apportioned to a Limited Partner generally will be distributed as follows:

- (a) first, 100% to such Limited Partner until the cumulative amount distributed to such Limited Partner in respect of investments equals the aggregate of the following:
 - (i) such Limited Partner's funded Commitment attributable to realized investments and unrealized investments to the extent they are permanently written down as of that time;
 - (ii) such Limited Partner's funded Commitment attributable to all organizational expenses, Management Fees and other expenses paid to date, in each case allocated to realized investments and unrealized investments to the extent they are permanently written down as of that time; and
 - (iii) a preferred return on amounts included in clauses (i) and (ii) above at the rate of 8% per annum compounded annually (the "Preferred Return");
- (b) second, 100% to the General Partner until such time as the General Partner has received, as carried interest, 20% of the sum of the distributed Preferred Return and distributions made pursuant to this paragraph (b); and
- (c) thereafter, 80% to such Limited Partner and 20% to the General Partner as carried interest.

A distribution relating to a partial disposition of an investment will be subject to the above formula, with the Preferred Return and the carried interest based pro rata on the original cost of, and the cumulative distributions made with respect to, the disposed portion of such investment.

Certain persons may be designated as "affiliated partners" and therefore exempt from the above outlined carried interest provisions.

The existence of performance-based compensation has the potential to create an incentive for the General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Rockbridge Growth Equity generally considers performance-based compensation to better align its interests with those of its Investors.

Types of Clients

Rockbridge Growth Equity primarily provides investment management services to private funds. The minimum Commitment of a limited partner (collectively, the "Limited Partners") will be \$10 million, although individual Commitments of lesser amounts may be accepted at the discretion of the General Partner. The General Partner and the Limited Partners are sometimes referred to collectively as the "Partners."

Methods of Analysis, Investment Strategies and Risk of Loss

Rockbridge Growth Equity's strategy focuses on making control and minority equity investments in lower middle market service businesses headquartered in North America. Rockbridge Growth Equity targets growth oriented investments across four core industry verticals, including digital media and e-commerce, technology-enabled products and services, financial services and consumer services. Rockbridge Growth Equity aims to partner with collaborative management teams with deep industry experience that are seeking a value-added relationship. Rockbridge Growth Equity utilizes a repeatable value creation process designed to drive strategic and operational improvements in order to grow companies and prepare them for exits.

Rockbridge Growth Equity targets companies with attractive growth profiles that are well-positioned within their respective industries. Specifically, Rockbridge Growth Equity focuses on businesses with enterprise values between \$75 million and \$150 million that generate EBITDA in excess of \$5 million annually. Rockbridge Growth Equity seeks to deploy \$35 million to \$75 million of equity per investment. The core tenants of a prototypical Rockbridge Growth Equity investment include:

- Well-positioned company within an attractive industry
- Growth at a reasonable price ("GARP")
- Company at an "inflection point" in its development
- Opportunity to create value through operational improvements and strategic support

Rockbridge Growth Equity believes that its capital and guidance can be used to accelerate internal growth, finance acquisitions and provide partial liquidity to management and other shareholders. As the largest institutional investor in companies, Rockbridge Growth Equity forms active partnerships with management and holds a significantly influential position, if not an outright majority.

Since its founding, Rockbridge Growth Equity has been focused on making investments across four core industry verticals. These industries benefit from attractive secular trends and present ample nuanced investment opportunities where Rockbridge Growth Equity can leverage its deep industry expertise and strategic relationships to optimize company performance and drive value creation. Rockbridge Growth Equity proactively identifies investment themes across these industries and pursues companies that can benefit from Rockbridge Growth Equity's broad industry knowledge, insight from the FOC and access to top-tier industry experts.

Risks of Investment

Each Fund and its Investors bear the risk of loss that Rockbridge Growth Equity's investment strategy entails. The risks involved with Rockbridge Growth Equity's investment strategy and an investment in a Fund include, but are not limited to:

Business Risks. The Fund's investment portfolio is expected to consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Investment in Junior Securities. The securities in which the Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect the Fund's investment once made.

