



INVESTMENT ADVISER BROCHURE

ONYXPOINT GLOBAL MANAGEMENT LP

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This Investment Adviser Brochure (this “Brochure”) provides information about the qualifications and business practices of OnyxPoint Global Management LP, a Delaware limited partnership (“OnyxPoint Global Management”). If you have any questions about the contents of this Brochure, please contact us at 212-235-1962 or rmiller@opglp.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

OnyxPoint Global Management is an investment adviser that is seeking to become 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 regarding OnyxPoint Global Management is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

OnyxPoint Global Management filed its most recent Form ADV Part 2 on March 29, 2018. This annual amendment updates the description of the business practices of OnyxPoint Global Management and its affiliates and supplements existing disclosures relating to OnyxPoint Global Management's practices and related potential conflicts of interest under "Fees and Compensation", "Performance-Based Fees and Side by Side Management", "Methods of Analysis, Investment Strategies and Risk of Loss" and "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading."

In this Item, OnyxPoint Global Management will periodically identify and discuss material updates to the Brochure. This is intended to inform current and prospective investors of important developments that may take place with respect to OnyxPoint Global Management's business practices.

TABLE OF CONTENTS

	<u>Page</u>
Material Changes	ii
Advisory Business	1
Fees and Compensation.....	2
Performance-Based Fees and Side-By-Side Management	7
Types of Clients	8
Methods of Analysis, Investment Strategies and Risk of Loss.....	8
Disciplinary Information.....	46
Other Financial Industry Activities and Affiliations	46
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	47
Brokerage Practices	48
Review of Accounts	50
Client Referrals and Other Compensation.....	51
Custody	51
Investment Discretion	51
Voting Client Securities.....	51
Financial Information.....	52

ADVISORY BUSINESS

OnyxPoint Global Management LP, a Delaware limited partnership (“**OnyxPoint Global Management**”), is an alternative investment manager that commenced operations in April 2017. OnyxPoint Global Management, together with its affiliated investment advisers, provides investment advisory, management and other services to investment funds, and anticipates providing similar services to separately managed accounts. OnyxPoint Global Management invests and manages funds on behalf of investors that include pension, endowment, sovereign wealth funds, and other qualified institutional and individual investors in the United States and elsewhere.

OnyxPoint Global Management provides investment advisory services to privately offered limited partnerships and similar investment vehicles (together with any future private investment vehicle to which OnyxPoint or its affiliates provide investment advisory services and any parallel vehicles, the “**Funds**,” and each, a “**Fund**”). Certain of OnyxPoint Global Management’s affiliates serve as general partners to the Funds (together with any future affiliated general partner entities, the “**General Partners**” and each, a “**General Partner**” and together with OnyxPoint Global Management and their affiliated entities, “**OnyxPoint**”).

Each General Partner is, or will be, subject to the Advisers Act pursuant to OnyxPoint Global Management’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 OnyxPoint Global Management.

The Funds are structured as private equity funds that invest through negotiated transactions in operating entities, generally referred to herein as “portfolio companies,” engaged primarily in energy and energy-related businesses. OnyxPoint’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and effectuating dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies may be permitted subject to certain limitations set forth in the applicable Fund’s limited partnership agreement, other operating agreement, or governing document (each, a “**Partnership Agreement**”). From time to time, where such investments consist of portfolio companies, the senior principals or other affiliated personnel of OnyxPoint or its affiliates may 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.

While the substantial majority of the terms of each of the Funds are the same, each of the Funds was formed to suit the purposes of certain types of investors (*e.g.*, U.S. tax-exempt investors, non-U.S. investors, etc.). As a result, there may be minor variations in structure and investment terms among the Funds. Investors should refer to a Fund’s Partnership Agreement for specific terms with respect to such Fund.

OnyxPoint’s advisory services for the Funds are further detailed in the applicable private placement memoranda or other offering documents, the applicable management agreements, the Partnership Agreements, subscription agreements, and/or any other governing or constituent documents (collectively, the “**Governing Documents**”) of the Funds 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 Documents. The Funds and the General Partners have entered into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the relevant Governing Documents with respect to such investors.

In addition, OnyxPoint anticipates providing discretionary or nondiscretionary advice to one or more separately managed accounts (“**Managed Accounts**” and together with the Funds, the “**Investment Vehicles**”) through an investment management agreement or similar arrangement (each, an “**Investment Management Agreement**”).

Additionally, from time to time and as permitted by the relevant Governing Documents, OnyxPoint expects to provide (or to agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, OnyxPoint’s personnel and/or certain other persons associated with OnyxPoint and/or its affiliates (*e.g.*, a vehicle formed by OnyxPoint’s principals to co-invest alongside a particular Fund’s transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in OnyxPoint’s sole discretion, OnyxPoint is authorized to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs and expenses. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of December 31, 2018, OnyxPoint had discretionary assets under management of approximately \$977.0 million through the Funds, and controlled investments (comprising assets under management as well as certain fixed income investments held by investors that invest in parallel to OnyxPoint clients) of approximately \$1,117.7 million. OnyxPoint Global Management’s principal owner is Shaia Hosseinzadeh. OnyxPoint and the General Partners are principally owned by Shaia Hosseinzadeh.

FEES AND COMPENSATION

In general, OnyxPoint receives a management fee from each of the Investment Vehicles that it manages as compensation for the investment advisory services rendered to the applicable Investment Vehicle. OnyxPoint also typically receives performance-based compensation or carried interest pursuant to the applicable Governing Documents or Investment Management Agreement for such Fund or Managed Account.

The precise amount, the manner of calculation and the manner and timing of payment of any such management fee, carried interest, or performance-based compensation for each such Investment Vehicle are established by OnyxPoint, as modified by negotiations with investors in the applicable Investment Vehicle, and are set forth in such Investment Vehicle's Governing Documents or Investment Management Agreement provided to each investor prior to investment in such Investment Vehicle.

OnyxPoint may in the future receive additional compensation in connection with management and other services performed for portfolio companies of the Investment Vehicles, and such additional compensation generally will offset in whole or in part the management fees otherwise payable to OnyxPoint in accordance with the relevant Governing Documents or Investment Management Agreement. Investors in an Investment Vehicle also bear certain expenses, as set forth in the Governing Documents or Investment Management Agreement of such Investment Vehicle.

OnyxPoint may receive compensation of the type referred to in the preceding paragraph on behalf of or with respect to co-investors in an investment. The receipt of such compensation will not reduce any management fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion of any such compensation and not the portion of any compensation that relates to such co-investors which may be significant. Similarly, in certain circumstances, OnyxPoint expects that co-investors or other parties will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset will be applied after excluding any amounts paid to such persons. Additionally, as further described below under "Consultants" and in the applicable Governing Documents of each Fund, it is OnyxPoint's practice to use or retain certain Consultants (as defined below) to provide consulting services to a Fund or its portfolio companies, including, without limitation, strategic and operational advice. Such Consultants generally would receive compensation, which may include, but is not limited to, fees in connection with transactions and other items detailed herein from the relevant portfolio companies or Funds to which they provide services, and any such compensation would not result in additional offsets to any management fee.

Clients of OnyxPoint are all "qualified purchasers" as defined in Section 2(a)(51) of the Investment Company Act of 1940, as amended (the "**Investment Company Act**"), and, as such, information regarding the fees and compensation payable by such clients is not required to be provided herein.

Other Information

In certain circumstances, the management fees payable to OnyxPoint by individual investors in the Investment Vehicles can vary among such investors (e.g., based on size of commitment, aggregate commitments to OnyxPoint Investment Vehicles, timing of admission or other strategic or relationship factors) and may be negotiable. Moreover, employees and certain business associates and "friends and family" of OnyxPoint or its personnel typically may be exempt from, or may not pay, a portion of the management fees, performance-based fees or carried interest with respect to their direct or indirect investments in Investment Vehicles.

Any such exemption from fees and/or carried interest may be made by a direct exemption, a rebate by OnyxPoint and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where an OnyxPoint professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the management fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, OnyxPoint has the right to permit investors, affiliated with OnyxPoint or otherwise, to invest through vehicles that do not bear management fees, carried interest, or performance-based compensation. In general, the management fee offsets described above apply only with respect to the capital commitments of fee-paying investors.

The Funds generally invest, and anticipate continuing to invest, on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing 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 OnyxPoint 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 OnyxPoint or its affiliates.

In addition to the management fee and carried interest payable or allocable to OnyxPoint, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, a Fund generally bears all expenses relating to such Fund's activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce transaction fees, including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals or databases), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding-up, liquidating, dissolving or otherwise disposing of, as applicable, a portfolio company and such Fund's actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) indebtedness of, or guarantees made by, such Fund or OnyxPoint on behalf of such Fund (including any credit facility, letter of credit or similar credit support), including the repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantees; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v) brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; (vi) legal, accounting, research, auditing, administration (including fees and expenses associated with such Fund's third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to consultants performing investment initiatives and other similar consultants),

tax and other professional services; (vii) reverse breakup, termination and other similar fees; (viii) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (including, without limitation, cybersecurity, cyber liability, data breach liability or similar insurance) and regulatory expenses; (ix) filing, title, transfer, registration and other similar fees and expenses; (x) printing, communications, marketing and publicity; (xi) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or any other administrative, compliance or regulatory filings or reports (including Form PF filings made by OnyxPoint and any Fund-related filings or reports contemplated by the European Union's Alternative Investment Fund Managers Directive or any similar law, rule or regulation) or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or its investors; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data; (xiv) certain activities or proceedings of such Fund's advisory committee ("**Advisory Committee**") (including any reasonable out-of-pocket costs and expenses incurred by representatives of such Fund's General Partner, such Fund's Advisory Committee members, permitted observers and other persons in attending or otherwise participating in meetings of such Advisory Committee); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying pursuant to such Fund's Partnership Agreement and advancing fees, costs and expenses incurred in defense or settlement of any claim that may be subject to a right of indemnification pursuant to such Fund's Partnership Agreement); (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xvii) any annual limited partner meeting or other periodic, if any, meetings of the limited partners and any other conference or meeting with any limited partner(s), in each case to the extent incurred by such Fund or its General Partner or its General Partner's affiliates; (xviii) the management fee; (xix) the termination, liquidation, winding up or dissolution of such Fund; (xx) defaults by such Fund's limited partners and/or General Partner in the payment of any capital contributions; (xxi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of such Fund, related feeder vehicles, and OnyxPoint, including the preparation, distribution and implementation thereof; (xxii) (A) complying with any law or regulation related to the activities of such Fund (including regulatory expenses of such Fund's General Partner incurred in connection with the operation of such Fund and legal fees and expenses) and/or (B) any litigation or governmental inquiry, investigation or proceeding involving such Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, as described in such Fund's relevant Partnership Agreement; (xxiii) unreimbursed costs and expenses incurred in connection with certain transfers or proposed transfers of limited partnership interests as described in such Fund's Partnership Agreement; (xxiv) any taxes, fees and other governmental charges levied against such Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of such Fund, as described in such Fund's Partnership Agreement; (xxv) distributions to such Fund's limited partners and General Partner and other expenses associated with the acquisition, holding and disposition of such Fund's investments, including extraordinary expenses; (xxvi) compliance or regulatory matters related to such Fund, as described in more detail in such Fund's Governing Documents; (xxvii)

any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxviii) to the extent not paid or reimbursed by a feeder vehicle, all costs and expenses associated with operating a feeder vehicle, including all expenses associated with its management, operation, winding-up, liquidating and dissolution and with preparing and distributing such feeder vehicle's financial statements, tax returns and certain reports, but not including any income based or similar taxes, fees or other governmental charges levied against such feeder vehicle; (xxix) any organizational expenses; (xxx) any placement fees; (xxxi) any out-of-pocket fees, costs, expenses, liabilities and obligations incurred by such Fund or OnyxPoint in connection with the structuring, establishment, negotiation, due diligence investigation and consideration of the investment in a portfolio company if such investment is ultimately unconsummated, including any such fees, costs, expenses, liabilities and obligations incurred prior to such Fund's initial closing date (including legal, accounting, research, auditing, consulting, insurance, valuation financing, appraisal, filing, real estate title, printing and other fees, costs and expenses) ("**Broken Deal Expenses**"); and (xxxii) any other fees, costs, expenses, liabilities or obligations approved by such Fund's Advisory Committee. Excluded from a Fund's expenses are ordinary administrative and overhead expenses of OnyxPoint incurred in connection with managing, originating and monitoring investments, including employees' salaries, rent, and other similar expenses specified in the applicable Partnership Agreement. As is typical for private equity funds, the Funds are likely to 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."

In addition to the management fee and other compensation payable to OnyxPoint, each Managed Account bears certain expenses related to OnyxPoint's investment-related and other activities with respect to such Managed Account as set forth in detail in each Managed Account's Investment Management Agreement.

In certain circumstances, it is expected that one Investment Vehicle may pay an expense common to multiple Investment Vehicles (including, without limitation, legal expenses for a transaction in which all such Investment Vehicles participate, or other fees or expenses in connection with services the benefit of which are received by other Investment Vehicles over time), and be reimbursed by the other Investment Vehicles by their share of such expense, without interest. While OnyxPoint believes such circumstances to be highly unlikely, it is possible that an Investment Vehicle could default on its obligation to reimburse the paying Investment Vehicle. In certain circumstances, OnyxPoint is expected to advance amounts related to the foregoing and receive reimbursement from the Investment Vehicles to which such expenses relate.

As described above, 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 OnyxPoint's related policies and the relevant Partnership Agreement(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 ultimately is not consummated, including a transaction for which a co-investment was believed necessary in order to consummate such transaction, or would otherwise have been beneficial, in the judgment of the relevant General Partner, Broken Deal Expenses relating to such proposed transaction generally will be borne by

potential co-investors that were to have participated in such transaction. 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.

