

Item 1. Cover Page

**POLARIS GROWTH MANAGEMENT, L.L.C.
NORTH STAR VENTURE MANAGEMENT 2010, L.L.C.
LS POLARIS INNOVATION FUND MANAGEMENT, L.L.C.**

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**Part 2A of Form ADV: Firm Brochure
March 30, 2019**

This brochure provides information about the qualifications and business practices of Polaris Growth Management, L.L.C., North Star Venture Management 2010, L.L.C., and LS Polaris Innovation Fund Management, L.L.C. If you have any questions about the contents of this brochure, please contact us at (781) 290-0770. 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 securities authority.

Additional information about Polaris Growth Management, L.L.C., North Star Venture Management 2010, L.L.C., and LS Polaris Innovation Fund Management, L.L.C. also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure, dated March 30, 2019 (the “Brochure”), serves as an update to Polaris Growth Management, L.L.C.’s and North Star Venture Management 2010, L.L.C.’s brochure dated November 1, 2018 (the “Prior Brochure”). This Brochure contains updates to reflect the addition of LS Polaris Innovation Fund Management, L.L.C. as a relying adviser. Additionally, this Brochure contains certain other updates to the Prior Brochure, including, but not limited to: (i) additional disclosure regarding the advisory business, (ii) additional information on fees and expenses, (iii) additional disclosure on the methods of analysis, investment strategies and risk of loss, and (iv) additional disclosure regarding conflicts of interest.

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Item 4. Advisory Business

For purposes of this brochure, the “Adviser” means Polaris Growth Management, L.L.C., a Delaware limited liability company, North Star Venture Management 2010, L.L.C., a Delaware limited liability company, and LS Polaris Innovation Fund Management, L.L.C., a Delaware limited liability company together (where the context permits) with their affiliated general partners of the Funds (as defined below) and other affiliates that provide advisory services to and/or receive advisory fees from the Funds. Such affiliates may or may not be under common control with Polaris Growth Management, L.L.C., North Star Venture Management 2010, L.L.C. and/or LS Polaris Innovation Fund Management, L.L.C. but possess a substantial identity of personnel and/or equity owners with Polaris Growth Management, L.L.C., North Star Venture Management 2010, L.L.C. and/or LS Polaris Innovation Fund Management, L.L.C. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds, or may serve as general partners of the Funds.

The Adviser provides investment supervisory services to investment vehicles (the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

In accordance with the Funds’ respective investment objectives, the Funds typically make venture capital, growth equity and minority and majority buy-out and equity-related investments. The Adviser’s advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments. The Adviser may serve as the investment adviser or general partner to the Funds in order to provide such services.

The Adviser provides investment supervisory services to each Fund in accordance with the limited partnership agreement (or analogous organizational document) of such Fund or separate advisory, investment management or portfolio management agreements (each, an “Advisory Agreement”).

Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable general partner, and not individually to the investors in the Funds. Services are provided to the Funds pursuant to the Advisory Agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the organizational or offering documents of the applicable Fund, Advisory Agreements and/or side letter agreements negotiated with investors in the applicable Fund (such documents collectively, a Fund’s “Organizational Documents”).

Polaris Growth Management, L.L.C. is wholly owned by Bryce Youngren. North Star Venture Management 2010, L.L.C. has no 25% owners. LS Polaris Innovation Fund Management, L.L.C. is owned by Amy Schulman and Eileen McGuire. The Adviser and its predecessors have been in business since 1996. As of December 31, 2018, the Adviser manages a total of \$3,223,689,177 of client assets, all of which is managed on a discretionary basis.

Item 5. Fees and Compensation

The Adviser or its affiliates generally receive Advisory Fees and Carried Interest (each as defined below) or similar performance-based remuneration from a Fund. A Fund, and/or its portfolio companies may also make other payments to the Adviser or its affiliates for services provided to the portfolio companies which, in certain circumstances, may reduce the Advisory Fees payable to the Adviser. Additionally, consistent with the Organizational Documents of a Fund, the Fund typically bears certain out-of-pocket expenses incurred by the Adviser in connection with the services provided to the Fund and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Advisory Fees

As compensation for investment supervisory services rendered to the Funds, the Adviser receives from each such Fund an advisory fee (each, an “Advisory Fee”) typically calculated based on committed capital or the cost basis of a Fund’s remaining invested capital, with respect to such Fund. Advisory Fees may be reduced during the life of a Fund. Advisory Fees paid by a Fund may also be reduced by other fees or compensation received by the Adviser or its affiliates that relate to such Fund’s activities and investments, or by certain excess organizational or other expenses borne by such Fund, as described in more detail below. Advisory Fees paid by a Fund are indirectly borne by investors in such Fund.

Advisory Fees billed to and received from the Funds are payable quarterly in advance.

The precise amount of, and the manner and calculation of, the Advisory Fees for each Fund are established by the Adviser and are set forth in such Fund’s Advisory Agreement and/or the Organizational Documents received by each investor prior to investment in such Fund. The fee structures described herein may be modified from time to time. Fees may differ from one Fund to another, as well as among investors in the same Fund.

Certain investors in the Funds that are employees, business associates and other “friends and family” of the Adviser or its personnel (“Adviser Investors”) will not typically pay Advisory Fees in connection with their investment in a Fund. Notwithstanding that Adviser Investors will generally not pay Advisory Fees, Adviser Investors will pay for their *pro rata* share of certain Fund expenses or the *pro rata* portion of such Adviser Investors’ expenses will be allocated to the Adviser or the general partner of the applicable Fund.

Upon termination of an Advisory Agreement, Advisory Fees that have been prepaid are generally returned on a prorated basis.