Concentration of Investments. The Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will typically be required to bear Management Fees through the Fund during the Fund's investment period based on the entire amount of the Limited Partners' Commitments and other expenses as set forth in the applicable Governing Fund Documents.

Dynamic Investment Strategy. While the General Partner generally intends to seek attractive returns for the Fund primarily through making private equity investments as described herein, the General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. The General Partner may pursue investments outside of the industries and sectors in which Rockbridge Growth Equity has previously made investments or have internal operational experience.

Growth Equity Transactions. The Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which the Fund may invest are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While the Funds intend to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or

determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Funds invest.

Illiquidity; Lack of Current Distributions. An investment in the Funds should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating the Funds (including the Management Fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

Leveraged Investments. The Funds may make use of leverage by having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of a Fund. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

Each Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that the Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by the Fund also will result in interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments. The Fund may incur leverage on a joint and several basis with one or more other investment funds and entities managed by the General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent the Fund incurs leverage (or provides such guaranties), such amounts may be secured by

capital Commitments made by the Fund's Investors and such Investors' contributions may be required to be made directly to the lenders instead of the Fund.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of the Fund's investments will be difficult to value. Certain investments may be distributed in kind to the Partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such Partners. After a distribution of securities is made to the Partners, many Partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such Partners may be lower than the value of such securities determined pursuant to the applicable Governing Fund Documents, including the value used to determine the amount of carried interest available to the General Partner with respect to such investment.

Projections. Projected operating results of a company in which the Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Fund's activities, including the ability of the Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the 2007-2008 downturn in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, the Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that the Fund will make follow-on investments or that the Fund will have sufficient funds to make all or any of such investments. Any decision by the Fund not to make follow-on investments or its inability to make such

investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for the Fund to increase its participation in a successful portfolio company or the dilution of the Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-U.S. Investments. The Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Fund and/or the Partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the Partners.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Hedging Arrangements; Related Regulations. The General Partner may (but is not obligated to) endeavor to manage the Fund's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose the Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission ("CFTC") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging

arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Public Company Holdings. The Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject the Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.

Non-controlling Investments. The Fund may hold meaningful minority stakes in privately held companies and in some cases may have limited minority protection rights. In addition, during the process of exiting investments, the Fund at times may hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that the Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where the Fund holds a minority stake, it may be more difficult for the Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if the Fund has contractual rights to seek liquidity of the Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Lack of Unilateral Control. Even if the Fund is the majority investor or controlling shareholder, as applicable, of a portfolio company, in certain circumstances it may not have unilateral control of the portfolio company. To the extent the Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, or is subject to terms and conditions imposed by portfolio company lenders, the relevant portfolio companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Fund or the Limited Partners. Such third parties may be in a position to take action contrary to the Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment.

Material Non-Public Information. As a result of the operations of Rockbridge Growth Equity and its affiliates, Rockbridge Growth Equity may come into possession of confidential or material, non-public information. Therefore, Rockbridge Growth Equity and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by the Fund. Consequently, the Fund may be restricted from initiating a transaction or selling an investment, which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Rockbridge Growth Equity's internal policies. Due to these restrictions, the Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Unfunded Pension Liabilities of Portfolio Companies. Recent court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although the Fund intends to manage its investments to minimize any such exposure, the Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where the Fund may own an 80% or greater interest in such a portfolio company. If the Fund (or other 80%-owned portfolio companies of the Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which the Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. Valuations are subject to multiple levels of review for approval. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Management Fees.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or the Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the General Partner or one of its affiliates or service providers holding its financial or Investor data, the General Partner, its affiliates or the Fund may also be at risk of loss.