OnyxPoint and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company (which may take various forms, including cash or additional profits interests in a portfolio company, to the extent permitted by or consistent with applicable Governing Documents and Investment Management Agreements of clients investing in such portfolio company) and, if so, the rate, timing, method and/or amount of such compensation. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and OnyxPoint and/or its affiliates, on the other hand.

Consultants

Additionally, as further described herein and in the applicable Governing Documents or Investment Management Agreement of each Investment Vehicle, OnyxPoint is permitted to use or retain certain consultants, senior advisors, operating partners, experts, and other specialists (“**Consultants**”) to provide services to (or with respect to) one or more Investment Vehicles or certain current or prospective portfolio companies in which one or more Investment Vehicles invest. Such Consultants 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. Consultants receive compensation, including, but not limited to, cash fees, retainers, diligence fees, transaction fees, a profits or equity interest in a portfolio company, profits or equity interests in one or more Funds, co-investment opportunities, remuneration from OnyxPoint and/or Investment Vehicles or affiliates or other compensation, which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Consultants, 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. Consultants 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 Consultants subjects OnyxPoint to conflicts of interest, as discussed under “Conflicts of Interest,” below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” OnyxPoint receives a carried interest allocation on certain realized profits in the Funds. OnyxPoint does not advise Funds that are not subject to carried interest, although it generally has the authority to waive carried interest with respect to certain partners as described under “Fees and Compensation.”

In addition, OnyxPoint receives performance-based compensation on certain profits realized by the Managed Accounts. The terms, timing, calculation and payment of such compensation may vary among Managed Accounts.

Additionally, to the extent that OnyxPoint personnel are assigned varying percentages of carried interest from the Investment Vehicles, such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Investment Vehicles from which they are entitled to receive a higher carried interest percentage.

The existence of carried interest and performance-based compensation has the potential to create an incentive for OnyxPoint to make more speculative investments on behalf of an Investment Vehicle than it would otherwise make in the absence of such arrangement, although OnyxPoint generally considers performance-based compensation to better align its interests with those of its investors.

OnyxPoint seeks to address the potential for conflicts of interest in these matters with allocation policies and/or practices that provide that transactions and investment opportunities will be allocated to the Investment Vehicles in accordance with each Investment Vehicle's investment guidelines and Governing Documents or Investment Management Agreement, as well as other factors that do not include the amount of performance-based compensation received by OnyxPoint or any personnel.

TYPES OF CLIENTS

OnyxPoint provides investment advice to the Investment Vehicles. The Funds may include investment partnerships or other investment entities formed under domestic or foreign laws and operated pursuant to an exemption from regulation under the Investment Company Act of 1940, as amended. The investors participating in the Investment Vehicles may include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of OnyxPoint and its affiliates and members of their families, and Consultants or other service providers retained by OnyxPoint.

Each Fund will generally have a minimum investment amount of \$10 million for third-party investors in the Funds, and Fund interests will be offered and sold solely to qualified purchasers or qualified knowledgeable OnyxPoint personnel. Each Managed Account will generally have a minimum investment amount of \$20 million. Such minimum investment amounts may be waived by OnyxPoint.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

OnyxPoint is a privately held alternative asset management firm pursuing a range of investment strategies, with a primary focus on the energy and commodities sectors. We may invest across a variety of sub-sectors that may include upstream oil and gas, midstream, energy services/manufacturing and power generation. We pursue strategies across a broad range of transaction types, including complex buyouts, structured equity or corporate partnerships, asset build-ups, and restructurings and distressed or opportunistic credit transactions. We believe that having the ability to create multiple avenues through which to enter an investment provides access

to a broader universe of transactable opportunities for our clients, while at the same time enabling us to craft innovative capital solutions for the businesses in which we invest.

OnyxPoint generally seeks to acquire securities, real assets or stakes in businesses where the presence of situational complexity can conceal value. While traditional energy private equity funds may focus on line-of-equity investments or leveraged buyouts, we seek to maintain the flexibility to pursue a broader range of transaction types across the entire capital structure. We rely on our energy specialization, our willingness to embrace complexity, our structuring expertise and our creativity to deploy capital selectively in instances when traditional investors may be unwilling or unable to participate. We believe this approach can provide us with a competitive advantage and potentially allows us to be active across economic cycles.

We operate our business with a single integrated investment team that seeks to execute control-oriented private equity investments, minority control structured solutions and secondary distressed credit purchases. We believe that OnyxPoint's private equity transactions can benefit from its credit activities, particularly as it relates to identifying distressed companies, providing structured capital solutions or acquiring assets from liquidity-constrained borrowers in non-auctioned, directly-negotiated transactions. Similarly, we believe OnyxPoint's credit investments can benefit from the intellectual capital, industry knowledge and access to industry executives created through our private equity business. We believe that our integrated business model potentially enables OnyxPoint to acquire businesses or invest in securities at discounts to market averages or the intrinsic value of such businesses.

OnyxPoint's underwriting process generally endeavors to prioritize downside protection and capital preservation with upside optionality by emphasizing three key characteristics during the diligence and transaction negotiation process: (i) acquiring high-quality assets that offer growth potential at what we consider to be below-market multiples; (ii) pursuing structured transactions or hedges that are designed to mitigate downside exposure; and, (iii) partnering with established management teams or industry executives post-closing to implement performance enhancements, operational improvements or consolidation to unlock value. As a result, we believe the types of transactions we pursue are often more complex than traditional private equity transactions. We typically do not seek to proceed with an investment that does not, in our view, present ways in which we can alter the risk/reward profile of a transaction in our clients' favor.

OnyxPoint believes that its focus on the energy and commodities sectors can confer advantages when originating and evaluating new opportunities, as well as driving value for portfolio companies post-closing. We believe that our industry focus, together with our flexible investment approach and our willingness to tackle complexity, provide us with advantages that can enable OnyxPoint to pursue opportunities where competition may be limited or nonexistent.

We consider an advantage of our sponsorship to be our ability to drive post-closing value from both the assets and liabilities of the businesses in which we invest. We endeavor to help businesses with high-quality assets realize their growth potential and we seek to partner with established management teams and industry executives to advance this common vision. OnyxPoint expects to be involved in the post-closing operation of its private equity portfolio investments to enhance or accelerate value creation by working alongside management to improve operations, reduce costs, effectuate transformative acquisitions, implement consolidation, divest non-core

assets and fund organic growth initiatives. Similarly, OnyxPoint may seek to leverage its credit experience to work with management to improve the capital structure of portfolio companies, enhance equity value or reduce financing costs which may include pursuing restructuring transactions, refinancing short-term debt and capturing discounts on publicly traded debt securities through exchange offers and potential debt buybacks.

Investment Strategies

Our investment team has originated and executed investment opportunities across varying market cycles and commodity cycles. The types of transactions OnyxPoint typically seeks to effectuate can be broadly segmented into four primary categories – Complex Buyouts, Structured Equity or Corporate Partnerships, Asset Build-Ups, and Restructurings and Distressed or Opportunistic Credit. Given our integrated investment model, a transaction may originate, for example, as a Complex Buyout transaction but over time, due to changes in market conditions or valuation levels, we may ultimately consummate the investment as a Structured Equity or Corporate Partnership transaction. Similarly, OnyxPoint may take advantage of its expertise and relationships in a particular sub-sector or basin to make Distressed Credit or Opportunistic Credit investments in companies that we consider to have good assets but excessive debt balances if we believe such investments offer attractive returns with structural or contractual protections.

Complex Buyouts: Rather than pursuing traditional leveraged buyouts or line-of-equity transactions to acquire acreage which may attract greater competition, OnyxPoint typically seeks to acquire companies or stakes in businesses where we believe the presence of situational complexity can facilitate a lower entry price. Complex Buyouts can often be time-intensive transactions that we believe require industry expertise, patience and creativity to unlock value that has been overlooked or undermanaged. Because of the highly negotiated nature of many of these transactions, it can often be difficult for the seller to run a competitive process. These types of transactions may attract less competition because other investors may lack the expertise or inclination to tackle complexity. In some cases, we may acquire an underperforming, non-core asset through a direct, bi-lateral negotiation with its corporate parent. Inside a larger company a non-core subsidiary business may be sub-scale or under-managed, but as a standalone entity with new management focused on cash-on-cash returns, such businesses can often outperform considerably.

Structured Equity or Corporate Partnerships: We believe the decline in oil prices since the peak in 2014 coupled with pre-downturn debt levels has adversely impacted the funding model of many mid-sized businesses in the energy sector. At the same time, energy company valuations and the projected growth in U.S. shale production provides what OnyxPoint believes to be an attractive acquisition and consolidation opportunity for many mid-sized businesses. However, we believe that many North American energy companies are precluded from raising additional debt while equity may also not be an option without suffering significant dilution. In such instances, OnyxPoint may seek to provide a structured equity solution through a Structured Equity or Corporate Partnership investment. Generally, OnyxPoint expects to seek to structure the investment in a way that preserves OnyxPoint's control over the acquired assets while at the same time enabling the corporate partner to acquire or earn its way into the purchased asset by investing equity and management resources over a pre-set future time.

Asset Build-Ups: During periods when physical assets can be purchased at valuations below replacement cost or intrinsic value, we may seek to acquire physical assets or form a new entity to seek to consolidate an industry and increase market share. OnyxPoint may acquire and consolidate high quality assets in partnership with industry executives or established management teams to build scalable, industry-leading businesses. By acquiring assets at a discount relative to the prices in the financial markets, OnyxPoint believes that the companies in which it invests can achieve attractive risk-adjusted returns. Over time, OnyxPoint seeks to help Asset Build-Up portfolio companies attain sufficient scale, cashflow and profitability to access a broader universe of buyers.

Restructurings and Distressed or Opportunistic Credit: Complexity can also take the form of a business undergoing a bankruptcy reorganization, financial restructuring, management turnover or operational repositioning. OnyxPoint believes that the universe of qualified energy-focused buyers for such assets can be limited by comparison to other types of transactions. As a result, we believe that businesses that require an operational repositioning or that lack a credible management team at the time of the sale tend to sell at below-market prices. Alternatively, during periods of commodity price dislocation or volatility, OnyxPoint may seek to leverage its credit capability to build positions in the distressed or stressed debt of what we believe are good companies with excessive debt. These transactions may take the form of secondary bond, bank debt or trade claim purchases, primary rescue financings or deleveraging re-capitalizations. This approach can potentially allow OnyxPoint to invest across a broader spectrum of distressed or mispriced investments which may include corporate debt, post-reorganization securities and non-performing portfolios. In certain instances, by working proactively through restructurings we may seek to take control of businesses through our debt security investments in such companies.

Any Managed Accounts advised by OnyxPoint are generally expected to make distressed and/or opportunistic investments in the energy and energy-related sectors through corporate bonds, loans and other yield-oriented securities.

Risks of Investment

Each Investment Vehicle and its investors bear the risk of loss that OnyxPoint's investment strategies entail. The risks involved with OnyxPoint's investment strategies and with investment in an Investment Vehicle include, but are not limited to:

Lack of Operating History. The Investment Vehicles have only recently commenced operations and, accordingly, have no operating history upon which prospective investors may evaluate their likely performance. There can be no assurance that the Investment Vehicles will achieve their investment objective or avoid substantial losses. Each Investment Vehicle's investment program should be evaluated on the basis that there can be no assurance that it will be successful.

Business Risks. An Investment Vehicle's investment portfolio is expected to consist primarily of securities issued by non-public companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk which can result in substantial losses.

Concentration of Investments. Each Investment Vehicle 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) and, as a consequence, the aggregate return of an Investment Vehicle may be materially affected by the performance of a single investment or a single industry segment.

Lack of Sufficient Investment Opportunities. It is possible that an Investment Vehicle will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, the limited partners of a Fund will be required to bear management fees through such Fund during the commitment period based on the entire amount of the limited partners' commitments to such Fund and other expenses as set forth in the Partnership Agreement.

Dynamic Investment Strategy. While OnyxPoint generally intends to seek attractive returns for an Investment Vehicle through the investment strategy and methods described herein, OnyxPoint may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the relevant Partnership Agreement(s) or Investment Management Agreement(s). OnyxPoint may pursue investments outside of the industries and sectors in which OnyxPoint has previously made investments or has internal operational experience.

Growth-Equity Transactions. An Investment Vehicle may make 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.

Illiquidity; Lack of Current Distributions. An investment in an Investment Vehicle 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 a Fund's initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating an Investment Vehicle (including any management fee payable to OnyxPoint) may exceed its income, thereby requiring that the difference be paid from such Investment Vehicle's capital, including unfunded commitments.

Leveraged Investments. An Investment Vehicle may make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio

company. Leverage generally magnifies both an Investment Vehicle'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 is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often 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 an Investment Vehicle's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates (which in recent years have been at or near historic lows) and could accelerate and magnify declines in the value of such Investment Vehicle'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, an Investment Vehicle may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Investment Vehicle. Furthermore, should the credit markets be limited or costly at the time an Investment Vehicle determines that it is desirable to sell all or a part of a portfolio company, such Investment Vehicle may not achieve an exit multiple or enterprise valuation consistent with its forecasts. The companies in which an Investment Vehicle invests generally will not be rated by a credit rating agency.

An Investment Vehicle 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 such Investment Vehicle would be compensated for providing such guarantee or exposure to such liability. The use of leverage by an Investment Vehicle also will result in interest expense and other costs to such Investment Vehicle that may not be covered by distributions made to such Investment Vehicle or by appreciation of its investments. While Investment Vehicle-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. An Investment Vehicle may incur leverage on a joint and several basis with one or more other Investment Vehicles and entities managed by OnyxPoint 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 an Investment Vehicle incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by such Investment Vehicle's investors and such investors' contributions may be required to be made directly to the lenders instead of such Investment Vehicle.

To the extent an Investment Vehicle provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Documents or Investment Management Agreement, in which case the investment would be treated as a permanent investment of the Investment Vehicle. As a result, the Investment Vehicle's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under any of the Investment Vehicle's investment limitations that exclude bridge financing investments.