The Advisory Fees paid by a Fund will generally be reduced by a percentage of: (1) the amount of fees paid by such Fund to persons acting as a placement agent in connection with the offer and sale of interests in such Fund to certain potential investors, and/or (2) certain Other Fees (as defined below) received by the Adviser or its affiliates. The amount and manner of such reduction, if any, is set forth in the Advisory Agreement and/or Organizational Documents of the applicable Fund. To the extent an Other Fee relates to more than one Fund, the Adviser shall allocate the resulting

Advisory Fee reduction equitably among the applicable Fund(s). To the extent that the Advisory Fee offset or other arrangement of Funds differ in that there is a pre-existing obligation for an earlier-formed Fund, then the amount of the fees subject to the Advisory Fee offset or other arrangement will first be applied to satisfy the pre-existing obligation in full, and then the remaining (if any) amount of such Advisory Fee offset and equivalent compensation will be equitably allocated between the applicable Funds.

In addition to the Advisory Fees and Carried Interest, the Adviser and its affiliates from time to time receive director fees, and have in the past and may in the future receive transaction fees, monitoring fees, consulting fees, break-up fees or similar fees, whether in cash or in kind, from actual or prospective portfolio companies of the Funds (“Other Fees”). Generally, under the terms of the applicable Organizational Documents, for purposes of calculating any Advisory Fee offset, Other Fees are net of out-of-pocket costs and expenses incurred by the Adviser in connection with consummated or unconsummated transactions or in connection with generating any such fees. Other Fees are often substantial and may be paid in cash, in securities of the portfolio companies or investment vehicles (or rights thereto) or otherwise. Although Other Fees are in addition to the Advisory Fees, the Adviser generally will reduce the amount of Advisory Fees paid by the applicable Fund by a percentage of the Other Fees received by the Adviser and its affiliates, in accordance with the Advisory Agreement and/or Organizational Documents of the applicable Fund. In addition, any reduction of a Fund’s Advisory Fee in connection with the receipt of Other Fees will be limited to the extent of such Fund’s investment (or prospective investment) in the applicable portfolio company in proportion to the aggregate investment (or prospective investment) of all Funds, Side Funds (as defined below under “*Co-Investment Vehicle Expenses*”), other co-investment vehicles or other third parties to such portfolio company. Generally, the portion of Other Fees allocable to capital invested by a Side Fund, other co-investment vehicle or third-party investor that does not pay Advisory Fees will be retained by the Adviser and such amounts will not offset any Advisory Fee. In many cases with respect to the implementation of the arrangements described above, there is not an independent third party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

The Adviser may waive or reduce all or a portion of the Advisory Fee paid by a Fund in full or partial satisfaction of any obligation of the Adviser and certain employees and affiliates of the Adviser to invest in such Fund, which could result in acceleration of investor capital contributions. Waived or reduced Advisory Fees may not be subject to various offsets or the reductions described above. Due to waived or reduced Advisory Fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets (*e.g.*, during periods when the Adviser no longer receives Advisory Fees and receives compensation that would otherwise be subject to offset, the Adviser, depending on certain elections that may be made by Fund investors, may be entitled to retain such compensation without remitting any such amounts to the applicable Fund or its investments).

In addition, the Adviser or its personnel, on behalf of Adviser, may receive stock of a portfolio company as an Other Fee due to the service of such personnel on the board of such portfolio company. The ability of such recipients, or the Adviser, with respect to stock received as an Other Fee, to act in their own interest with respect to such distributed shares creates a conflict of interest

between the Adviser, as an adviser to the Fund, and its personnel, on the one hand, and the Funds, on the other hand. The value of any stock options or warrants granted to the Adviser or its managing directors or employees shall be valued, for purposes of determining the Advisory Fee offset, on the date of exercise thereof (or if such stock options or warrants are sold prior to exercise, the date of sale thereof); provided, however, that the value of such stock options or warrants which reduce the Advisory Fee will be limited to that portion of such options or warrants which are allocable to the time period during which a Fund holds any securities of the company that issued such stock options or warrants, plus six months thereafter.

The Adviser and its affiliates also engage and retain “consultants” (including specialized consultants, external executives, and industry advisory roundtable members), “entrepreneur partners”, “venture partners”, “entrepreneurs-in-residence”, “executives-in-residence”, “contractors,” “growth experts”, “industry experts”, “operating partners”, or “advisers” (as those terms are generally understood in the venture capital industry) or other similar professionals who may or may not technically qualify as “employees” of the Adviser under applicable law and who, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such fees or other compensation received by such persons are generally retained by such persons and will not be deemed paid to or received by the Adviser and its affiliates and, subject to any limitations set forth in a Fund’s Organizational Documents, such amounts will not be considered Other Fees or otherwise subject to the sharing arrangements described above and will not benefit the Fund or its investors; provided, that, for certain Funds, Other Fees received by full-time, permanent employees of the Adviser will be subject to offset as described herein. For a discussion of material conflicts of interest created by the engagement of such persons, please see “*Providers of Portfolio Company Support*” in Item 11 below.

Expense Reimbursement

Additionally, a portfolio company will from time to time reimburse the Adviser for expenses, including without limitation, travel and travel-related expenses, and certain other related expenses (which may include meals and entertainment expenses) in connection with attending board meetings. Such reimbursed expenses are generally not included in the definition of “Other Fees” under the terms of the applicable Organizational Documents, and such reimbursements do not reduce the Advisory Fee. As used throughout this Brochure, “travel and “travel-related” expenses shall be deemed to include, without limitation, commercial and non-commercial transportation costs (including chartered, private plane, first class or business class travel and private car travel), lodging and accommodations.