Conflicts of Interest

Rockbridge Growth Equity and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. Rockbridge Growth Equity will devote such time, personnel and internal

resources as are necessary to conduct the business affairs of the Funds in a manner consistent with its fiduciary duty and as required by the relevant Governing Fund Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Rockbridge Growth Equity conducting its activities, the interests of a Fund may conflict with the interests of Rockbridge Growth Equity, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, Rockbridge Growth Equity will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the investment period of a Fund, all appropriate investment opportunities will be pursued by Rockbridge Growth Equity principals through such Fund, subject to certain limited exceptions. Without limitation, Rockbridge Growth Equity principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and may direct certain relevant investment opportunities to those investments. Rockbridge Growth Equity's principals and Rockbridge Growth Equity's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Rockbridge Growth Equity principals may control or manage may potentially compete with companies acquired by a Fund. Following the investment period of a Fund, Rockbridge Growth Equity principals may and likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Rockbridge Growth Equity will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of Rockbridge Growth Equity. In determining which investment vehicles should participate in such investment opportunities, Rockbridge Growth Equity and its affiliates are subject to conflicts of interest among the Investors in such investment vehicles. Investments by more than one client of Rockbridge Growth Equity in a portfolio company may also raise the risk of using assets of a client of Rockbridge Growth Equity to support positions taken by other clients of Rockbridge Growth Equity.

Rockbridge Growth Equity must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Rockbridge Growth Equity generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's applicable Governing Fund Documents, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the relevant client's Governing Fund Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors.

For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund may invest together with other Funds advised by an affiliated adviser of Rockbridge Growth Equity in the manner set forth in the relevant Governing Fund Documents.

Following such determination of allocation among Funds, Rockbridge Growth Equity will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the Funds' applicable Governing Fund Documents, Side Letters and Rockbridge Growth Equity's procedures regarding allocation. Rockbridge Growth Equity's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: relevant industry knowledge, prior co-investing experience, expressed interest in co-investment opportunities, speed and certainty of closing, prior, current and potential future commitment levels, and tax, regulatory and securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status). Rockbridge Growth Equity may grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by Rockbridge Growth Equity or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other Rockbridge Growth Equity Investors. When and to the extent that employees and related persons of Rockbridge Growth Equity and its affiliates make capital investments in or alongside certain Funds, Rockbridge Growth Equity and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Rockbridge Growth Equity's allocation of investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others. While Rockbridge Growth Equity will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Rockbridge Growth Equity may be subject, discussed herein, did not exist.

In certain cases, Rockbridge Growth Equity will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Fund Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Rockbridge Growth Equity will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors, including, but not limited to: Rockbridge Growth Equity's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations; Rockbridge Growth Equity's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds and/or Rockbridge Growth Equity; whether the potential purchaser would subject Rockbridge

Growth Equity, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens; requirements in the applicable Governing Fund Documents; and such other facts as it deems appropriate under the circumstances in exercising such discretion. Unless required by the relevant Governing Fund Documents, Rockbridge Growth Equity will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund Investors. A purchaser's potential investment into another Fund (including any commitment to a future fund) may be considered, but will not be the sole determining factor considered, by Rockbridge Growth Equity in determining whether to grant or withhold its consent to a secondary transfer of interests in a Fund.

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This may result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Rockbridge Growth Equity and its affiliates may express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions may be taken for one or more Funds that adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Fund Documents of the Funds, Rockbridge Growth Equity will allocate fees and expenses in a manner that it 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. In exercising such discretion, Rockbridge Growth Equity may be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by Rockbridge Growth Equity or its affiliates using their best judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size. The Funds have different expense reimbursement terms, including with respect to Management Fee offsets, which may result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio companies, Rockbridge Growth Equity and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Rockbridge Growth Equity personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their

compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Rockbridge Growth Equity and/or its affiliates. Unless such amounts are subject to the Governing Fund Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Rockbridge Growth Equity.

Additionally, a portfolio company typically will reimburse Rockbridge Growth Equity or service providers retained at Rockbridge Growth Equity's discretion for expenses (including without limitation approved travel expenses) incurred by Rockbridge Growth Equity or such service providers in connection with its performance of services for such portfolio company. This subjects Rockbridge Growth Equity and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Rockbridge Growth Equity determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to Investors in any Fund, any fee paid or expense reimbursed to Rockbridge Growth Equity or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