Subscription Lines. An Investment Vehicle may enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Investment

Vehicle's investments). Investment Vehicle-level borrowing subjects investors to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of OnyxPoint's right to call capital from the investors, investors may be obligated to contribute capital on an accelerated basis if the Investment Vehicle fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any investor claim against the Investment Vehicle would likely be subordinate to the Investment Vehicle's obligations to a subscription line's creditors.

In addition, Investment Vehicle-level borrowing will result in incremental expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Investment Vehicle's investors and the terms of the Governing Documents or Investment Management Agreement, it may be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than the Investment Vehicle's cost of borrowing, Investment Vehicle-level borrowing can negatively impact an investor's overall individual financial returns even if it increases the Investment Vehicle's reported net returns in certain methods of calculation.

A credit agreement may contain other terms that restrict the activities of an Investment Vehicle and the investors or impose additional obligations on them. For example, a subscription line may impose restrictions on OnyxPoint's ability to consent to the transfer of an investor's interest in the Investment Vehicle. In addition, in order to secure a subscription line, OnyxPoint may request certain financial information and other documentation from investors to share with lenders. OnyxPoint will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more investors.

Investment Vehicle-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows OnyxPoint to fund investments and pay expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had OnyxPoint called smaller amounts of capital incrementally over time as needed by an Investment Vehicle. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investor to meet the accumulated, larger capital calls at the same time. An Investment Vehicle may also utilize Investment Vehicle-level borrowing when OnyxPoint expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If the Investment Vehicle ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Investment Vehicle's investments and hence, most of an

Investment Vehicle's investments will be difficult to value. Certain investments may be distributed in kind to the investors of an Investment Vehicle 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 investors. After a distribution of securities is made to the investors, many investors 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 investors may be lower than the value of such securities determined pursuant to the Partnership Agreement or Investment Management Agreement, including the value used to determine the amount of carried interest available to OnyxPoint with respect to such investment.

Non-U.S. Investments. An Investment Vehicle may invest in companies that are organized and/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 and capital repatriation regulations (as such regulations may be given effect during the term of an Investment Vehicle) and the application of complex tax rules to cross-border investments, possible imposition of non-U.S. taxes on an Investment Vehicle and/or its investors with respect to such Investment Vehicle's income, and possible non-U.S. tax return filing requirements for such Investment Vehicle and/or its investors.

Distressed Investments. An Investment Vehicle may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that OnyxPoint will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio company does become involved in bankruptcy proceedings or a restructuring, recapitalization, or liquidation is required, an Investment Vehicle may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which such Investment Vehicle had invested.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of an Investment Vehicle and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of

businesses. This may slow the rate of future investments by such Investment Vehicle and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Investment Vehicle's portfolio companies.

Projections. Projected operating results of a company in which an Investment Vehicle invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by OnyxPoint 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 impact on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, OnyxPoint may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a 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 any Investment Vehicle will make add-on investments or that any Investment Vehicle will have sufficient funds to make all or any of such investments. Any decision by an Investment Vehicle not to make add-on investments or its inability to make such investments may have a substantial negative impact 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) or may result in a lost opportunity for such Investment Vehicle to increase its participation in a successful operation.

Investment in Junior Securities. The securities in which an Investment Vehicle 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 an investment once made.

Public Company Holdings. An Investment Vehicle's investment portfolio may contain debt and/or equity securities issued by publicly held companies. Such investments may subject an Investment Vehicle to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Investment Vehicle to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, which may include OnyxPoint's principals, and increased costs associated with each of the aforementioned risks.

High Portfolio Turnover. An Investment Vehicle's strategy may require frequent trading and a high portfolio turnover. The more frequent the trading, the higher the commission and transaction costs and certain other expenses. These costs will be borne by the applicable Investment Vehicle regardless of the profitability of its investment and trading activities. In addition, a high portfolio turnover may increase the recognition of short-term, rather than long-term, capital gains.

Fixed Income Securities. An Investment Vehicle may invest in fixed income securities of U.S. and non-U.S. issuers, as well as derivatives thereon. Fixed income securities pay fixed, variable, or floating rates of interest. Fixed income securities are subject to the risk of the issuer's inability to meet principal and interest payments on its obligations (*i.e.*, credit risk) and are subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer, foreign exchange rates, political stability, soundness of economic policies and general market liquidity (*i.e.*, market risk).

Lack of Unilateral Control. Even if an Investment Vehicle 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 an Investment Vehicle invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, or makes a minority investment, 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 Investment Vehicles or their investors. Such third parties may be in a position to take action contrary to the Investment Vehicle's business, tax or other interests, and the Investment Vehicle may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, an Investment Vehicle generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that an Investment Vehicle will be able to control the timing or occurrence of an exit strategy for such portfolio companies in a manner that maximizes or protects value.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of OnyxPoint and its affiliates, OnyxPoint frequently comes into possession of confidential or material non-public information. Therefore, OnyxPoint and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by an Investment Vehicle. Consequently, on account of applicable securities laws or OnyxPoint's internal policies, an Investment Vehicle 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.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent OnyxPoint or the Investment Vehicles from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with, or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Investment Vehicle's acquisition of a portfolio company may preclude other Investment Vehicles from making an attractive acquisition or require one or more other Investment Vehicles to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, an Investment Vehicle may be adversely affected because of OnyxPoint's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent an Investment Vehicle from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by OnyxPoint or may limit the ability of one or more portfolio companies to conduct their intended business in whole or in part. Consequently, there can be no assurance that any Investment Vehicle will be able to participate in all potential investment opportunities that fall within its investment objectives.

Hedging Arrangements; Related Regulations. OnyxPoint may (but is not obligated to) endeavor to manage the Investment Vehicle's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and deemed appropriate by OnyxPoint. The Investment Vehicle 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 greater losses or lower returns than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject the Investment Vehicle 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 Investment Vehicle to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for OnyxPoint and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (the "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 an Investment Vehicle or a portfolio company to hedge its exposures becomes limited by such requirements.

Combined Orders. When OnyxPoint transacts in securities through brokers or dealers, if OnyxPoint has determined to invest at the same time for one or more Investment Vehicles, OnyxPoint will generally place combined orders for all such accounts simultaneously and if all such orders are not filled at the same price, it will generally average the prices paid. Similarly, if an order on behalf of more than one Investment Vehicle cannot be fully executed under prevailing market conditions, OnyxPoint will allocate the investments among the different Investment Vehicles on a basis that it considers equitable. As a result, situations may occur where an Investment Vehicle could be disadvantaged because of the investment activities conducted for other Investment Vehicles.

Unfunded Pension Liabilities of Portfolio Companies. Certain 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 OnyxPoint intends to manage each Investment Vehicle's investments to minimize any such exposure, an Investment Vehicle may,

from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Investment Vehicle may own an 80% or greater interest in such a portfolio company. If such Investment Vehicle (or other 80%-owned portfolio companies of such Investment Vehicle) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Investment Vehicle and the companies in which such Investment Vehicle 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 Investments. Generally, OnyxPoint will determine the value of all of an Investment Vehicle's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for all of an Investment Vehicle's investments because, among other things, the securities of portfolio companies held by such Investment Vehicle generally will be illiquid and not quoted on any exchange. OnyxPoint will determine the value of all its Investment Vehicle's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that OnyxPoint will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of OnyxPoint with respect to an investment will represent the value realized by the relevant Investment Vehicle on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuations of the relevant Investment Vehicle's investment portfolios may be subject to certain inherent uncertainties resulting from the valuation of the underlying illiquid securities. As a result of these uncertainties, OnyxPoint may take, or fail to take, certain actions in connection with managing the relevant Investment Vehicle's investment portfolios and risks that affect the diversification and management of such Investment Vehicle's portfolio of investments.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries. 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 relevant Investment Vehicle, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at OnyxPoint or one of its service providers holding its financial or investor data, OnyxPoint, its affiliates or the Investment Vehicles may also be at risk of loss, despite any efforts to prevent and mitigate such risks under OnyxPoint's policies.

Risks Relating to the Energy Industry

Energy Services and Energy and Natural Resources Industries Risks. Investments in the energy and energy services sectors by the Investment Vehicles may be subject to a variety of risks, including, but not limited to: (i) the risk that the technology employed in an energy project will not be effective or efficient; (ii) risks that regulations affecting the energy industry will change in a manner detrimental to the industry; (iii) environmental liability risks related to energy properties and projects; (iv) risks of equipment failures, fuel interruptions, loss of sale and supply contracts or fuel contracts, decreases or escalations in power contract or fuel contract prices, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage (if any), inability to obtain desirable amounts of insurance at economic rates and acts of God or other catastrophes; and (v) the risk of changes in values of companies in the energy sector, including customers of a portfolio company, whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate significantly over a short period of time due to changes in international politics, political instability, armed conflicts, energy conservation, the success of exploration projects, the tax and other regulatory policies of various governments, and the economic growth of countries that are large consumers of energy, as well as other factors).

Because of the Investment Vehicles' sector focus, investment-related decisions and determinations, such as portfolio construction and diversification, may generally differ as compared to a more broadly focused private equity fund. When making such decisions and determinations, OnyxPoint may emphasize factors in a different manner and consider different factors, in each case as compared to such decisions and determinations relating to a more broadly focused private equity fund.

Energy Regulatory Risk; Environmental Matters. Investments in the energy sector may entail risks associated with more mature businesses and heavily regulated industries. The energy and natural resources industries are subject to comprehensive U.S. federal, state and local laws and regulations, as well as non-U.S. laws and regulations. Present, and future, statutes, rules and regulations could cause additional expenditures, decreased revenues, restrictions and delays that could materially and adversely affect the Investment Vehicles' investments and the prospects of the Investment Vehicles. There can be no assurance that (i) existing regulations applicable to investments generally or the portfolio companies will not be revised or reinterpreted, (ii) new laws and regulations will not be adopted or become applicable to the portfolio companies, (iii) the technology and equipment selected by portfolio companies to comply with current and future regulatory requirements will meet such requirements, (iv) portfolio companies' business and financial conditions will not be materially and adversely affected by such future changes in, or reinterpretation of, laws, rules and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws, rules and regulations, or (v) regulatory agencies or other third parties will not bring enforcement actions in which they disagree with regulatory decisions made by other regulatory agencies.

Further, environmental laws, rules, regulations and regulatory initiatives play a significant role in the energy and natural resources industries and can have a substantial impact on investments in these industries. For example, global initiatives to minimize pollution have played a major role in the increase in demand for natural gas and alternative energy sources, creating numerous new investment opportunities. Conversely, required expenditures for environmental compliance have

adversely impacted investment returns in a number of segments of the industry. The energy and natural resources industries will continue to face considerable oversight from environmental regulatory authorities and significant influence from non-governmental organizations (“NGOs”) and special interest groups. The Investment Vehicles may invest in portfolio companies that are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements. New and more stringent environmental and health and safety laws, rules, regulations and permit requirements or stricter interpretations of current laws, rules or regulations could impose substantial additional costs on portfolio companies and potential investments. Compliance with such current or future environmental requirements does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures.

Moreover, failure to comply with any such requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, rules, regulations and permit requirements. Past practices or future operations of portfolio companies could also result in material personal injury or property damage claims. Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership (such as the Funds) subject to environmental liability.

Energy Regulatory Risks; Regulatory Approvals; Permits. The energy industry is subject to comprehensive U.S. and non-U.S. federal, state and local laws and regulations, including those related to air emissions, water discharge, waste disposal, the environment and safety and health. Present, as well as future, statutes and regulations could cause additional expenditures, restrictions and delays that could materially and adversely affect the portfolio companies and the prospects of the Investment Vehicles. The Investment Vehicles’ portfolio companies could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such companies. Companies and projects in which the Investment Vehicles invest will be required to maintain numerous permits and approvals required for their operation. Compliance with these various rules and regulations may cause companies and projects to incur significant costs and may impact almost every aspect of their respective businesses. In addition, the Investment Vehicles may be required to obtain the consent or approval of applicable regulatory authorities in order to acquire or hold investments in particular companies or projects. If an Investment Vehicle is unable to obtain required consents or approvals, it may be unable to enter into transactions or to structure transactions in ways that are optimal for such Investment Vehicle. The Investment Vehicles may invest in companies or projects that OnyxPoint believes have obtained all material energy-related U.S. federal, state, local or non-U.S. approvals and permits required as of the date thereof to acquire and operate their facilities. However, such approvals and permits may be subject to conditions, and there is no assurance that companies and projects in which the Investment Vehicles invest will be successful in meeting such conditions. A failure to satisfy such conditions could prevent the operation of certain facilities or result in additional costs to such companies and projects, which may adversely affect the Investment Vehicles’ investment performance and results. There can be no assurance that a company or project will be able to do any of the following: (i) obtain all required regulatory approvals and permits; (ii) obtain any necessary modifications to existing regulatory approvals and permits; or (iii) renew and otherwise

maintain required regulatory approvals and permits. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals and permits (or amendments thereto) or delay or failure to satisfy any regulatory conditions or other applicable requirements (which may change over time) could prevent operation of a facility or sales of such facility to third parties, or could result in additional costs to a company or project and adversely affect the Investment Vehicle's investment performance and results. Moreover, additional regulatory approvals, including, without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customers or for other reasons. There can be no assurance that a portfolio company will be able to: (i) obtain all required regulatory approvals that it does not currently have or that it may be required to have in the future; (ii) obtain any necessary modifications to existing regulatory approvals; or (iii) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility or sales to or from third parties or could result in additional costs to a portfolio company.