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

Expenses

Adviser Expenses

To the extent provided in the Organizational Documents of the Funds and except for those expenses listed under “*Fund Expenses*” below, the Adviser will bear the following normal overhead and administrative expenses incurred by the Adviser or its affiliates in connection with the management of a Fund: (i) salaries and wages of the employees of the Fund, its general partner, the Adviser and their respective affiliates; (ii) rentals payable for space used by the Adviser or the Fund; and (iii) expenditures for equipment used by the Adviser or the Fund.

Fund Expenses

Subject to the Organizational Documents of the Funds, a Fund will bear all other expenses relating to it to the extent not borne by its portfolio companies, including all costs and expenses incurred in respect of the evaluation, purchase, holding or sale or exchange or other disposition of securities, including, but not limited to, reasonable private placement and finder’s fees with respect to sourcing an investment by a Fund paid to persons other than the Adviser and its affiliates (whether or not such investment is ultimately consummated); a Fund’s allocable share of expenses and fees generated in the course of evaluating potential investments, including investments which are not consummated, including legal expenses incurred in connection with claims or disputes related to unconsummated investments (including expenses that would have been borne by a co-investment vehicle); real property or personal property taxes on investments; reasonable travel and travel-related and entertainment expenses incurred in connection with the identification, evaluation, consummation and management of a Fund’s investments (for certain Funds, at available commercial rates in the event that commercial air travel is available), premium meals, social and entertainment events (with portfolio company management, customers, clients, borrowers, brokers and service providers); brokerage, sale, and/or depositary fees; interest and taxes applicable to a Fund on account of its operations; fees incurred in connection with the maintenance of bank or custodian accounts; legal, audit, and other expenses incurred in connection with the registration of a Fund’s portfolio securities under the Securities Act; legal, accounting, actuarial and other fees and expenses incurred in connection with the purchase or sale or exchange or other disposition of securities (whether or not such purchase, sale or exchange or other disposition is ultimately consummated); and fees and expenses of investment bankers, independent consultants (including, but not limited to, consulting fees incurred by the applicable Fund for the benefit of its portfolio company) and independent investment advisers, including the fees and expenses of patent counsel, incurred in investigating and evaluating investment opportunities for a Fund (whether or not such investment is ultimately consummated); fees and expenses incurred in connection with research and other information (including research costs allocated by the Adviser’s internal research team and third-party groups, and data and information service subscriptions, customer relationship management systems, related systems and services from data provider and data management software) third-party diligence software and service providers, including deal sourcing software, and subject and industry-matter experts; custody, transfer and information technology system expenses (including the costs of developing, implementing and maintaining computer software and hardware and other technological systems for the benefit of a Fund, its investors or a portfolio investment or potential investment); and financing commitment, origination and similar fees and expenses. Each Fund will also bear the fees of the independent certified public accountant and other third party service providers incurred in connection with the annual audit of a Fund’s books and the preparation of a Fund’s annual tax return; costs of independent valuation agents and

appraisers and third party valuation firms for valuations, appraisals, pricing services, or valuation software; legal expenses of a Fund; accounting expenses paid to third parties for the maintenance of a Fund's books and records and preparation of reports (including assisting with preparing year end Schedule K-1s for a Fund, assisting with Fund audits and tax preparation processes, assisting with Fund reports, maintaining a reporting website for the Funds, managing a Fund's capital calls and distributions and maintaining general ledgers of the Funds); expenses paid to an outside fund administrator for reasonable and customary back office support provided with respect to a Fund; all premiums associated with insurance, if any, to insure against any claims, including with respect to cybersecurity and expenses of loan services and other service providers, that could be made directly against a Fund, its general partner, the Adviser or any indemnified persons (including general partner liability, errors and omissions and extraordinary administrative and operating expenses) or that could give rise to a Fund liability pursuant to the Organizational Documents of the Funds, including insurance of which the Adviser and its affiliates are beneficiaries; preparation and other expenses associated with annual and other reports to the Funds' limited partners (including maintaining the books and records of a Fund, including related internal costs that the Adviser may incur to produce any such books and records); all legal, accounting, filing and other fees and expenses of any kind paid or incurred in connection with compliance by the Funds with any local, state, U.S. federal or foreign regulatory requirements, including regulatory filings as they relate to the Fund's activities, out-of-pocket costs and expenses, if any, associated with any third-party examination or audits (including similar services) of a Fund or the Adviser that are attributable to the operation of such Fund or requested by one or more investors in the Fund; costs associated with any Fund information meetings, expenses related to attending trade association meetings, conference or similar meetings in connection with the evaluation of investment opportunities or business sector opportunities (including the evaluation of potential investments, regardless of whether such investment is ultimately consummated), Operations Expenses (as defined in Item 11 below); risk management assessment expenses, fees, costs and expenses related to the organization or maintenance of any intermediary entity used to acquire, hold or dispose of an investment or to otherwise facilitate a Fund's investment activities, expenses of the Funds' limited partner advisory committee meetings (including set-up costs, speaker fees, honorarium, dining, entertainment, travel and travel-related expenses) and reimbursement of reasonable out-of-pocket costs for the advisory committee members and the Adviser (or its representatives) to attend such meetings; the costs associated with any amendments, modifications, revisions or restatements to the Organizational Documents of a Fund, the costs and expenses of hosting special meetings of the Fund's investors (including set-up costs, speaker fees, honorarium, dining, entertainment, travel and travel-related and other expenses), and all expenses that are not normal administrative and overhead expenses provided for under Adviser Expenses above, including all legal fees and expenses incurred in prosecuting or defending administrative or legal proceedings relating to the Funds brought by or against the Funds, the Adviser or the Funds' general partners or the members, partners, employees or agents or former members, partners, employees or agents of any of the foregoing, including all costs and expenses arising out of or resulting from the Funds' indemnification pursuant to the Funds' Organizational Documents (subject to the limitations imposed therein). In addition, each Fund will bear all of the costs, fees and expenses incurred by or on behalf of the Fund, its general partner or the Adviser in connection with the formation and organization of the Fund, the general partner, the Adviser and their affiliates, including legal, accounting, travel and travel-related, meeting, marketing, advertising, printing, wholesaling, syndication and other fees and expenses incident thereto and other fundraising expenses associated