Rockbridge Growth Equity generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with (i) Rockbridge Growth Equity or a related person of Rockbridge Growth Equity (which may include a portfolio company of such Fund), (ii) an entity with which Rockbridge Growth Equity or its affiliates or current or former members of their personnel has a relationship or from which Rockbridge Growth Equity or its affiliates or their personnel otherwise derives financial or other benefit, including, without limitation, people and companies that are affiliated with Dan Gilbert and/or the FOC, or (iii) certain limited partners or their affiliates. For example, Rockbridge Growth Equity may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Rockbridge Growth Equity to conflicts of interest, because although Rockbridge Growth Equity selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Rockbridge Growth Equity may have an incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Rockbridge Growth Equity, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Rockbridge Growth Equity), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not Rockbridge Growth Equity has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time Rockbridge Growth Equity may cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds

managed by Rockbridge Growth Equity, or co-investors or co-investment vehicles. Such transactions may arise in the context of re-balancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Any such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Governing Fund Documents or otherwise in the sole discretion of Rockbridge Growth Equity, Rockbridge Growth Equity may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory council) to such transactions. In certain circumstances, Rockbridge Growth Equity may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Fund under then-current market conditions. Rockbridge Growth Equity intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although Rockbridge Growth Equity generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, Rockbridge Growth Equity intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Rockbridge Growth Equity and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Rockbridge Growth Equity and/or its affiliates; conversely, current or former personnel or executives of Rockbridge Growth Equity and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by Rockbridge Growth Equity. Similarly, Rockbridge Growth Equity, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an Investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Rockbridge Growth Equity and/or its affiliates, and/or the Funds or other investment vehicles they advise. Rockbridge Growth Equity may have a conflict of

interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Rockbridge Growth Equity information about markets and industries in which Rockbridge Growth Equity operates (or is contemplating operations) or will provide other services that are beneficial to Rockbridge Growth Equity. Rockbridge Growth Equity may have a conflict of interest in making such recommendations, in that Rockbridge Growth Equity has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

In certain circumstances, current or former Rockbridge Growth Equity personnel may serve in interim or part-time roles at a portfolio company, or may provide services to a portfolio company as a secondee or in similar capacities, while maintaining certain benefits, support services or indicia of employment at Rockbridge Growth Equity. Under such arrangements, Rockbridge Growth Equity and/or the relevant portfolio company may pay all or a portion of the personnel costs of such employee, or supervise or oversee such employee. These arrangements have the potential to create conflicts of interest, in that amounts paid by a portfolio company in connection with secondee relationships will not result in additional offsets to the Management Fee. Due to the nature of secondee relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold. Employees may or may not return to Rockbridge Growth Equity at the end of such secondee arrangement.

Rockbridge Growth Equity, its affiliates, and equity holders, officers, principals and employees of Rockbridge Growth Equity and its affiliates may buy or sell securities or other instruments that Rockbridge Growth Equity has recommended to a Fund. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by a Fund. Such transactions are subject to any restrictions in the applicable Governing Fund Documents and any policies and procedures set forth in Rockbridge Growth Equity's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Rockbridge Growth Equity have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, and therefore may have additional conflicting interests in connection with these investments.

Because certain expenses are paid for by a Fund and/or its portfolio companies or, if incurred by Rockbridge Growth Equity, are reimbursed by a Fund and/or its portfolio companies, Rockbridge Growth Equity will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses.

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to Executive Advisors and other consultants (including consultants introduced or arranged by Rockbridge Growth Equity and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset the Management Fee as described herein. Executive Advisors generally make use of Rockbridge Growth Equity's resources or

otherwise are associated with Rockbridge Growth Equity. Rockbridge Growth Equity and/or its affiliates may agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Executive Advisors generally receive investment opportunities, reimbursements and other compensation that do not offset the Management Fee of any Fund, as described herein. Although the use of Executive Advisors and the allocation of compensation paid to them by Rockbridge Growth Equity, its affiliates and/or the portfolio companies subjects Rockbridge Growth Equity and/or its affiliates to potential conflicts of interest, Rockbridge Growth Equity believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Executive Advisors is lower than market rates for the services provided and/or if the services of the Executive Advisors align with Rockbridge Growth Equity's model for the portfolio company and improve portfolio company performance. Although Rockbridge Growth Equity seeks to retain Executive Advisors with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Rockbridge Growth Equity also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Rockbridge Growth Equity believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only Executive Advisors and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Because there is a fixed investment period after which capital from Investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure may create an incentive to deploy capital when Rockbridge Growth Equity may not otherwise have done so. Since Rockbridge Growth Equity is permitted to retain certain Transaction Fees (as described under "Fees and Compensation") in connection with Fund investments, it could have a conflict of interest in connection with approving transactions and setting such compensation.