Environmental Liabilities. The Investment Vehicles could face substantial risk of loss from environmental claims arising from investments made with undisclosed or unknown environmental problems or inadequate reserves or insurance for previously identified matters, as well as from occupational safety issues and concerns. Under certain circumstances, U.S. courts have held that a parent company is responsible for the environmental clean-up obligations of its subsidiary imposed by applicable laws. In the event that an Investment Vehicle is the parent of a portfolio company with such obligations, a U.S. court or a court of any other applicable jurisdiction might find that such Investment Vehicle is liable for such obligations. Environmental claims with respect to a specific investment may exceed the value of such investment.

Government Contracts. The Investment Vehicles' portfolio companies may serve customers that include governmental entities. Investments that include significant customer concentration with governmental entities pose additional and unique risks. Governmental budgeting and procurement requirements could adversely affect profitability of the portfolio companies. In addition, to the extent that an Investment Vehicle invests in a project whose assets are governed by concession agreements with national, provincial or local authorities, there is a risk that these authorities may not be able to honor their obligations under the agreement, especially over the long term. The leases or concessions may also contain clauses more favorable to the governmental counterparty than a typical commercial contract and may restrict the project's ability to operate in a way that maximizes cash flows and profitability. Governments typically have considerable discretion in implementing regulations that could impact these businesses, may be influenced by political (rather than just economic) considerations and may make decisions that adversely affect an Investment Vehicle's investments.

Siting. Energy and energy-related projects may be subject to siting requirements. Siting of energy projects is also frequently subject to regulation by applicable governmental authorities. For example, proposals to site a refinery may be challenged by a number of parties, including NGOs and special interest groups based on alleged security concerns, disturbances to natural habitats for wildlife and adverse aesthetic impacts, including the common "not in my backyard" phenomenon. Concerns may also arise that may require governmental permits or approvals, the receipt of which

may depend, in part, on heightened environmental concerns and public opposition in some jurisdictions.

Sovereign Rights. The right of certain portfolio companies to extract mineral resources, or to generate, deliver or sell energy or related services and equipment may be granted by or derive from approval by governmental entities and are subject to special risks, including the risk that the relevant governmental entity will exercise sovereign rights and take actions contrary to the rights of an Investment Vehicle or the relevant portfolio company or project under the relevant agreement. There can be no assurance that the relevant governmental entity will not legislate, impose rules or regulations or change applicable laws or act contrary to the law in a way that would materially and adversely affect the business of any portfolio company.

Drilling, Exploration and Development. The Investment Vehicles may invest in companies or projects that engage in oil and gas exploration and development, a speculative business involving a high degree of risk. Exploration and development companies usually have limited production, marketing, and financial resources and are, therefore, more vulnerable to the adverse impact of competition and changes in market conditions. Moreover, oil and gas drilling may involve unprofitable and unsuccessful efforts. Companies engaged in oil and gas exploration and development may expend a significant amount of capital drilling in wells that do not produce oil or gas, or in wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs.

Additionally, if multiple rounds of drilling are undertaken before oil or gas is located or produced, the investment may be carried at little or no value, may face increased borrowing costs or trigger lending covenants, and may produce lower returns on an aggregate or an IRR basis. Acquiring, developing and exploring for oil and natural gas involve many risks. These risks include: (i) encountering unexpected formations or pressures; (ii) loss of drilling fluid circulations; (iii) premature declines of reservoirs; (iv) blow-outs; (v) possible claims of indigenous peoples; (vi) protests by environmental groups; (vii) eco-terrorism; (viii) continuity of mineable reserves; (ix) availability of essential infrastructure; (x) labor relations; (xi) industrial accidents; (xii) reclamation obligations; (xiii) other accidents in completing wells; (xiv) cratering; (xv) sour gas releases; (xvi) pipeline failures; (xvii) uncontrollable flows of oil, natural gas or well fluids; (xviii) pollution, release of toxic or other hazardous substances; (xix) fires; (xx) explosions; (xxi) spills; and (xxii) other environmental, health and safety risks. The risks and hazards inherent in the oil and gas industries, some of which are enumerated above, have the potential of causing widespread and catastrophic environmental disasters. Such disasters could materially and adversely harm an Investment Vehicle and any portfolio company of such Investment Vehicle that is directly or indirectly responsible for causing or exacerbating such disasters. In addition, an Investment Vehicle may also be liable for environmental damages caused by the previous or subsequent owners or operators of properties (or working interests therein) such Investment Vehicle purchases. Insurance coverage for environmental damages that occur over time, or insurance coverage for the full potential liability that could be caused by sudden environmental damages, may not be available at a reasonable cost and an Investment Vehicle may be subject to liability or may lose substantial portions of its properties (or working interests therein) in the event of certain environmental damages.

In addition to the economic costs resulting from such disasters an Investment Vehicle and/or a portfolio company of an Investment Vehicle may have to bear through liability for third-party losses or the cessation or suspension of operations (which amounts could be greater than aggregate commitments to the applicable Investment Vehicle), such disasters could cause severe reputational damage to such portfolio company, the applicable Investment Vehicle and, potentially, the investors of such Investment Vehicle. Furthermore, such disasters may not be covered by insurance, and casualty and business interruption insurance may not be available at rates and on terms that key personnel deem desirable. As a result, substantial liabilities to third parties or governmental entities may be incurred and the payment of such liabilities could have a material adverse effect on an Investment Vehicle's financial condition and results of operations.

Hydraulic Fracturing. The Investment Vehicles may invest in companies that use hydraulic fracturing in their core programs. Hydraulic fracturing typically involves the injection of water, sand and additives under pressure into rock formations in order to stimulate hydrocarbon production. Certain portfolio companies may find that the use of hydraulic fracturing is necessary to produce commercial quantities of oil and natural gas from reservoirs in which they operate. The Investment Vehicles may invest in entities and businesses that have operations in the U.S. where there have been a number of initiatives and proposed initiatives at the federal, state and local level to ban or regulate hydraulic fracturing and to study the environmental impacts of hydraulic fracturing and the need for further regulation of the practice. For example, debate exists over whether certain of the chemical constituents in hydraulic fracturing fluids may contaminate drinking water supplies, with some members of the U.S. Congress and others proposing to revisit the exemption of hydraulic fracturing from the permitting requirements of the U.S. Safe Drinking Water Act (the "**SDWA**"). Eliminating this exemption could establish an additional level of regulation and permitting at the federal level that could lead to operational delays or increased operating costs for those portfolio companies and could result in additional regulatory burdens that could make it more difficult to perform hydraulic fracturing and increase a portfolio company's costs of compliance and doing business. Further, the U.S. Clean Water Act (the "**CWA**") restricts the discharge of produced waters and other pollutants into waters of the U.S. and requires permits before any pollutants may be discharged. The CWA and comparable state laws and regulations in the U.S. provide for penalties for unauthorized discharges of pollutants, including produced water, oil, and other hazardous substances. Compliance with and future revisions to requirements and permits governing the use, discharge, and recycling of water used for hydraulic fracturing may increase a portfolio company's costs and cause delays, interruptions or terminations of its operations which cannot be predicted.

Furthermore, the U.S. Environmental Protection Agency ("**EPA**") recently asserted federal regulatory authority over hydraulic fracturing involving diesel additives under the SDWA's Underground Injection Control Program. The EPA has since produced new guidelines in connection with this program that may prompt certain states to adopt similar practices into their regulatory framework. At the same time, the EPA has commenced a study of the potential environmental impacts of hydraulic fracturing activities, and a committee of the U.S. House of Representatives also conducted an investigation of hydraulic fracturing practices. Legislation has been introduced before the U.S. Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the fracturing process. More recently, legislation has also been introduced before the U.S. Congress that would ban hydraulic fracturing on federally owned, public lands. In March 2015, the U.S. Department of the Interior ("**DOI**") adopted

regulations covering fracturing activities on federal lands, including rules addressing wastewater disposal, standards for well construction and the required disclosure of the chemicals used in the fracturing process. The DOI's regulations are currently facing legal challenges but if such regulations remain effective, then the cost of hydraulic fracturing on federal lands could increase, the amount of available investment opportunities could be limited and there could be an adverse effect on investment returns.

At the state level, Vermont and, more recently, New York have each banned hydraulic fracturing. In addition, some states have adopted, and other states are considering adopting, regulations that could impose more stringent licensing, disclosure and well construction requirements on hydraulic fracturing operations. For example, Pennsylvania, Colorado and Wyoming have each adopted a variety of well construction, set back, and disclosure regulations limiting how fracturing can be performed and requiring various degrees of chemical disclosure. Residents of certain California and Colorado municipalities recently voted in favor of the following: (i) extending certain moratoriums banning hydraulic fracturing (Boulder); (ii) banning hydraulic fracturing for a set period of time (although such ban was ultimately overturned in court) (Fort Collins); (iii) an amendment that bans hydraulic fracturing permanently (Lafayette); and (iv) an ordinance that bans hydraulic fracturing permanently (Beverly Hills), in each case as such conduct takes place solely in such municipality. Likewise, in November 2012, voters in Longmont, another Colorado municipality, successfully banned hydraulic fracturing within such municipality's limits which in turn provoked two lawsuits, both of which were ultimately dropped. In November 2014, voters in Denton, a Texas municipality, successfully banned hydraulic fracturing within such municipality's limits, which resulted in two separate lawsuits. Although certain of these bans have been challenged and/or remain open to challenges (in light of, among other things, state law preemption considerations), the current effect is the prohibition of or significant uncertainty regarding hydraulic fracturing in such municipalities. If these municipal laws are not overturned (if challenged) or otherwise remain effective and/or if new laws or regulations that significantly restrict hydraulic fracturing are adopted, such laws could make it more difficult (if not impossible in the case of the municipality-level bans) or costly for companies in which the Investment Vehicles invest to perform fracturing to stimulate production from tight formations. If such legislation is successfully upheld, it may spur similar efforts in other jurisdictions.

In addition, if hydraulic fracturing becomes regulated at the U.S. federal level as a result of U.S. federal legislation or regulatory initiatives by the EPA following an Investment Vehicle investment, fracturing activities by companies in which such Investment Vehicle had previously invested could become subject to additional permitting requirements, and also to attendant permitting delays and potential increases in costs.

Overall, initiatives by the EPA and other regulators in the U.S. and elsewhere to expand or implement regulation of hydraulic fracturing, together with the possible adoption of new laws or regulations that significantly restrict hydraulic fracturing, could result in delays, eliminate certain drilling and injection activities, make it more difficult or costly for a portfolio company to perform hydraulic fracturing, increase a portfolio company's costs of compliance and doing business, and delay or prevent the development of unconventional hydrocarbon resources from shale and other formations that are not commercial without the use of hydraulic fracturing. In addition, there have been proposals by certain NGOs to restrict certain buyers from purchasing oil and natural gas

produced from wells that have utilized hydraulic fracturing in their completion process, which could negatively impact a portfolio company's ability to sell its production from wells that utilized these fracturing processes. These effects on a portfolio company's operations could have a material adverse effect on the financial condition of the applicable Investment Vehicle and the value of the interests in such Investment Vehicle. There may be similar and/or more onerous approaches taken to regulate hydraulic fracturing in other jurisdictions in which the Investment Vehicles makes investments.

Change of Law. Government counterparties or agencies may have the discretion to change or increase regulation of a portfolio company's operations, or implement laws or regulations affecting the portfolio company's operations, separate from any contractual rights it may have. A company or project in which an Investment Vehicle invests could thus be materially and adversely affected as a result of statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws, rules and regulations that impose more comprehensive or stringent requirements on such company or project, the markets in which such company or project operates or such company's or project's industry generally. Such changes could adversely affect the performance of one or more of an Investment Vehicle's investments.

Moreover, additional regulatory approvals, including renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s), or for other reasons. Changes in laws, rules and regulations could result in increased compliance costs, additional capital expenditures or unanticipated liabilities. A company or project also could be materially and adversely affected by regulations that have been vacated by court decisions. Several U.S. federal environmental programs, including the Clean Water Act rules regarding cooling water intake structures, the Clean Air Mercury Rule, and the Clean Air Interstate Rule, have been fully or partially vacated by the courts. The U.S. Environmental Protection Agency issued its Cross-State Air Pollution Rule replacing the Clean Air Interstate Rule on July 7, 2011. There is considerable uncertainty as to how these and other federal environmental programs will be modified and/or ultimately implemented. Any such modifications could alter the competitive landscape and/or the nature of the markets in which a company or project operates in a material and adverse manner to such company or project.

Reliance on Estimates of Oil and Gas Reserves. In acquiring oil and gas properties or working interests therein, OnyxPoint will rely to a large degree on estimates of oil and gas reserves to determine the value of its current and prospective investments and in negotiating the acquisition terms of its investments. Estimates of oil and gas reserves are inherently uncertain. Inaccurate estimates may cause an Investment Vehicle to underbid and fail to win an acquisition target, or overpay in its acquisitions and adversely affect its ability to generate attractive results. Estimates of oil and gas reserves, by necessity, are projections based on engineering and geological data. There are uncertainties inherent in the interpretation of such data, as well as the projection of future rates of production and the timing of development expenditures. Reserve engineering is a subjective process of estimating underground accumulations of oil and gas that are difficult to measure. The accuracy of any reserve estimate is a function of the quality of available data, engineering and geological interpretation, and judgment. Estimates of economically recoverable oil and natural gas reserves and future net cash flows necessarily depend on a number of variable factors and assumptions, such as historical production from the examined area compared with

production from other producing areas, the assumed effects of regulations by governmental agencies and assumptions concerning future oil and gas prices, future operating costs, severance and excise taxes, development costs and workover and remedial costs, all of which may in fact vary considerably from actual results. For these reasons, estimates of the economically recoverable quantities of oil and gas attributable to any particular group of properties and classifications of such reserves based on risk of recovery and estimates of the future net cash flows expected from such reserves may vary substantially. Any significant variance in the assumptions could materially affect the estimated quantity and value of the reserves.