with the admission of an investor and investor-related services, subject to any limitation on the aggregate amount of such expenses as set forth in the Organizational Documents of the Fund, and each Fund will bear all placement fees incurred in connection with the offer sale and/or syndication of limited partnership interests in the Fund and such placement fees are not considered part of the organization costs, fees and expenses subject to any limitation described in the previous sentence (though, as noted above, placement fees charged to a Fund generally will reduce the Advisory Fee payable by the Fund). The Funds will also bear all liquidation costs, fees, and expenses incurred in connection with the liquidation of the Funds' assets, specifically including, but not limited to, legal and accounting fees and expenses.

In addition, the Adviser may engage one or more fund administrators or similar service providers to perform certain functions in relation to the Fund, which services may include coordination of the Funds' legal entity management function, execution and recordkeeping associated with applicable tax elections and filings, support for the valuation process and investor correspondence, investor data management and reporting requests as well as data collection required for various regulatory reporting with which the Funds are required to comply. In certain instances, employees of such service providers could dedicate substantially all of their time to the Funds or spend all or a significant majority of their business time at the Adviser's offices. These expenses related to such service provider employees could be borne by the Funds.

From time to time, the general partner of a Fund may create certain "special purpose vehicles" or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors ("SPVs"). In the event the general partner creates an SPV, consistent with the Organizational Documents of the Fund, the SPV, and indirectly, the investors thereof, will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV. Expenses of the types borne by a Fund but associated with any feeder fund or similar vehicle organized to facilitate the participation of certain investors in the Fund (including, without limitation, expenses of accounting and tax services) may be borne by the Fund.

Co-Investment Vehicle Expenses

The Adviser will from time to time establish co-investment vehicles through which certain employees of the Adviser or its affiliates, certain business associates or other persons or entities invest alongside a Fund in each investment opportunity in which the Fund invests (each, a "Side Fund"). The investors in a Side Fund will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the Side Fund. A Side Fund will generally bear its *pro rata* portion of expenses incurred in the making of an investment, to the extent not paid by a portfolio company.

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside the Fund may also be formed in connection with the consummation of a specific transaction (a "Deal-Specific Co-Invest Vehicle"). In the event a Deal-Specific Co-Invest Vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The Deal-Specific Co-Invest Vehicle will generally bear

its *pro rata* portion of expenses incurred in the making an investment. If a proposed transaction is not consummated, no such Deal-Specific Co-Invest Vehicle generally will have been formed, and the full amount of any expenses and fees generated in the course of evaluating potential investments which are not consummated, such as out-of-pocket fees associated with due diligence, attorney fees and the fees of other professionals (“Dead Deal Costs”) would therefore be borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction. Furthermore, if a proposed transaction is not consummated and a Deal-Specific Co-Invest Vehicle has been formed for the purpose of making an investment in such proposed transaction (or co-investors have otherwise committed to invest in the proposed transactions), some or all of the Dead Deal Costs are typically borne solely by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction, but not to the Deal-Specific Co-Invest Vehicle or other co-investors to which the co-investment opportunity was offered. Deal-Specific Co-Invest Vehicles are not typically allocated any share of break-up fees paid or received in connection with such an unconsummated transaction. Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses (including amounts payable to Portfolio Company Support Providers (as defined in Item 11 below) and other third parties), any travel and travel-related and accommodation expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investments, any break-up fees, reverse termination fees, topping, termination or other similar fees, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

Allocation of Expenses

From time to time the Adviser will be required to decide whether certain fees, costs and expenses should be borne by a Fund, on the one hand, or the Adviser on the other hand, and/or whether certain fees, costs and expenses should be allocated between or among Funds and/or other parties (including, but not limited to, Side Funds and Deal-Specific Co-Invest Vehicles). Certain expenses may be the obligation of one particular Fund and may be borne by such Fund or, expenses may be allocated among multiple Funds and entities. In exercising its discretion to allocate investment opportunities and fees and expenses, the Adviser is faced with a variety of potential conflicts of interest.

To the extent not allocated to a portfolio company, the Adviser will allocate fees and expenses incurred in the course of evaluating and making investments that are consummated between Funds, Side Funds, Deal-Specific Co-Invest Vehicles and/or other third parties, as appropriate, in accordance with each Fund’s Organizational Documents or, to the extent not addressed in such Organizational Documents, *pro rata* based on the respective investments of such Funds.

For transactions that are not consummated, the appropriate allocation between Funds (including between certain Funds pursuing a growth strategy (“Growth Funds”) and certain Funds pursuing a venture strategy (“Venture Funds”)) and, if applicable, the Funds managed by LS Polaris Innovation Fund Management, L.L.C. (the “LSPIF Funds”), of Dead Deal Costs, will be determined by the Adviser and its affiliates in their good faith discretion, consistent with the Organizational Documents of the Funds. See Item 11 below for further discussion of allocation of Dead Deal Costs between Growth and Venture Funds. There may be occasions when one Fund (the “Payor Fund”) pays an expense common to multiple funds (the “Allocated Funds”) (*e.g.*, legal

expenses for a transaction in which all such funds participate). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. While highly unlikely, it is possible that one of the Allocated Funds could default on its obligation to reimburse the Payor Fund.