Rockbridge Growth Equity and/or its affiliates may enter into Side Letters with certain Investors in a Fund providing such Investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

Rockbridge Growth Equity has instituted a program under which portfolio companies owned by the Funds are given the option to participate in purchasing, vendor or similar arrangements with Rockbridge Growth Equity and the FOC and their respective affiliates and other portfolio companies. Program participants expect to receive discounts negotiated with various vendors and service providers on a groupwide basis. Participants voluntarily participate in the program generally without cost. Such arrangements will not result in additional offsets to the Management Fee. Rockbridge Growth Equity believes the potential for conflicts relating to such arrangements is mitigated by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the negotiated discounts rates for goods and services are discounted relative to those widely available in the market.

From time to time Rockbridge Growth Equity and the FOC and their respective affiliates and personnel and persons selected by them expect to receive the benefit of “friends and family” and similar discounts from portfolio companies owned by the Funds under which such portfolio companies make their goods and/or services available at reduced rates. Because its portfolio companies offer such discounts to customers other than Rockbridge Growth Equity and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Rockbridge Growth Equity believes that the potential for conflicts of interest relating to such discounts is mitigated.

Any of these situations subjects Rockbridge Growth Equity and/or its affiliates to potential conflicts of interest. Rockbridge Growth Equity attempts to resolve such conflicts of interest in light of its obligations to Investors in its Funds and the obligations owed by Rockbridge Growth Equity’s advisory affiliates to Investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, Rockbridge Growth Equity will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Rockbridge Growth Equity consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

Disciplinary Information

Rockbridge Growth Equity and its management persons have not been involved in any material legal or disciplinary events required to be disclosed in this Brochure.

Other Financial Industry Activities and Affiliations

An important component of the Rockbridge Growth Equity investment model is the leveraging of people and companies that are affiliated with the Daniel Gilbert and the FOC. As a result, the Partners do periodically spend a small portion of time working with and consulting for companies in the FOC that do not necessarily have investments made under Rockbridge Growth Equity management. Conversely, Rockbridge Growth Equity portfolio companies, including those to be held by the Funds, should also expect to have access to people and other resources in the FOC. While the FOC may not necessarily expect payment for the use of and access to these people and resources by such companies, it is possible that reimbursement, on an arms-length basis, may be required in certain instances. In addition, Rockbridge Growth Equity may make payments to certain FOC affiliated entities for such things as rent, payroll administration, IT support, and other general back office support.

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

Rockbridge Growth Equity has adopted a written code of ethics that is applicable to all employees. Among other things, the code requires Rockbridge Growth Equity and its employees to act in clients’ best interests, abide by all applicable regulations, avoid even the appearance of insider trading, and pre-clear and report on many types of personal securities transactions. Rockbridge Growth Equity’s restrictions on personal securities trading apply to employees, as

well as employees' family members living in the same household. A copy of Rockbridge Growth Equity's code of ethics is available upon request.

Brokerage Practices

Rockbridge Growth Equity focuses on making investments in private securities, thus it does not engage in traditional brokerage transactions, utilize any soft dollar relationships with any broker, receive client referrals in connection with selecting or recommending broker-dealers for the Funds, nor permit Investors to stipulate the direction of brokerage. Also, as a private equity fund manager, Rockbridge Growth Equity does not aggregate the purchase or sale of securities across the Funds.

Rockbridge Growth Equity focuses on securities transactions of private companies and generally purchases and sells such companies through privately negotiated transactions in which the services of a broker-dealer or investment banker may be retained. In privately negotiated transactions, best execution is met by the consummation of the deal with the best possible terms for the client.