Production. Exploration and production companies are particularly vulnerable to declines in the demand for and prices of crude oil and natural gas. Reductions in prices for crude oil and natural gas can cause continued production from a given reservoir to cease being economical earlier than it would if prices were higher, resulting in the plugging and abandonment of, and cessation of production from, that reservoir. In addition, lower commodity prices not only reduce revenues but also can result in substantial downward adjustments in reserve estimates. Actual oil and gas prices, development expenditures and operating expenses will vary from those assumed in reserve estimates, and these variances may be significant. Any significant variance from the assumptions used could result in the actual quantity of reserves and future net cash flow being materially different from those estimated in reserve reports. In addition, results from drilling, testing and production and changes in prices after the date of reserve estimates may result in downward revisions to such reserve estimates. Substantial downward adjustments in reserve estimates could have a material adverse effect on a given exploration and production company's financial position and results of operations and could result in acceleration of result-based loans or defaults thereunder. Actual amounts produced from such reserves may similarly vary. In addition, due to natural declines in reserves and production, exploration and production companies must economically find or acquire and develop additional reserves in order to maintain and grow their revenues and distributions.

Commodity Price Volatility. The value of an Investment Vehicle's portfolio companies will be substantially dependent upon the market price for oil, natural gas and other hydrocarbons, which value ultimately impacts the demand for their products and services. Historically, the markets for hydrocarbons have been volatile and such volatility is likely to continue in the future. Various factors beyond the control of the Investment Vehicles, OnyxPoint or any portfolio company will affect hydrocarbon prices including: (i) the worldwide and domestic supplies of oil and natural gas; (ii) the ability of the members of the Organization of the Petroleum Exporting Countries to agree to and maintain oil prices and production controls; (iii) political instability or armed conflict in the Middle East and other oil or natural gas producing regions; (iv) terrorist acts; (v) the price and level of foreign imports; (vi) the level of consumer demand; (vii) the price, availability and acceptance of alternative fuels; (viii) the availability of pipeline capacity; (ix) weather conditions; (x) transportation interruption; (xi) domestic and foreign governmental regulations, price controls and taxes; (xii) domestic and foreign environmental laws and regulations; and (xiii) the overall economic environment, including interest rates, levels of economic activity, the price of securities and the participation by other investors in the financial markets. There can be no assurance that there will not be a significant decline in the prevailing price for hydrocarbons, which could adversely affect the value of an Investment Vehicle's investments and its income from its investments. Price volatility also makes it difficult to budget for, and project the return on, acquisitions and development projects.

New Technology Risk. Historically, technology changes in the energy sector have resulted in gradual incremental improvements with no disruptive technology impacts. However, there are currently a number of scientific research institutions (including those supported by major venture capital firms and corporations) seeking to develop technologies designed to reduce dependence upon large scale fossil fuel generation. In the event that any such technology is successfully developed and implemented, the Investment Vehicle's investments may be adversely affected.

Licenses and Lease. Interests in the exploration and operation of oil and gas businesses in most countries are governed by statutes, rules and regulations and are evidenced by the granting of exploration and development licenses or production leases. Each license is typically for a specific term and carries with it annual expenditure and reporting commitments, as well as other conditions requiring compliance. Consequently, a portfolio company could lose title to, or its interest in, such licenses if the license conditions are not met or if insufficient funds are available to meet expenditure commitments. If the portfolio company is unable to meet its obligations in relation to the work programs of any of the licenses, it may be required to relinquish the license or the license may be revoked. Certain tenements and licenses may be located in, or adjacent to, areas that may be subject to actual or potential border disputes between two or more countries. These disputes cause disruptions, delays and possibly cancellation of certain projects, as well as the impairment of certain assets. Further, certain reserves, particularly shale gas reserves may be located below privately-owned properties and may require regulatory intervention to permit and facilitate the exploration and exploitation of such reserves.

Undeveloped Acreage. The Investment Vehicles' portfolio companies may hold, or seek to hold, undeveloped acreage and/or acreage in new or emerging plays. Undeveloped acreage may not ultimately be developed or become commercially productive, which could cause the applicable portfolio company to lose rights under its leases, as well as have a material adverse effect on its oil and natural gas reserves and future production. As a result, drilling results in these areas are uncertain, and the value of undeveloped acreage will decline if drilling results are unsuccessful. In addition, drilling results in these areas are more uncertain than drilling results in areas that are developed and producing. Since new or emerging plays have limited or no production history, portfolio companies may be unable to use past drilling results in those areas to help predict future drilling results. As a result, costs of drilling, completing and operating wells in these areas may be higher than initially expected, and the value of undeveloped acreage will decline if drilling results are unsuccessful.

Technical Risk. Investments in the energy industry may be subject to technical risks, including the risk of mechanical breakdown, spare parts shortages, failure to perform according to design specifications and other unanticipated events which adversely affect operations. While the Investment Vehicles intend to seek investments in which creditworthy and appropriately bonded and insured third parties bear much of these risks, there can be no assurance that any or all such risks can be mitigated or that such parties, if present, will perform their obligations.

Key Inputs. The operations of the businesses in which an Investment Vehicle invests may rely on access to certain key inputs such as strategic consumables, raw materials and drilling and processing equipment. The inability to obtain such key inputs in a timely manner could delay or reduce a portfolio company's production, which could have an adverse impact on its results of operations and financial condition. Periods of high demand for such supplies can result in periods

when availability of supplies are limited and cause costs to increase above normal inflation rates. Any interruption to supplies or increase in costs could adversely affect the operating results and cash flows of the Investment Vehicles' investments and therefore of the Investment Vehicles.

Independent Contractors. Independent contractors are typically used in operations in the energy industry to perform various operational tasks, including delivering raw commodities to processing or beneficiation plants. In periods of high commodity prices, demand for such contractors may exceed supply resulting in increased costs or lack of availability of key contractors. Disruptions of operations or increased costs also can occur as a result of disputes with contractors or a shortage of contractors with particular capabilities. Additionally, since a business in which an Investment Vehicle invests may not have the same control over independent contractors as they may have over their own employees, there is a risk that such contractors will not operate in accordance with their own safety standards or other policies. Any of the foregoing circumstances could have a material adverse effect on the business in which an Investment Vehicle invests, and ultimately such Investment Vehicle's operating results and cash flows.

Risk of Completing Investments in Phases. An Investment Vehicle's investment in may be separated into distinct phases. While OnyxPoint believes that implementing investments in phases may be beneficial to an Investment Vehicle because it will allow such Investment Vehicle to better establish and delineate the acreage and obtain a better understanding of the hydrocarbons in place before drilling the majority of the wells in a given investment, there is no assurance that the relevant Investment Vehicle will proceed with any subsequent phases. The decision to progress to the next phase of a project will be dependent on the well results achieved in the first phase, as well as OnyxPoint's outlook on the commodity price environment, among other factors. Should an Investment Vehicle not proceed with the subsequent phase of a given investment, the performance of such Investment Vehicle may be adversely impacted and the assets of such Investment Vehicle may be distributed earlier than if such Investment Vehicle had proceeded to such subsequent phase. There is no guarantee that within a project that is delineated in phases that the first phase will be completed in the planned timeframe or that any subsequent phase will begin in a timely fashion, if at all. Any delays could result in additional costs to an Investment Vehicle and adversely affect the Investment Vehicle's investment.

Weather and Climatological Risks. Certain energy companies may be particularly sensitive to weather and climate conditions. For example, solar power generators rely on the frequency and intensity of sunlight, wind turbines upon the frequency and intensity of the wind, and companies focused on biomass rely on the production of crops, which can be adversely affected by droughts and other weather conditions.

Natural Disasters, Terrorist Acts and Similar Dislocations. Upon the occurrence of a natural disaster such as flood, hurricane or earthquake, or upon an incident of war, riot or civil unrest, the impacted country may not efficiently and quickly recover from such event, which can have a materially adverse effect on portfolio companies and other developing economic enterprises in such country. Terrorist attacks and related events can result in increased short-term economic volatility. U.S. military and related actions in Afghanistan and Iraq, other events in the Middle East, and terrorist actions worldwide could have significant adverse effects on U.S. and world economies and securities markets. The effects of future terrorist acts (or threats thereof), military action or similar events on the economies and securities markets of countries cannot be predicted.

Such disruptions of the world financial markets could affect interest rates, ratings, credit risk, inflation and other factors relating to the Investment Vehicles' investments.

Midstream Energy Investment Risks. Investments in companies owning, controlling or investing in midstream energy assets, including oil and gas pipelines and terminals, are subject to a variety of risks not necessarily associated with other types of energy investments. Such risks may include: (i) the risk that the market for the refined products gathered by, transported on and stored in the midstream assets held by portfolio companies may decline due to a reduction in downstream customer base or end-use demand; (ii) the risk that oil and gas producers that utilize the midstream assets will not be successful in their exploration and production of oil and gas; (iii) the risk that the land on which the midstream assets held by portfolio companies are located will not be owned by such portfolio company or held by its affiliates, and therefore will be subject to risks associated with obtaining and maintaining necessary land use rights, contracts and permits from unrelated third parties; (iv) the risk that the Federal Energy Regulatory Commission ("FERC") may regulate tariff rates for interstate movements of oil and gas on the pipeline systems held by portfolio companies in a manner that adversely affects the profitability of the Investment Vehicles' investment in such companies; (v) the risk that, even if FERC permits an increase in tariff rates charged on the pipeline systems held by portfolio companies, competition from other pipeline systems may prevent such portfolio companies from doing so; (vi) the risk that any reduction in the capacity of interconnecting third-party pipelines due to testing, line repair, reduced operating pressures or other causes may result in a reduction of oil and gas volumes transported on pipelines or stored in terminals held by portfolio companies, thereby potentially adversely affecting the profitability of the Investment Vehicles' investments in such portfolio companies; (vii) the risk that refined oil and gas products and other hydrocarbons transported on and stored in the midstream assets held by portfolio companies may be released into the environment, which could cause such portfolio companies to be required to make substantial expenditures for responsive action or government-imposed penalties, to be liable to government agencies or private parties for natural resources damages, personal injury or property damages, and to be subjected to significant business interruption; and (viii) the risk that, as a result of their ownership or control of or investment in regulated assets such as pipelines, portfolio companies may be subject to unfavorable rulings imposed by regulatory authorities.

Regulation of Greenhouse Gases. Both in the U.S. and globally, emissions of greenhouse gases ("GHGs") are increasingly regarded as linked to global climate change, which may lead to more stringent regulation of GHGs in the future. Increased public concern and mounting political pressure may result in more U.S. federal, state or international requirements to reduce or mitigate the effects of GHGs. These requirements include adoption of cap and trade regimes, carbon taxes, restrictive permitting, increased efficiency standards, and incentives or mandates for renewable energy, all of which could make the Investment Vehicles' portfolio companies' products and services more expensive, lengthen project implementation times, and reduce demand for hydrocarbons. Any such future laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from, a portfolio company's equipment and operations could require it to incur costs to reduce emissions of GHGs associated with its operations. Furthermore, current and pending GHG regulations may also increase a portfolio company's compliance costs, such as for monitoring or sequestering emissions. Substantial limitations on GHG emissions could also adversely affect demand for oil and natural gas. Changes in the regulation of GHGs could impact a portfolio company investment by an Investment Vehicle or make future investments undesirable.

Documentation and Other Legal Risks. In addition to the matters described above, energy and energy generation and related projects are typically governed by complex legal agreements. As a result, there can be a higher risk of dispute over interpretation or enforceability of such agreements. It is not uncommon for energy generation and related infrastructure assets to be exposed to a variety of other legal risks, including, but not limited to, legal action from special interest groups. Special interest groups may use legal processes to seek to impede particular projects to which they are opposed.

Construction Risk. Certain portfolio companies may involve projects in the construction phase of development. In connection with any new development project, expansion of a facility or acquisition of a facility in development stage, a portfolio company may also face construction risks typical for gathering, transportation and other midstream businesses, including, without limitation, (i) labor disputes, shortages of material and skilled labor or work stoppages, (ii) slower than projected construction progress and the unavailability or late delivery of necessary equipment, (iii) adverse weather conditions and unexpected construction conditions, (iv) less than optimal coordination with public utilities in the relocation of their facilities, (v) accidents or the breakdown or failure of construction equipment or processes, (vi) political opposition, regulatory and permitting delays, (vii) delays in procuring real property rights, (viii) transmission grid interconnection delays, (ix) failure by one or more of the investment participants to perform in a timely manner (or at all) its or their contractual, financial or other commitments, (x) environmental issues, and (xi) catastrophic events such as explosions, fires and terrorist activities and other similar events beyond the Investment Vehicle's control. New facilities have no operating history and may employ recently developed or technologically complex equipment that may take time to operate at peak levels of output and efficiency. A material delay or increase in cost not absorbed by other participants in the transaction could significantly impair the financial viability of a project and result in a material adverse effect on an Investment Vehicle's investment therein. Further, these risks could result in substantial unanticipated delays or expenses and, under certain circumstances, could prevent completion of construction activities once undertaken, any of which could have an adverse effect on the Investment Vehicles and on the amount of funds available for distribution to the partners of the Investment Vehicles. Construction costs may exceed estimates for various reasons, including inaccurate engineering and planning, labor and building material costs in excess of expectations and unanticipated problems with project start-up. Such unexpected increases may result in increased debt service costs and funds being insufficient to complete construction. Such increases may also result in the inability of project owners to meet the higher interest and principal repayments arising from the additional debt required. Delays in project completion can result in an increase in total project construction costs through higher capitalized interest charges and additional labor and material expenses and, consequently, an increase in debt service costs. They may also affect the scheduled flow of project revenues necessary to cover the scheduled operations phase debt service costs, operations and maintenance expenses and damage payments for late delivery. In addition, there are risks inherent in certain construction work that may give rise to claims or demands against a portfolio company from time to time. Delays in the completion of any infrastructure project may result in lost opportunities or revenues or increased expenses, including higher operation and maintenance costs related to a portfolio company. Assets under development or assets acquired to be developed may receive little or no cash flow from the date of acquisition through the date of completion of development and may experience operating deficits after the date of completion. In addition, market conditions may change during the course of development that make such development less attractive than at the time it was commenced.