With respect to allocating other expenses among Fund(s), Side Funds, Deal-Specific Co-Invest Vehicles, Adviser Investors and/or co-investors (including third parties), as appropriate the Adviser will make any such allocation determination in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. The allocation methodology is typically a “facts and circumstances” judgment, taking into account such factors that it determines in its discretion to be relevant, and may result in allocation among the Funds *pro rata* based on capital commitments, portfolio cost, or fair market value of investments, *pro rata* based on relative ownership of an investment (or anticipated investment) in a specific deal generating the expense, allocations embedded in an invoice (i.e., auditors), equal division of the expenses, allocation based on the relative benefit to the allocable parties, allocation based on the number of investors or expense parties or any other equitable manner. Annual meetings of limited partners are generally allocated among the Funds *pro rata* based on committed capital or total assets. The Funds’ portion of insurance-related costs is generally allocated among the Funds *pro rata* based on total investment cost. The costs of a valuation-generating platform for portfolio companies is generally allocated among the Funds investing in such portfolio companies on a per-company-cost basis allocated based on the participating Funds’ capital commitments. In the case of cross-fund investments, such per-company-cost is generally allocated based on the participating Funds’ investment costs with respect to such portfolio company.

The Adviser will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by such Fund from that service in any particular instance.

Life Science Advisory Board

Annually, the Adviser hosts the Life Science Advisory Board, which brings together healthcare industry leaders as well as other key constituents, such as investment bankers and corporate development professionals, to discuss ideas in the healthcare industry. Fifty percent of the costs and expenses of the Life Science Advisory Board is allocated to the Funds and fifty percent is allocated to the Adviser. The Funds’ portion of costs of the Life Science Advisory Board is generally allocated among the Funds *pro rata* based on the total cost of the healthcare portfolio for all Funds, including Side Funds.

Carried Interest Payments

Please see Item 6 below regarding “Carried Interest” that Funds pay.

Brokerage Fees

Although the Adviser does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, in the event that it chooses to use a broker-dealer for limited purposes relating to a particular Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

Item 6. Performance-Based Fees and Side-By-Side Management

With respect to each Fund a portion of the profits of each Fund is allocated to the capital account of its general partner, if any, as “carried interest” (the “Carried Interest”). Each general partner of a Fund is a related person of the Adviser. Carried Interest paid by a Fund is indirectly borne by investors in such Fund. Certain Funds and investors in such Funds may incur lower Carried Interest.

The payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a Fund) creates an incentive for the Adviser to disproportionately allocate time, services or functions to Funds paying Carried Interest at a higher rate, or allocate investment opportunities to such Funds; however, this conflict is mitigated by the fact that the Funds that pay Carried Interest at a reduced rate are parallel funds in fund structures whereby they participate in all of such fund structures’ investments on a *pro rata* basis. Please also see Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by the Adviser.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the general partner of each such Fund, if applicable) and not individually to investors in such Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally “accredited investors” or “qualified purchasers” as defined in the 1940 Act, and may include, among others, high net worth individuals, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

The Adviser does not have a minimum size for a Fund, but minimum investment commitments may be established for certain investors in the Funds.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

Methods of Analysis and Investment Strategies

The Funds invest in opportunities across the stage spectrum, from seed and early stage opportunities to growth and buyout investments. This stage agnostic approach enables the Funds to capture opportunities in both emerging and mature markets and provides an experienced support to management teams searching for insights on growth or the latest disruptive market trends. The

Adviser will often seek to place an individual on the boards of the portfolio companies in which the Funds invest and frequently plays a material role in helping the portfolio companies develop market strategies and business plans.

Growth Analysis and Strategies: For certain Funds, the Adviser focuses on minority and majority levered recapitalizations of technology companies that are sub-sector market leaders. These companies tend to be founder owned and operated, have received minimal institutional capital and are often companies that are located outside of the heavily venture funded markets of San Francisco, CA and Boston, MA. The founders of target companies are generally looking for partial liquidity and an investment partner that can work collaboratively with them to expand their business in ways they often are unable to do on their own.

Venture Analysis and Strategies: For other Funds, the Adviser focuses on industry sectors where it has previous experience and where it has relationships with entrepreneurs who have successful track records. Generally, the Adviser focuses on healthcare and technology companies with an emphasis on sub-sectors where the Adviser has the most experience, including software as a service (“SaaS”), cloud infrastructure, data sciences, marketplaces, biotechnology, medical devices and diagnostics, healthcare services and products and healthcare technology and digital health.

LSPIF Analysis and Strategies: For the LSPIF Funds, the Adviser’s strategy generally revolves around a commitment to being active, hands-on investors devoted to commercializing biomedical science developed through high impact academic research. The LSPIF Funds make equity investments principally in early stage privately held companies.