When selecting a broker-dealer or investment banker to execute client transactions, Rockbridge Growth Equity may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) gross compensation paid to the broker. Rockbridge Growth Equity's overall aim in selecting a broker-dealer or investment banker is to maximize returns for the clients.

Although Rockbridge Growth Equity generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding process. Transactions that involve such specialized services on the part of the broker-dealer or investment banker may thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Review of Accounts

All investments are carefully reviewed and approved by Rockbridge Growth Equity's investment committee as described in the applicable Governing Fund Documents. Additionally, the portfolio companies are reviewed on a continuous basis and Rockbridge Growth Equity investment personnel meet regularly to discuss investment ideas, economic developments, industry outlook and other issues related to current portfolio holdings and potential investment opportunities.

Rockbridge Growth Equity provides each Limited Partner with the following reports in accordance with the terms of the applicable Governing Fund Documents: (i) audited annual financial statements; (ii) unaudited quarterly financial statements together with investment information on investments by the Funds; and (iii) annual tax information necessary to complete any applicable tax returns. Rockbridge Growth Equity also provides an annual report with investment information on investments by the Funds and holds annual meetings with the Limited Partners. These reports are prepared in writing delivered electronically, according to each Fund's Governing Fund Documents.

In the course of conducting due diligence or otherwise, Investors periodically request information pertaining to their investments. Rockbridge Growth Equity responds to these requests, and in answering these requests provides information that is not generally made available to other Investors who have not requested such information. Additionally, upon request, certain Investors may receive additional information and reporting that other Investors may not receive.

Client Referrals and Other Compensation

Rockbridge Growth Equity and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the applicable Governing Fund Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out of pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. *See* "Fees and Compensation."

During the course of raising capital for a new fund, Rockbridge Growth Equity may enter into solicitation agreements pursuant to which it compensates a third party placement agent for referrals that result in a potential investor becoming a limited partner in a Rockbridge Fund. The economic burden of any fees paid to a placement agent will be borne by Rockbridge Growth Equity (typically indirectly through an offset against the Management Fee) and not by any affected Investor, although related expenses incurred pursuant to the relevant placement agent agreement, including but not limited to placement agent travel, meals and entertainment expenses, typically will be borne by the relevant Fund(s).

Custody

Advisers Act Rule 206(4) (the "Custody Rule") requires that pooled investment vehicles advised by an investment adviser either undergo an annual generally accepted accounting principles ("GAAP") financial statement audit or be subject to a surprise custody examination by a Public Company Accounting Oversight Board ("PCAOB") registered auditing firm. Rockbridge Growth Equity is deemed to have custody over client funds because of the affiliation with each Fund's General Partner and the ability of its General Partners to deduct fees from Fund accounts. Rockbridge Growth Equity has elected to undergo an annual GAAP financial statement audit for each of its Fund vehicles in order to meet the Custody Rule requirements. The Rockbridge Growth Equity Funds are audited annually by a PCAOB registered auditing firm and Rockbridge Growth Equity delivers to the Funds and their Limited Partners a copy of the annual audited financial statements within 120 days of the fiscal year end; for those funds which are newly formed, Rockbridge Growth Equity will deliver a copy of the annual audited financial statements within 120 days of the fund's first fiscal year with activity which is expected to be the fiscal year ending 12/31/19.

Rockbridge Growth Equity does not, however, take physical possession of client funds or securities (other than certain privately offered securities to the extent permitted by the Advisers Act); called capital is deposited or wired into the respective Fund's bank account. Rockbridge Growth Equity receives monthly statements regarding from its qualified custodians on behalf of the Funds.