Operation. The Investment Vehicles may invest in oil and gas related infrastructure, such as oil and gas pipelines and other related transportation networks. Investors should be aware that there are numerous risks associated with such investments that may affect the business operation of a portfolio company and that could result in substantial losses and liabilities. For example, delays in land acquisition, shortages of construction materials or equipment and labor, environmental conditions such as bad weather and natural disasters, disputes with workers or contractors, accidents, changes in government policies and other unforeseeable difficulties or circumstances could potentially delay or even cancel the required development, improvement or maintenance of necessary infrastructure required for oil and gas projects. Any of these events may cause significant losses and liabilities for the Investment Vehicles.

Gathering and Processing. The Investment Vehicles may invest in gathering and processing companies, which are subject to the following risks, among other considerations, (i) natural declines in the production of oil and natural gas fields, which may be marketed through gathering and processing facilities, (ii) prolonged declines in the price of natural gas or crude oil, which may curtail drilling activity and therefore production, and (iii) declines in the prices of liquids rich gas and refined petroleum products, which would cause lower processing margins. In addition, some gathering and processing contracts subject such companies to direct commodities price risk.

Power Generation. The Investment Vehicles may invest in power generation companies and assets. The acquisition of power generation companies and assets is subject to substantial risks, including the failure to identify material problems during due diligence, the risk of over-paying for assets and the inability to arrange financing for an acquisition as may be required or desired. Further, the integration and consolidation of acquisitions requires substantial human, financial and other resources and, ultimately, the Investment Vehicle's acquisitions may not be successfully integrated. There can be no assurances that any future acquisitions will perform as expected or that the returns from such acquisitions will support the indebtedness incurred to acquire them or the capital expenditures needed to develop them. Power generation involves hazardous and environmentally sensitive activities, including acquiring, transporting and unloading fuel, operating large pieces of rotating equipment and delivering electricity to transmission and distribution systems, and handling, generation and disposal of, and potentially release of or exposure to, toxic or otherwise hazardous substances for which liabilities may be incurred to government agencies or third parties under applicable laws, including environmental, health and safety laws. Additionally, power generating companies often depend on transmission and distribution facilities owned and operated by others to deliver the wholesale power sold from such companies' power generation plants to their customers. If transmission is disrupted, or if the transmission capacity infrastructure is inadequate, the ability to sell and deliver wholesale power may be adversely affected. If a region's power transmission and distribution infrastructure is inadequate, profits may be limited. If restrictive transmission price regulation is imposed, the transmission companies may have insufficient incentive to invest in expansion of transmission and distribution infrastructure. There can be no assurance that the Investment Vehicles or their portfolio companies will be able to predict whether transmission facilities will be expanded in specific markets to accommodate competitive access to those markets. Moreover, delivery of fuels to power generating facilities is dependent upon the infrastructure (including barge facilities and natural gas pipelines) available to serve each generation facility. Many power generation plants are dependent on a sole source of fuel supply or are dependent on a single set of transmission

equipment or pipelines to supply fuel. If there is a disruption in the fuel delivery infrastructure, such facilities will be subject to risks of disruptions or curtailments in the production of power. Furthermore, in addition to the foregoing risks, in the case of power generation-related investments involving greenfield projects, there are substantial risks, such as failure of the energy source to materialize, and, most notably, failure to obtain government-issued permits which in such instances can prevent the power generation company from developing the applicable project.

Portfolio companies may enter into power purchase agreements (“PPAs”). Payments by power purchasers to such companies or projects pursuant to their respective PPAs may provide the majority of such companies’ or projects’ cash flows. There can be no assurance that any or all of the power purchasers will fulfill their obligations under their PPAs or that a power purchaser will not become bankrupt or that upon any such bankruptcy its obligations under its respective PPA will not be rejected by a bankruptcy trustee. There are additional risks relating to the PPAs, including the occurrence of events beyond the control of a power purchaser that may excuse it from its obligation to accept and pay for delivery of energy generated by a company or project. The failure of a power purchaser to fulfill its obligations under any PPA or the termination of any PPA may have a material adverse effect on a portfolio company or project.

Effects of Ongoing Changes in the Electrical Power Industry. The Investment Vehicles may make investments in the electrical power industry (and related industries and markets). A number of countries and jurisdictions, including the U.S., and several states within the U.S. are considering or implementing methods to introduce and promote competition with respect to both supply and demand in the electrical power industry. To the extent competitive pressures increase and the pricing and sale of electricity assume more characteristics of a commodity business, the economics of independent power generation projects (and other related energy projects) into which the Investment Vehicles may invest may come under increasing pressure. If restructuring of the electric energy markets is reversed, discontinued or delayed, this could have an adverse effect on the projects into which the Investment Vehicles may invest.

Equipment Failures. The generation and transmission of electricity requires the use of expensive and complicated equipment. Generating plants are subject to unplanned outages because of equipment failure. If such an equipment failure occurs while an Investment Vehicle or one of its portfolio companies is party to a power purchase contract, such Investment Vehicle or its relevant portfolio company may be subject to financial penalties to its customers or may be required either to produce replacement power from potentially more expensive units or purchase power from others at unpredictable and potentially higher costs in order to supply its customers and perform its contractual agreements. Any of these results could increase costs materially and adversely affect the amount of funds available for distribution to investors of such Investment Vehicle.

Use of Derivatives and Other Specialized Techniques. Companies in the energy and power industry engage in derivative transactions and other hedging techniques to insulate against a number of risks, including, without limitation, commodity price risk, exchange rate risk and interest rate risk. The Investment Vehicles and/or their portfolio companies may engage in other derivative or similar transactions. These transactions may involve the purchase and sale of commodities or commodity futures, the use of forward contracts, swap agreements, put and call options, floors, collars or other arrangements. Such instruments may be difficult to value, may be

illiquid and may be subject to wide swings in valuation caused by changes in the price of commodities or other underlying assets or market conditions. Pursuant to the Dodd-Frank Wall Street Reform and Consumer Protection Act, the CFTC obtained regulatory jurisdiction over certain derivative transactions, and, as a result, OnyxPoint, the Investment Vehicles, and their portfolio companies may be subjected to additional regulation if an exemption is not available and could create additional uncertainty and costs for these projects' hedging activities. Derivative instruments may trade principally on markets organized outside the United States and markets for derivative instruments may be illiquid, highly volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable cost. The investment techniques related to derivative instruments are highly specialized and may be considered speculative. Such techniques often involve forecasts and complex judgments regarding relative price movements and other economic developments. The success or failure of these investment techniques may turn on small changes in exogenous factors not within the control of portfolio companies, OnyxPoint or the Investment Vehicles. For all the foregoing reasons, the use of derivatives and related techniques can expose the Investment Vehicles and their portfolio companies to significant risk of loss.

Broken Deal Expenses. Investments in the energy industry often require extensive due diligence activities and regulatory approvals prior to acquisition. Due diligence may include, without limitation, feasibility and technical studies, preliminary engineering and marketing studies, and legal and environmental review, any or all of which may entail significant third-party expenses. In the event that an investment is not consummated, the applicable Investment Vehicle may bear some or all of such third-party expenses and any termination fees.

Ability to Exit Investments. Individual investments in infrastructure assets tend to be large due to the general nature and size of such assets (such as power plants, transmission lines, distribution properties or gas storage and pipeline facilities). Infrastructure assets may have unique geographic and market characteristics (and may be subject to political, regulatory and public opinion considerations), which could make them highly illiquid. The Investment Vehicles may acquire portfolios of assets that are not easily separated into individual asset acquisitions or dispositions. Accordingly, the Investment Vehicle's investments may be quite sizeable. There are limited pools of capital available in the sector that can make sizeable investments and limited numbers of market participants. As a result, the potential exits from these investments may be limited and there can be no assurance that the Investment Vehicles will be able to realize their investments on favorable terms, in a timely manner or at all. Moreover, the realizable value of a highly illiquid investment may be less than its intrinsic value.

Reliance on Customers. Energy services companies may depend on a limited number of significant customers. Accordingly, the loss by an energy services portfolio company of one or more significant customers could have an adverse effect on its business. Further, the failure or delay of a portfolio company's customers to pay a significant amount of outstanding receivables could adversely affect its liquidity, results of operations and financial condition. In weak economic or commodity price environments, certain energy services companies may experience increased delays and failures due to, among other reasons, a reduction in cash flow from operations and access to credit markets. If customers delay paying or fail to pay a significant amount of outstanding receivables to a portfolio company, it could adversely affect the liquidity, results of operations and financial condition of such company.

Availability of Raw Materials. Constraints in the supply of, prices for, and availability of transportation of raw materials can adversely affect portfolio companies engaged in the energy services business. Raw materials essential to such business, such as proppants, hydrochloric acid and gels, including guar gum, are normally readily available. Shortage of raw materials as a result of high levels of demand or loss of suppliers during market challenges can trigger constraints in the supply chain of those raw materials, particularly where a company has a relationship with a single supplier for a particular resource. Many of the raw materials essential to the energy services business require the use of rail, storage and trucking services to transport the materials to jobsites. These services, particularly during times of high demand, may cause delays in the arrival of or otherwise constrain the supply of raw materials. These constraints could adversely affect an energy services company's business and results of operations. In addition, price increases imposed by vendors for raw materials used in such business and the inability to pass these increases through to customers could have a material adverse effect on the business and operations of a portfolio company.

Customer Spending. The business of energy services companies is dependent on capital spending by their customers, and reductions in capital spending could reduce demand for their services and products and adversely affect their business, results of operations and financial condition. Some of the items that may impact capital spending of a an energy services portfolio company's customers include: (i) oil and natural gas prices, including volatility of oil and natural gas prices and expectations regarding future prices; (ii) the inability of customers to access capital on economically advantageous terms; the consolidation of customers; (iii) customer personnel changes; and (iv) adverse developments in the business or operations of customers, including write-downs of reserves and borrowing base reductions under customer credit facilities.

Midstream Capacity Constraints and Interruptions. Certain portfolio companies may rely on various midstream facilities and systems, including facilities and systems operated by third parties. Regardless of who operates the midstream systems, a portfolio company's business may be interrupted or shut-in from time to time due to loss of access to plants, pipelines or gathering systems. Such access could be lost due to a number of factors, including, but not limited to, weather conditions, accidents, field labor issues or strikes. Such interruptions or constraints could negatively impact a portfolio company's profitability, and thus investment returns to an Investment Vehicle.

Interconnecting Pipeline or Market Risk. The markets and pipelines to which natural gas, NGLs, condensate or other products are delivered establish specifications for the products they are willing to accept. These specifications include requirements such as hydrocarbon dewpoint, compositions, temperature and foreign content (such as water, sulfur, carbon dioxide and hydrogen sulfide), and these specifications can vary by product, pipeline or markets. If the total mix of a product delivered by an upstream portfolio company to a pipeline or market fails to meet the applicable product quality specifications, the pipeline or market may refuse to accept all or a part of the products scheduled for delivery to it or may invoice the portfolio company for the costs to handle or damages from receiving the out-of-specification products. In those circumstances, the upstream portfolio company may be required to find alternative markets for that product or to shut-in the producers of the non-conforming natural gas that is causing the products to be out of specification, potentially reducing or eliminating through-put volumes or revenues.

Transportation and Storage Risks. There are a variety of hazards and operating risks inherent to transportation and storage of crude oil, natural gas, refined petroleum products, CO₂, coal, chemicals and other products, such as leaks, releases, explosions, mechanical problems and damage caused by third parties. Additional risks to vessels include adverse sea conditions, capsizing, grounding and navigation errors. These risks could result in serious injury and loss of human life, significant damage to property and natural resources, environmental pollution and impairment of operations, any of which also could result in substantial financial losses. For pipeline and storage assets located near populated areas, including residential areas, commercial business centers, industrial sites and other public gathering areas, the level of damage resulting from these risks may be greater. Incidents that cause an interruption of service, such as when unrelated third-party construction damages a pipeline or a newly completed expansion experiences a weld failure, may negatively impact the revenues and cash flows of a portfolio company while the affected asset is temporarily out of service. In addition, losses in excess of a portfolio company's insurance coverage could have an adverse effect on its business, financial condition and results of operations.

Public Utility Holding Company Act of 2005. If an Investment Vehicle were to hold 10% or more of the voting securities in a "public-utility company" or a "holding company" of a public-utility company (as those terms are defined in the Public Utility Holding Company Act of 2005, or "**PUHCA**"), such Investment Vehicle would become a holding company subject to the jurisdiction of the Federal Energy Regulatory Commission. If such Investment Vehicle were to have the ability to exercise a "controlling influence" over the management of a public-utility company or a holding company of a public-utility company, regardless of the percentage of the outstanding voting securities or the amount or character of any passive or non-voting interest held by such Investment Vehicle, such Investment Vehicle may be deemed a holding company under PUHCA. Such Investment Vehicle would be required to notify the FERC of its status as a holding company under PUHCA. Such Investment Vehicle, as a holding company, and any affiliate, associate company and subsidiary company (as those terms are defined in PUHCA) would be required to maintain, and make available to the FERC, such books, accounts, memoranda, and other records of transactions as the FERC may deem relevant to electric or natural gas rates subject to the FERC's jurisdiction and may be subject to FERC oversight over certain affiliate transactions. However, if the public-utility company of which such Investment Vehicle (i) directly or indirectly holds 10% or more of the voting securities or (ii) has the ability to exercise a controlling influence, is a qualifying facility ("**QF**"), exempt wholesale generator ("**EWG**") or foreign utility company ("**FUCO**") as such terms are defined in PUHCA, and such Investment Vehicle is a holding company solely with regard to interests held in QFs, EWGs or FUCOs, such Investment Vehicle will be exempt from the federal books and records and record-retention requirements of PUHCA.