Spin Out Companies

Members of the Adviser from time to time act as founders of, and part of the management team of, certain Spin Out Companies. A “Spin Out Company” for this purpose includes any company (i) founded by Portfolio Company Support Providers (as defined below in Item 11) , (ii) with respect to which such Portfolio Company Support Providers advised or consulted, or (iii) founded by any current or previous student, mentee or associate of such Portfolio Company Support Providers. Certain LSPIF Funds and Venture Funds from time to time invest in Spin Out Companies, and from time to time co-invest together in Spin Out Companies. Neither the Adviser nor its members will be issued any stock in Spin Out Companies without the consent of the LSPIF Fund’s Advisory Board (and any such stock offered to them shall be treated as an investment opportunity of the LSPIF Fund); provided, however, that the Adviser may request that the LSPIF Fund’s Advisory Board approve the acquisition and retention by certain specified personnel of LSPIF up to a specified percentage, with the remainder to be transferred at cost to the LSPIF Fund. There will be no corresponding reduction to the management fees paid by LSPIF with respect to any stock retained by such LSPIF personnel. However, certain Portfolio Company Support Providers are from time to time issued stock in such Spin Out Companies (“Founder Equity”) with no associated obligation to remit such Founder Equity to the LSPIF Fund, and with no corresponding reduction to the management fees paid by LSPIF. The LSPIF Funds have in the past and may in the future invest in Spin Out Companies the securities of which are owned by certain Portfolio Company Support Providers. Certain Portfolio Company Support Providers also

from time to time co-invest with LSPIF Funds in Spin Out Companies. In addition, certain Portfolio Company Support Providers (including members and other personnel of the Adviser) from time to time receive Operations Expenses in exchange for providing Portfolio Company Support Services, as described below in Item 11, with respect to Spin Out Companies.

Risks

Investing in securities involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Funds, include the following:

Past Performance May Not Be Indicative of Future Results. Past investment performance by the Adviser provides no assurance of future results. If for any reason the Adviser should cease to be involved in the Funds, the performance of the Funds may be harmed.

Forward-Looking Statements; Opinions. Statements contained in this document that are not historical facts are based on current expectations, estimates, projections, opinions and/or beliefs of the Adviser. Such statements involve known and unknown risks, uncertainties and other factors, and undue reliance should not be placed thereon. Moreover, certain information contained in this document constitute “forward looking” statements, which often can be identified by the use of forward-looking terminology such as “may,” “will,” “seek,” “should,” “expect,” “anticipate,” “project,” “estimate,” “intend,” “continue,” “target,” “plan,” or “believe” or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, including those set forth herein, actual events or results or the actual performance of the Funds may differ materially from those reflected or contemplated in such forward-looking statements.

Legal and Regulatory Risks in Portfolio Companies. Legal and regulatory changes could occur during the terms of the Funds. The products and services of portfolio companies and some Fund assets may be subject to extensive and rigorous regulation by U.S. local, state and federal regulatory authorities and by foreign regulatory bodies. There can be no assurance that products and services developed by a Fund’s portfolio companies will ever be approved by such governmental authorities, if such approval is required. There may be instances when the discovery of previously unknown problems with a product, service, manufacturer or facility could result in restrictions on the use or the manufacture of such product or delivery of such service, including costly recalls or even withdrawal of the product or service from the market. Such events, whether voluntarily or mandated by a regulatory authority, typically result in an immediate reduction or discontinuation of revenues from the product or service worldwide. If such an event were to occur, it would likely have a significant and adverse effect on the performance of a particular portfolio company and could have a material adverse effect on the aggregate performance of a Fund.

Leverage. The Funds’ investments may include portfolio companies with capital structures that include significant leverage. These companies may be subject to restrictive financial and operating covenants. The leverage may impair these companies’ ability to finance their future operations and

capital needs. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy, or deteriorations in the condition of the portfolio companies or their industries. While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. If a portfolio company cannot generate adequate cash flow to meet debt obligations, the Funds may suffer a partial or total loss of capital invested in the portfolio company.

Bridge Financings. From time to time, a Fund may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in such Fund's control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by such Fund.

Non-Controlling Investments. A Fund may hold a non-controlling interest in certain portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies. However, as a condition to an investment in a portfolio company, it is expected that appropriate rights generally will be sought to protect such Fund's interests to the extent possible. There can be no assurance that such minority shareholder rights will be available. Furthermore, some or all of the Funds will be significantly reliant on the existing management and board of directors of such companies, which may include representation of other financial investors with whom such Fund is not affiliated and whose interests may conflict with the interests of such Fund.

Controlling Investments. A Fund may own a majority of a portfolio company and be able to elect one or more of its directors. With respect to an investment in a distressed company, the Adviser may elect to insert certain of its employees or affiliates into key management positions within such company to assist in the entity's turnaround. As a result, a Fund may be viewed as controlling such a portfolio company, or being a controlling shareholder. To the extent the valuation of such a portfolio company decreases, such Fund may be exposed to lawsuits by discontented minority shareholders. Even if such lawsuits prove to be without merit, a Fund may be required to expend significant resources defending itself and its affiliates.

Investments with Third Parties. The Funds may co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third party co-venturer may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Funds, or may be in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, the Funds may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Investments in Public Companies. The Funds' investment portfolios may ultimately contain securities or instruments issued by publicly held companies. Such portfolio investments may subject the Funds to risks that differ in type or degree from those involved with portfolio

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 the Funds to dispose of such securities or instruments at certain times, increased likelihood of shareholder litigation against such companies' board members and increased costs associated with each of the aforementioned risks.

Reliance on Portfolio Company Management Team. Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although the Adviser and the Funds' general partners will be responsible for monitoring the performance of each investment and the Funds seek to invest in companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the portfolio company in accordance with the Funds' plans. With respect to certain of the Funds, the portfolio companies' initial management team may be entirely comprised of affiliates of the Funds and, as such, the general partner and the Adviser or their affiliates will not only be responsible for monitoring the performance of each investment but their personnel may also be responsible for the day-to-day operations of the related portfolio company. The success of each portfolio company depends in substantial part upon the skill and expertise of each portfolio company's management team. Additionally, portfolio companies will need to attract, retain and develop executives and members of their management teams. The market for executive talent is, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the Funds may be adversely affected thereby.