Investment Discretion

Rockbridge Growth Equity is retained on a fully discretionary basis and is authorized to determine and direct execution of portfolio transactions pursuant to the terms of each Fund's Governing Fund Documents. The terms upon which Rockbridge Growth Equity serves as an investment manager are established at the time each Investor retains Rockbridge Growth Equity as their investment manager. Such Governing Fund Documents generally contain a power of attorney that grants Rockbridge Growth Equity or its General Partner certain powers related to the orderly administration of the affairs of the Funds. To invest in the Fund, a Limited Partner must execute a subscription agreement with a Fund. Rockbridge Growth Equity is not required to contact an Investor prior to transacting any business once such Investor executes these documents. Investment advice is provided directly to the Funds and not to Investors in the Fund individually. Rockbridge Growth Equity has discretionary authority based on the Governing Fund Documents to buy and sell securities and other investments on behalf of the Funds.

A Limited Partner in a Fund may impose limitations on Rockbridge Growth Equity's authority through a Side Letter and Rockbridge Growth Equity may choose to accept reasonable limitations or restrictions at its discretion. All limitations and restrictions placed upon a Limited Partner's investment must be presented to Rockbridge Growth Equity in writing and agreed to by Rockbridge Growth Equity and such Limited Partner. Other Limited Partners are not provided with consent rights with respect to such Side Letters.

Voting Client Securities

In accordance with its fiduciary duty to clients and Rule 206(4)-6 of the Investment Advisers Act, Rockbridge Growth Equity has adopted and implemented written policies and procedures governing the voting of client securities. All proxies that Rockbridge Growth Equity receives will be treated in accordance with these policies and procedures.

By virtue of the applicable Governing Fund Documents, Rockbridge Growth Equity has the authority to vote proxy statements on behalf of the Funds. Rockbridge Growth Equity's Funds are exclusively invested in privately-held portfolio company investments which typically do not issue public proxies; therefore, the traditional concept of voting proxies is not and never has been applicable to Rockbridge Growth Equity. The investment opportunities that Rockbridge Growth Equity seeks allow the Funds to have influence on the management, operations and strategic direction of the portfolio companies in which it invests through its majority interest and/or through its employees who sit as officers and directors on portfolio company boards. Thus the majority of "proxies" received by Rockbridge Growth Equity will be written shareholder consents or similar instruments for private companies. In all such matters, Rockbridge Growth Equity votes in what it believes to be the best interest of the Funds.

Rockbridge Growth Equity will seek to avoid material conflicts of interest between its own interests on the one hand, and the interests of its Funds on the other. However, as is typical with private equity investing, Rockbridge Growth Equity seeks and accepts the election of one or more Rockbridge Growth Equity representatives to serve on the board of directors on behalf of its Funds and will typically, but not always, vote in favor of board recommendations. In situations

where Rockbridge Growth Equity is required to vote the proxy for a company in which employees of Rockbridge Growth Equity serve on the board of directors, Rockbridge Growth Equity has determined that its position on the board of directors does not inherently present a conflict of interest, as the sole purpose of this representation is to maximize the return on the Funds' investment in such portfolio company. Accordingly, while Rockbridge Growth Equity is generally, but not automatically, fully supportive of recommendations made by a portfolio company's board of directors with respect to votes related to that issuer, it will review all votes in accordance with its proxy voting guidelines and may or may not vote in favor of the board's recommendation. Fund Investors cannot direct how Rockbridge Growth Equity votes proxies or exercises control.

All conflicts of interest, if any, will be resolved in the interests of Rockbridge Growth Equity's Funds. In situations where Rockbridge Growth Equity perceives a material conflict of interest, Rockbridge Growth Equity may defer to the voting recommendation of its advisory council of the involved Fund(s) or take such other action in good faith which Rockbridge Growth Equity believes would protect the interests of Rockbridge Growth Equity's Funds.

A copy of Rockbridge Growth Equity's proxy voting policies and procedures, as well as specific information about how Rockbridge Growth Equity has voted in the past, is available upon written request. Investors may obtain a copy of how Rockbridge Growth Equity voted proxies, if any, upon request to Deanna Kuzel, Chief Compliance Officer, at 313-373-7090 or email deannakuzel@rbequity.com.

Financial Information

Rockbridge Growth Equity (i) does not charge fees more than six months in advance, (ii) does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients or (iii) has not been subject to any bankruptcy proceeding during the past 10 years.