Federal Power Act; Natural Gas Act; State Regulations. Companies owning or operating electric generation and transmission assets may separately be subject to regulatory requirements under the Federal Power Act, as amended (the "**FPA**"), and state and, perhaps, local public utility laws. The FPA grants the FERC jurisdiction over the transmission of electricity in interstate commerce, the sale of electricity at wholesale in interstate commerce, and all facilities for such transmission or sale; provided that jurisdiction over retail sales is left to the states. The FPA prohibits "public utilities" (entities that own or operate facilities subject to FERC jurisdiction) from selling, leasing, merging or consolidating jurisdictional facilities, and from buying or acquiring securities of other public utilities, without first obtaining FERC approval. The Energy

Policy Act of 2005 also provided the FERC with expanded jurisdiction over the acquisition of generating assets by public utilities and required prior approval by the FERC of certain mergers, consolidations or the acquisition of securities with a value of \$10 million or more by any holding company in a holding company system that includes a transmitting utility or an electric utility company. Rates, charges and other terms for transmission services and for wholesale sales by public utilities are subject to the FERC's supervision. Certain wholesale generating companies may obtain market-based rate authority, enabling companies to price based upon market conditions. In determining whether a wholesale generating company will be granted market-based rate authority, the FERC has established market power tests that review the holdings of the generating company and its affiliates; the need to maintain market-based rate authority may, from time to time, constrain the investment opportunities available to an Investment Vehicle. The FERC also is responsible for licensing and inspecting private, municipal and state-owned hydroelectric projects. Since an Investment Vehicle's portfolio companies may own electric facilities, they may be deemed to be public utilities, subject to these regulations, unless otherwise exempted.

Companies owning or operating natural gas transportation or storage facilities may be subject to regulatory requirements under the Natural Gas Act, as amended (the "NGA"). The NGA grants the FERC jurisdiction over the transportation of natural gas in interstate commerce, among other things. While the FERC has jurisdiction over the rates charged for interstate transportation and storage services, in most cases, owners of certain natural gas storage facilities may obtain market-based rate authority, enabling companies to price based upon market conditions. As with wholesale generation, the FERC has adopted market power tests that review the holdings of storage providers prior to granting market-based rates. The FERC also has authority over facility construction, and no such construction can occur without FERC authorization under the NGA. The FERC does not have jurisdiction to review mergers of natural gas companies, but operating and construction certificates may not be transferred without prior FERC approval.

On the state level, most state laws require approval from the state commission before an electric utility operating in the state may divest or transfer electric generation or distribution facilities. These laws also give the commissions authority to regulate the financial activities of electric utilities selling electricity to consumers in their states. Certain states also regulate the transfer of other electric facilities and financing activities by the owners of such facilities.

Rate Risk. The FERC, the California Public Utilities Commission (the "CPUC"), or the National Energy Board (the "NEB") may establish pipeline tariff rates that have a negative impact on an Investment Vehicle's portfolio companies. In addition, the FERC, the CPUC, the NEB, or a portfolio company's customers could file complaints challenging the tariff rates charged by a portfolio company's pipelines, and a successful complaint could have an adverse impact on that company. The profitability of a portfolio company's regulated pipelines, if any, is influenced by fluctuations in costs and its ability to recover any increases in our costs in the rates charged to its shippers. To the extent that a portfolio company's costs increase in an amount greater than what it is permitted by the FERC, the CPUC, or the NEB to recover in its rates, or to the extent that there is a lag before it can file for and obtain rate increases, such events can have a negative impact upon that company's operating results. A portfolio company's existing rates may also be challenged by complaint. Regulators and shippers on pipelines have rights to challenge the rates we charged under certain circumstances prescribed by applicable regulations. Some shippers on pipelines have filed complaints with the regulators that seek substantial refunds for alleged overcharges during

the years in question and prospective reductions in the tariff rates. Further, the FERC may continue to initiate investigations to determine whether interstate natural gas pipelines have over-collected on rates charged to shippers. Any successful challenge to a portfolio company's rates could materially adversely affect its future earnings, cash flows and financial condition, all which would negatively impact the returns of the applicable Investment Vehicle.

Conflicts of Interest

OnyxPoint and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for other Investment Vehicles, and providing transaction-related, legal, management and other services to Investment Vehicles and portfolio companies. OnyxPoint will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Investment Vehicles in an appropriate manner, as required by the relevant Partnership Agreement or Investment Management Agreement, although the Investment Vehicles and their respective investments will place varying levels of demand on these over time. In the ordinary course of OnyxPoint conducting its activities, the interests of an Investment Vehicle may conflict with the interests of OnyxPoint, one or more other Investment Vehicles, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, OnyxPoint will determine all matters relating to structuring transactions and Investment Vehicle operations using its reasonable 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 commitment period of a Fund, all appropriate investment opportunities will be pursued by OnyxPoint principals through such Fund, subject to certain limited exceptions set forth in the Fund's Governing Documents and OnyxPoint's allocation policies. Without limitation, OnyxPoint 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. OnyxPoint's principals and OnyxPoint's investment staff will continue to manage and monitor such investments until their realization. Such other investments that OnyxPoint principals may control or manage may potentially compete with companies acquired by a Fund. Following the commitment period of a Fund, OnyxPoint principals may and likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, OnyxPoint will be presented with investment opportunities that would be suitable not only for an Investment Vehicle, but also for other Investment Vehicles and other investment vehicles operated by OnyxPoint. In determining which investment vehicles should participate in such investment opportunities, OnyxPoint will be subject to conflicts of interest among the investors in such investment vehicles. Except as required by the relevant Governing Documents or Investment Management Agreement, OnyxPoint is not obligated to recommend any investment to any particular Investment Vehicle. Investments by more than one client of OnyxPoint in a portfolio company may also raise the risk of using assets of a client of OnyxPoint to support positions taken by other clients of OnyxPoint.

In allocating investment opportunities, OnyxPoint must first determine which Investment Vehicle(s) will, or are required to, participate in the relevant investment opportunity. OnyxPoint

generally assesses whether an investment opportunity is appropriate for a particular Investment Vehicle based on the Investment Vehicle's Partnership Agreement or Investment Management Agreement, as applicable, as well as factors including, but not limited to: investment restrictions and objectives (including those set forth in the relevant Investment Vehicle's Partnership Agreement or Investment Management Agreement, as applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limits, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Investment Vehicle generally will seek to purchase a disproportionate amount of investments until it is substantially invested. An Investment Vehicle may invest together with other Investment Vehicles advised by an affiliated adviser of OnyxPoint (if any) in the manner set forth in the relevant Partnership Agreements and/or Investment Management Agreements. OnyxPoint will determine the allocation of investment opportunities among Investment Vehicles in a manner that it believes is fair and equitable consistent with OnyxPoint's obligations and may take into consideration factors such as those set forth above.

Following such determination, OnyxPoint will determine if the amount of an investment opportunity in which one or more Investment Vehicles will invest exceeds the amount that would be appropriate for such Investment Vehicle(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the Investment Vehicles' Partnership Agreements, Investment Management Agreements, Side Letters and OnyxPoint's procedures regarding allocation. OnyxPoint's procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or similar co-investors; OnyxPoint's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair OnyxPoint's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; and whether OnyxPoint believes that allocating investment opportunities to an investor or other person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Investment Vehicles and/or OnyxPoint. Although a prospective co-investor's willingness to invest in future Investment Vehicles may be considered by OnyxPoint, it generally will not be the sole determining factor considered by OnyxPoint in identifying co-investors. OnyxPoint 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 OnyxPoint or its related persons in consultation with other participants in the relevant transactions. Co-investment opportunities may, and typically will, be

offered to some and not to other OnyxPoint investors and the consideration of the factors set forth above may result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments may receive none. When and to the extent that employees and related persons of OnyxPoint and its affiliates make capital investments in or alongside certain Investment Vehicles, OnyxPoint and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any Investment Vehicle's return from a transaction would be equal to and not less than another Investment Vehicle participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

OnyxPoint'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 OnyxPoint 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 an Investment Vehicle'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 OnyxPoint may be subject did not exist.

In certain cases, OnyxPoint will have opportunity (but, subject to any applicable restrictions or procedures in the relevant Partnership Agreement, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, OnyxPoint will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on suitability and other factors, and unless required by the relevant Partnership Agreement, 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.

Where multiple Investment Vehicles invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Investment Vehicles that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Investment Vehicles may or may not provide, or be able to provide, such additional capital, and if provided, each Investment Vehicle generally will supply such additional capital in such amounts, if any, as determined by OnyxPoint in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, OnyxPoint may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, one Investment Vehicle versus another Investment Vehicle (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If an Investment Vehicle enters into any indebtedness with another Investment Vehicle on a joint and several basis, OnyxPoint is expected to enter into one or more agreements that provide each Investment Vehicle with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, OnyxPoint may be

subject to conflicts of interest, for example between an Investment Vehicle with a reimbursement obligation and an Investment Vehicle seeking reimbursement. In certain circumstances, Investment Vehicles may be prohibited from exercising (or OnyxPoint may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Investment Vehicle or the other may be subject to creditor claims regarding subordination of interests. OnyxPoint intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Investment Vehicle to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Conflicts may arise when an Investment Vehicle makes investments in conjunction with an investment being made by another Investment Vehicle, or if it were to invest in the securities of a company in which another Investment Vehicle has already made an investment. An Investment Vehicle 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 Investment Vehicle. This may result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Investment Vehicle and the other Investment Vehicle(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. OnyxPoint 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 Investment Vehicle's investments will be the same as the returns obtained by other Investment Vehicles 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 Investment Vehicles. In that regard, actions may be taken for one or more Investment Vehicles that adversely affect other Investment Vehicles.

Subject to any relevant restrictions or other limitations contained in the Partnership Agreements or Investment Management Agreements of the Investment Vehicles, OnyxPoint 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, OnyxPoint may be faced with a variety of potential conflicts of interest.

As a general matter, Investment Vehicle expenses typically will be allocated among all relevant Investment Vehicles 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 OnyxPoint or its affiliates using their reasonable 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 Investment Vehicles or co-invest vehicles receiving related benefits or proportionately in accordance with asset size or in certain circumstances determining whether a particular expense has greater benefit to an Investment Vehicle or OnyxPoint. The Investment Vehicles have different expense reimbursement terms, including with respect to management fee offsets, which may result in the Investment Vehicles bearing different levels of expenses with respect to the same investment.

As a result of the Investment Vehicles' controlling interests in portfolio companies, OnyxPoint and/or its affiliates typically have the right to appoint portfolio company board members (including current or former OnyxPoint 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 OnyxPoint and/or its affiliates. Except to the extent such amounts are subject to the Partnership Agreements' or the Investment Management Agreements' offset provisions, they will be in addition to any management fees or carried interest or other performance-based fees paid by an Investment Vehicle to OnyxPoint.

Additionally, a portfolio company typically will reimburse OnyxPoint or service providers retained at OnyxPoint's discretion for expenses (including, without limitation, travel expenses) incurred by OnyxPoint or such service providers in connection with its performance of services for such portfolio company. This discretion subjects OnyxPoint and its affiliates to conflicts of interest because the Investment Vehicles generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. OnyxPoint 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 Investment Vehicle, any fee paid or expense reimbursed to OnyxPoint or such service providers generally is subject to agreements with or review by management teams and the review and supervision of the board of directors of portfolio companies. These factors may help to mitigate, but will not necessarily eliminate, related potential conflicts of interest.

OnyxPoint generally may exercise its discretion to recommend to an Investment Vehicle or to a portfolio company thereof that it contract for services with (i) OnyxPoint or a related person of OnyxPoint (which may include a portfolio company of such Investment Vehicle), (ii) an entity with which OnyxPoint or its affiliates or current or former members of their personnel has a relationship or from which OnyxPoint or its affiliates or their personnel otherwise derives financial or other benefit, or (iii) certain investors or their affiliates. For example, OnyxPoint may be presented with opportunities to receive financing and/or other services in connection with an Investment Vehicle's investments from certain investors or their affiliates that are engaged in lending or related business. This subjects OnyxPoint to conflicts of interest, because although OnyxPoint selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Investment Vehicle, OnyxPoint may have an incentive to recommend the related or other person (including an investor) because of its financial or other business interest. There is a possibility that OnyxPoint, 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 Investment Vehicles or OnyxPoint), 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 OnyxPoint has a relationship or receives financial or other benefits from recommending a particular service provider, there can be no assurance that no other service provider will be more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time OnyxPoint may cause an Investment Vehicle to enter into a transaction whereby such Investment Vehicle purchases securities from, or sells securities to, other Investment Vehicles managed by OnyxPoint, or co-investors or co-invest vehicles. Such transactions raise potential conflicts of interest, including where the investment of one Investment Vehicle supports the value of portfolio companies owned by another Investment Vehicle. 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 represents what would ultimately be the underlying investment's fair value. To the extent required by the relevant Investment Vehicles' Partnership Agreements or Investment Management Agreements or otherwise in the sole discretion of OnyxPoint, OnyxPoint 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 Investment Vehicle(s) (including, where authorized, the consent of each relevant Fund's Advisory Committee) to such transactions. In certain circumstances, OnyxPoint 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 Investment Vehicle under then-current market conditions. OnyxPoint intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Investment Vehicle under the circumstances, including a consideration of the potential present and future benefits with respect to each Investment Vehicle.

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

OnyxPoint and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Investment Vehicles or other investment vehicles advised by OnyxPoint and/or its affiliates; conversely, current or former personnel or executives of OnyxPoint and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by OnyxPoint. Similarly, OnyxPoint, 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, OnyxPoint and/or its affiliates, and/or the Investment Vehicles or other investment vehicles they advise. OnyxPoint may have a conflict of interest with an Investment Vehicle in recommending the retention or continuation of

a third-party service provider to such Investment Vehicle 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 Investment Vehicles, will provide OnyxPoint information about markets and industries in which OnyxPoint operates (or is contemplating operations) or will provide other services that are beneficial to OnyxPoint. OnyxPoint may have a conflict of interest in making such recommendations, in that OnyxPoint has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for an Investment Vehicle, while the products or services recommended may not necessarily be the best available to the portfolio companies held by an Investment Vehicle.