Economic Interest of General Partner. Because the percentage of profits allocated to the general partner will exceed the capital contribution percentage of the general partner, and because certain net losses otherwise allocable to the general partner will be specially allocated to all the partners (up to the point that the investors' capital account balances reach zero), the general partner may have an incentive to make investments that are riskier or more speculative than if the general partner received allocations on a basis identical to that of the investors.

Growth and Later Stage Venture Investments. Funds make minority and, with respect to certain Funds, control position investments in privately held, growth or later stage venture healthcare services and technology companies. In some cases, a Fund may be the first source of professional financing for such companies. Growth or later stage venture companies typically have modest revenues and may or may not be profitable. Growth stage companies may require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Typically, although a Fund may be represented by a member of the Adviser on a portfolio company's board of directors, each portfolio company will be managed by its own officers (who generally will not be affiliated with the Funds or the

Adviser). Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

Early Stage Investments. Along with later-stage investments, certain Funds will invest in privately-held, early stage technology companies. LSPIF Funds will invest primarily in private, early stage companies. These companies typically have no revenues and are not profitable. They require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Typically, although a Fund may be represented by a member of such Fund's general partner on a portfolio company's board of directors, each portfolio company will be managed by its own officers (who generally will not be affiliated with the Fund or such Fund's general partner). Each LSPIF Fund portfolio company will be managed by its own officers, and members of the general partner may also serve as officers of certain portfolio companies. Portfolio companies may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

Availability of Investment Capital. Portfolio company investments often require additional rounds of capital infusions before the portfolio company reaches maturity. If an investor does not have funds available to participate in subsequent rounds of financing, that shortfall may have a significant negative impact on both the portfolio company and the face value of the investor's original investment. Although it will be the Funds' policy to maintain sufficient liquidity to allow them to participate in follow-on rounds of financings, the Funds may not provide all necessary follow-on capital required by a portfolio company. Accordingly, third-party sources of financing may be required. There is no assurance that such additional sources of financing will be available, or, if available, will be on terms beneficial to the Funds. Furthermore, the Funds' capital is limited and may not be adequate to protect the Funds from dilution in subsequent rounds of portfolio company financing.

Risk in Managing Portfolio Companies and Effecting Operating Improvements. In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of such Fund to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that a Fund will be able to successfully identify and implement such improvements. Additionally, to the extent a Fund acquires a control or control-oriented interest in a portfolio company, such Fund may be exposed to risks inherent in owning or operating a business. The exercise of control over a portfolio company through a control position, or the service of an officer or employee of the Adviser and its affiliates as a director of a portfolio company, could (i) expose the assets of such Fund to claims by such portfolio company, its security holders and creditors or (ii) impose additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability in which the limited liability generally characteristic of business operations may be

ignored. If these liabilities were to occur, a Fund, directly, and such Fund's investors indirectly, could suffer losses.

Lack of Diversification. The Funds are generally not subject to any diversification requirements and may invest in a limited number of companies, sectors, countries, or regions. To the extent a Fund concentrates its investments in a particular company, sector, country, or region, its investments will become more susceptible to fluctuations in value resulting from adverse business or economic conditions affecting that particular company, sector, country, or region. As a consequence, the aggregate return of such Fund may be adversely affected by the unfavorable performance of one or a small number of companies, sectors, countries or regions in which such Fund has invested.

Lack of Liquidity within Investment Portfolio. Certain Fund's investment portfolio will consist of investments in growth, venture, and early stage private companies. The marketability and value of each such investment will depend upon many factors beyond the Adviser's control. Generally, the investments made by such Fund will be illiquid and difficult to value, and there may be little or no collateral to protect an investment once made. At the time of a Fund's investment, a portfolio company may lack one or more key attributes (*e.g.*, proven technology, operational stability, consistent profitability, marketable product, complete management team, or strategic alliances) necessary for success. There may be no readily available market for such Fund's investments, many of which will be difficult to value, and the disposal of a portfolio investment by such Fund may be prohibited or delayed many years from the date of initial investment for legal, contractual and/or regulatory reasons. Disposition of such investments may result in distributions in kind to investors. The public market for high technology and other emerging growth companies is extremely volatile. Such volatility may adversely affect the development of portfolio companies, the ability of a Fund to dispose of investments, and the value of investment securities on the date of sale or distribution by such Fund.

Reliance on the General Partners. Investors will not have a right or power to participate in the management of the Funds. Accordingly, no investor should purchase any interests in a Fund unless it is willing to entrust all aspects of management of the Fund to the respective general partner. Investors will not receive detailed financial information issued by portfolio companies in which the Funds invest which will be available to the Funds.

Competition for Investments. The Funds will compete with other entities for the acquisition of investments. Such competition may come from groups such as institutional investors, investment managers, industrial groups, and merchant banks which have greater resources than the Funds and are owned by large and well-capitalized investors. There will be intense competition for investments of the type in which the Funds intend to invest, and such competition may result in less favorable investment terms than would otherwise be the case. The Funds may be unable to find enough attractive opportunities to meet their investment objectives. There can, therefore, be no assurance that investments of a Fund will meet all the investment objectives of the Fund, or that the Fund will be able to invest all of its available capital. Additionally, the management fees payable by many Funds are based on the aggregate capital commitments of such Funds without regard to the amount of capital invested.

Unspecified Investments. The capital commitments received from the investors are invested into a blind pool. A Fund does not identify the investments it will make prior to launch. Accordingly, an investor in the Funds must rely upon the ability of the general partners in making investments consistent with the Funds' investment objectives and policies. An investor will not have the opportunity to individually evaluate the relevant economic, financial and other information that will be utilized by the general partners in their selection of investments or otherwise approve of such investments.