In certain circumstances, current or former OnyxPoint 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 OnyxPoint. Under such arrangements, OnyxPoint 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 OnyxPoint at the end of such secondee arrangement.

OnyxPoint, its affiliates, and equity holders, officers, principals and employees of OnyxPoint and its affiliates may buy or sell securities or other instruments that OnyxPoint has recommended to an Investment Vehicle. Such transactions are subject to any restrictions in an Investment Vehicle's Partnership Agreement or Investment Management Agreement and any policies and procedures set forth in OnyxPoint's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Investment Vehicle. Employees and related persons of OnyxPoint have, and are expected to continue to have, capital investments in or alongside certain Investment Vehicles, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore may have additional conflicting interests in connection with these investments.

Because certain expenses are paid for by an Investment Vehicle and/or portfolio companies or, if incurred by OnyxPoint, are reimbursed by an Investment Vehicle and/or portfolio companies, OnyxPoint will not necessarily seek out the lowest cost options when incurring (or causing an Investment Vehicle or portfolio companies to incur) such expenses.

In addition, as described above, portfolio companies (and, to a lesser extent, the Investment Vehicles) typically pay certain fees to Consultants and others (including third-party consultants introduced or arranged by OnyxPoint and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset OnyxPoint's management fee as described herein. Consultants generally make use of OnyxPoint resources or otherwise are associated with OnyxPoint. OnyxPoint 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. Consultants generally receive investment opportunities, reimbursements and other compensation that do not offset the management fee of any Investment Vehicle, as described herein. Although the use of Consultants and the allocation of compensation paid to them by OnyxPoint, its affiliates and/or the portfolio companies subjects OnyxPoint and/or its affiliates to potential conflicts of interest, OnyxPoint 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 Investment Vehicle(s)) that will result if the cost of the operating partner is lower than market rates for the services provided and/or if the services of the operating partner align with OnyxPoint's model for the portfolio company and improve portfolio company performance. Although OnyxPoint seeks to retain Consultants with a view to reducing costs to portfolio companies (and, ultimately, the Investment Vehicles) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. OnyxPoint also generally seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that OnyxPoint believes will align such persons' interests with those of the Investment Vehicles' limited partners or investors, and seeks to retain only Consultants 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 OnyxPoint may not otherwise have done so.

Since OnyxPoint is permitted to retain certain additional compensation (as described under "Fees and Compensation") in connection with management and other services performed for portfolio companies of the Investment Vehicles, it could have a conflict of interest in connection with approving transactions and setting such compensation. Additionally, OnyxPoint, its personnel, affiliates or others designated by OnyxPoint may from time to time receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the relevant Governing Documents or Investment Management Agreement are applied, OnyxPoint and/or such other recipients will be permitted to retain such securities as additional compensation, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or OnyxPoint) or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Investment Vehicle.

OnyxPoint 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.

OnyxPoint may arrange a program for Investment Vehicles and portfolio companies to participate in purchasing, vendor or similar arrangements with OnyxPoint, its affiliates, the Investment Vehicles, and other portfolio companies. This may enable participants to receive discounts negotiated with various vendors and service providers on a groupwide basis. OnyxPoint

generally would expect to allocate fees and third-party administration costs for the program among the relevant Investment Vehicles and portfolio companies. OnyxPoint and its affiliates may also participate in such a program and receive similar benefits and discounts as the portfolio companies and Investment Vehicles participating therein. No such amounts will result in additional offsets to the management fee. OnyxPoint believes the potential for conflicts relating to such arrangements is mitigated by the anticipated cost savings to the Investment Vehicles and portfolio companies (which is expected to be to the benefit of the applicable Investment Vehicle(s)) that will result if the negotiated discounts rates for goods and services are discounted relative to those widely available in the market.

OnyxPoint has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as OnyxPoint has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option.

Any of these situations subjects OnyxPoint and/or its affiliates to potential conflicts of interest. OnyxPoint attempts to resolve such conflicts of interest in light of its obligations to its Investment Vehicles and their investors and attempts to allocate investment opportunities among an Investment Vehicle, other Investment Vehicles and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, OnyxPoint will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict.

Pursuant to a Fund's Governing Documents, a Fund's General Partner may appoint an Advisory Committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles. Where appropriate, and to the extent provided in a Fund's Governing Documents, OnyxPoint consults and receives consent to conflicts, Advisers Act matters, and other Fund matters from the relevant Advisory Committee.

DISCIPLINARY INFORMATION

OnyxPoint and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

OnyxPoint Global Management is affiliated with the General Partners, which are investment advisers under the Advisers Act. The SEC has deemed the General Partners to operate, for registration purposes, as a single advisory business together with OnyxPoint Global Management insofar as the General Partners are deemed registered under the Advisers Act pursuant to OnyxPoint Global Management's registration in accordance with SEC guidance. The General Partners serve as general partners to the Funds and generally share with OnyxPoint Global Management common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

OnyxPoint Global Management has adopted a Code of Ethics and Securities Trading Policy and Procedures (the “**Code**”), which sets forth standards of conduct that are expected of OnyxPoint principals and employees and addresses conflicts that arise from personal trading. The Code requires certain OnyxPoint personnel to report their personal securities transactions, prohibits or requires pre-clearance for OnyxPoint personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits OnyxPoint personnel from directly or indirectly acquiring beneficial ownership of securities, with limited exceptions, without first obtaining approval from the OnyxPoint Global Management Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Rodney Miller, OnyxPoint Global Management’s Chief Compliance Officer, at 212-235-1962. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client’s interests in client eligible investments.

OnyxPoint and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, OnyxPoint and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of OnyxPoint.

Accordingly, should OnyxPoint or any of its affiliated persons come into possession of material non-public or other confidential information with respect to public and non-public company, OnyxPoint generally would be prohibited from communicating such information to clients, and OnyxPoint will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of OnyxPoint personnel serving as directors of public companies and may restrict trading on behalf of clients, including an Investment Vehicle.

Principals and employees of OnyxPoint and its affiliates may directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles may invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities may also be presented to certain affiliates of OnyxPoint, as well as third-party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Such co-investment opportunities generally will be allocated in the manner described under “Methods of Analysis, Investment Strategies and Risk of Loss.”

OnyxPoint and its affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in an Investment Vehicle, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Investment Vehicle, even though their

investment objectives may be the same or similar. The operative documents and investment programs of certain Investment Vehicles may restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Investment Vehicles or may give priority with respect to investments to such Investment Vehicles. Some of these restrictions could be waived by investors (or their representatives) in such Investment Vehicles.

From time to time, OnyxPoint may advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. Interest in connection with such borrowing typically is borne by the relevant Fund, consistent with the Governing Documents.

In borrowing on behalf of an Investment Vehicle, OnyxPoint is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Investment Vehicle, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Investment Vehicle's preferred return, is expected to have incentives to cause the Investment Vehicle to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Investment Vehicle borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Investment Vehicle-level borrowing typically will reduce the amount of preferred return to which the investors would otherwise be entitled had OnyxPoint called capital, and thus could result in OnyxPoint receiving carried interest sooner than it would without borrowing. In addition, when the management fee is calculated as a percentage of invested capital, an investor may pay management fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to investors will be commensurate with such costs.

OnyxPoint will effect such borrowings in a manner it believes to be fair and equitable to the relevant Investment Vehicle, and consistent with OnyxPoint's obligations to the Investment Vehicle under the Governing Documents or Investment Management Agreement.

BROKERAGE PRACTICES

OnyxPoint 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 may be retained. However, OnyxPoint may also distribute securities to investors in an Investment Vehicle or sell such securities, including through using a broker-dealer, if a public trading market exists. To the extent that OnyxPoint engages in public securities transactions, it follows the brokerage practices described below.

If OnyxPoint purchases or sells publicly traded securities for an Investment Vehicle, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts

managed by OnyxPoint. In such event, OnyxPoint will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, OnyxPoint may consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) transaction costs; (iii) research capabilities; (iv) the reputation and financial standing of the firm being considered; and (v) responsiveness to requests for trade data and other financial information.

OnyxPoint has no duty or obligation to seek in advance competitive bidding for the most favorable transaction costs applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although OnyxPoint generally seeks competitive transaction costs, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with OnyxPoint seeking to obtain best execution, trade executions on client transactions may be directed to brokers in recognition of research furnished by them. Such research services could include economic research, market strategy research, industry research, company research, fixed-income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of OnyxPoint’s Investment Vehicles. However, each and every research service may not be used for the benefit of each and every Investment Vehicle managed by OnyxPoint, and transaction costs paid by one Investment Vehicle may apply towards payment for research services that might not be used in the service of such Investment Vehicle. Research services may be shared between OnyxPoint and its affiliates.

OnyxPoint will employ no agreement or formula for the allocation of brokerage business on the basis of research services; however, OnyxPoint may, in its discretion, cause the Investment Vehicles to pay such brokers transaction costs for effecting portfolio transactions in excess of the amount of transaction costs another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where OnyxPoint has determined in good faith that such transaction cost is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, OnyxPoint would not be required to place or attempt to place a specified dollar value on the brokerage or research services provided by such broker.

OnyxPoint will periodically determine which brokers have provided research that has been helpful in the management of Investment Vehicles. To the extent consistent with OnyxPoint’s goal to obtain best execution for their clients, OnyxPoint may seek to place a portion of the trades that they direct with the brokers who are identified through this process.

To the extent that OnyxPoint allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Investment Vehicles’ interest in receiving most favorable execution. To the extent OnyxPoint uses “soft dollars” on behalf of

the Investment Vehicles, it will seek to do so within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

To the extent that OnyxPoint engages in public securities transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Investment Vehicles are completed independently, OnyxPoint may also purchase or sell the same securities or instruments for several Investment Vehicles simultaneously. From time to time, OnyxPoint may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Investment Vehicle of OnyxPoint is favored over any other Investment Vehicle. When an aggregated order is filled in its entirety, each participating Investment Vehicle generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Investment Vehicle participating in such buy or sell order in accordance with the amount of securities originally requested for such Investment Vehicles.

Each Investment Vehicle generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to Investment Vehicles over time.

In OnyxPoint’s private company securities transactions on behalf of the Investment Vehicles, OnyxPoint may retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Investment Vehicle and/or its portfolio companies. In determining to retain such parties, OnyxPoint may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although OnyxPoint generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Investment Vehicles may not pay the lowest commission or fee for such services.

REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities held by a Fund. The investments made by the Managed Accounts may be private, illiquid and long-term in nature or the investments may be public, liquid and short-term in nature. OnyxPoint closely monitors companies in which the Investment Vehicles invest, and OnyxPoint Global Management’s Chief Compliance Officer periodically checks to confirm that each Investment Vehicle is maintained in accordance with its stated objectives.

Each Fund generally will provide to each of its limited partners (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner's tax return and (iii) at the time of delivery of the financial statements, reports providing a description of all investments held by the Funds and a narrative summary of the status of each such investment. Each Managed Account will provide its investors with the reports described in such Managed Account's Investment Management Agreement.

CLIENT REFERRALS AND OTHER COMPENSATION

OnyxPoint and/or its affiliates may provide certain business or consulting services to companies in an Investment Vehicle's portfolio and may receive compensation from these companies in connection with such services. As described in the applicable Partnership Agreements and Investment Management Agreements, this compensation may offset a portion of the management fees paid by an Investment Vehicle. However, in other cases, these fees may be in addition to management fees. *See* "Fees and Compensation."

From time to time, OnyxPoint may enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents will be borne by OnyxPoint indirectly through an offset against the management fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including, but not limited to, placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

CUSTODY

OnyxPoint maintains custody of assets held in the name of one or more Funds with the following qualified custodian: JP Morgan. To the extent that OnyxPoint will advise Managed Accounts in the future, OnyxPoint expects to offer investors in the Managed Accounts the option of using their own custodians or a custodian selected by OnyxPoint.

INVESTMENT DISCRETION

OnyxPoint has discretionary authority to manage investments on behalf of each Investment Vehicle. As a general policy, OnyxPoint does not allow clients to place limitations on this authority. Pursuant to the terms of the Partnership Agreement, however, OnyxPoint and/or its affiliates may enter into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. OnyxPoint assumes this discretionary authority pursuant to the terms of the Governing Documents or Investment Management Agreement and powers of attorney executed by the investors in each Investment Vehicle.

VOTING CLIENT SECURITIES

OnyxPoint has adopted Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how they will vote proxies, as applicable, for each Investment Vehicle's portfolio investments. The Proxy Policy seeks to ensure that OnyxPoint votes proxies (or similar

instruments) in the best interest of the Investment Vehicles, including where there may be material conflicts of interest in voting proxies. OnyxPoint generally believes its interests are aligned with those of Investment Vehicles' investors, for example, through the principals' beneficial ownership interests in the Investment Vehicles and therefore will not seek limited partner approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that OnyxPoint may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's Advisory Committee on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's Advisory Committee may approve OnyxPoint's vote in a particular solicitation. OnyxPoint does not consider service on portfolio company boards by OnyxPoint personnel or their receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by OnyxPoint when voting proxies on behalf of the Investment Vehicles. If you would like a copy of OnyxPoint Global Management's complete Proxy Policy or information regarding how OnyxPoint voted proxies for particular portfolio companies, please contact Rodney Miller, OnyxPoint Global Management's Chief Compliance Officer, at rmiller@opglp.com and it will be provided to you at no charge.

FINANCIAL INFORMATION

OnyxPoint does not require prepayment of management fees six months or more in advance or have any other events requiring disclosure under this item of the Brochure.