Due Diligence Risks. Before making investments, the general partner intends to conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, the general partner will rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third party advisers or consultants may present a number of risks primarily relating to the general partner's reduced control of the functions that are outsourced. In addition, if the general partner and/or the Adviser are unable to timely engage third-party providers, their ability to evaluate and acquire more complex targets could be adversely affected. Furthermore, the due diligence process may at times be subjective. Accordingly, there can be no assurance that the due diligence investigation that the general partner will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Further, there can be no assurance that such an investigation will result in an investment being successful.

No Assurance of Investment Return. The Funds' task of identifying opportunities in private operating companies, managing such investments and realizing a significant return for investors is difficult. Many organizations operated by persons of competence and integrity have been unable to make, manage, and realize such investments successfully. There is no assurance that the Funds will be able to invest their capital on attractive terms or generate returns for their investors. There is no assurance that the Funds' investments will be profitable and there is a risk that the Funds' losses and expenses will exceed their income and gains. As such, there is no assurance of any distribution to the investors prior to, or upon, liquidation of the Funds.

Difficulty in Valuing Portfolio Company Investments. The Funds' investment portfolios consist primarily of high-risk investments in privately-held companies, and most of the Funds' investments will be difficult to value. There is no readily available market for most of the Funds' investments. Valuations of such investments as determined by the Adviser and its affiliates may vary from similar valuations performed by other investors or independent third parties for the same or similar types of securities or assets, and there can be no assurance that the valuations of such securities reflect true fair market value. A general decline in valuations for companies within the Funds' investment strategies would likely impact the ability of Funds to ultimately realize returns commensurate with reported valuations and would reduce the investment results of such Funds. The value of the Funds' investments may also be affected by changes in accounting standards, policies, or practices. Due to a wide variety of market factors and the nature of the investments to be held by the Funds, there is no guarantee that the reported value determined by the Adviser and

its affiliates will represent the value that will be realized by the Funds on the eventual disposition of the investments or that would, in fact, be realized upon an immediate disposition of the investments.

Valuation of LSPIF Funds' Securities. The fair market value of all portfolio investments or of property received in exchange for any portfolio investments will be determined by the general partner of the LSPIF Fund in accordance with its Organizational Documents. Accordingly, the fair market value of a portfolio investment may not reflect the price at which the investment could be sold in the market, and the difference between fair market value and the ultimate sales price could be material. The valuation of such investments will be determined by such general partner in accordance with procedures set forth in such LSPIF Fund's Organizational Documents. Different methods of valuing securities may provide materially different results. Actual realized returns on all unrealized investments will depend, among other things, on the value of the securities at the time of disposition, any related transaction costs and the manner of sale. Accordingly, the actual realized return on all unrealized investments may differ materially from the values presented to the investors.

Risks of Certain Dispositions. In connection with the disposition of an investment in a portfolio company or otherwise, the Fund may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business. It may also be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate, and under certain circumstances described in the Fund's Organizational Documents, the general partner may make distributions of cash or securities to the partners that remain subject to recall for the payment (in whole or in part) of such contingent liabilities. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Fund.

Securities Laws Restrictions on Trading. A member, officer, employee or other representative of the general partner or the Adviser or other affiliate of the Funds may serve as a director of a portfolio company. As a result, the Funds (through their representatives or otherwise) may receive or be deemed to receive information that would restrict their ability to cause the Funds to buy or sell securities of a company for substantial periods of time when profit could otherwise be realized or loss avoided, which may adversely affect the Funds' ability to buy, sell or distribute securities. In addition, the ability of the Funds to execute trades in securities of these companies may also be restricted by securities laws, including but not limited to Section 16 of the Securities Exchange Act of 1934, as amended, and Rule 144 promulgated under the Securities Act, as a result of the board participation or extent of ownership of the Funds and affiliated persons.

Impact of Economic and Political Conditions. In the event of unfavorable general economic conditions such as a recession or economic slowdown in the United States and other countries, the business, operating results, financial condition and prospects of many of the Funds' portfolio companies would be materially and adversely affected, as would the value of the Funds' investments in such companies. Additionally, a period of deteriorating general economic conditions could negatively impact a Fund's ability to dispose of its portfolio company investments by adversely affecting the market for acquisitions of and public offerings. Political unrest, war and acts of terrorism may also increase the risks inherent in the Funds' investments.

Foreign Currency & Exchange Rate Risk. Fund assets and income of investments made outside of the United States may be denominated in various currencies. Contributions and distributions, however, will be denominated in U.S. dollars. As a result, the return of the Funds on any investment may be adversely affected by fluctuations in currency exchange rates, any future imposed devaluations of local currencies, inflationary pressures, and the success of the investment itself. As a general policy, the Funds do not intend to engage in hedging against currency risk. In addition, the Funds may incur costs in connection with conversions between various currencies.

Cybersecurity Risk. The Adviser, the Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite the efforts of the Adviser and the Funds' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Fund and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Adviser, the Funds' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of the Funds' investors. A successful penetration or circumvention of the security of the Adviser's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds, the Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, the Adviser may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation. Similar types of operational and technology risks are also present for the companies in which the Funds invest, which could have material adverse consequences for such companies, and may cause the Funds' investments to lose value.

Tax Reform Risks. President Trump signed into law a broad-based reform of the Internal Revenue Code of 1986, as amended (the "Code") on December 22, 2017 (the "Tax Act"). There are significant uncertainties regarding the interpretation and application of the Tax Act. While additional guidance on the Tax Act is expected, the timing, scope and content of such guidance are not known. Changes to the Code made by the Tax Act and any further changes in tax laws or interpretation of such laws may be adverse to the Funds and their limited partners. In addition, although not free from doubt, the Tax Act subjects allocations of income and gain in respect of entitlements to carried interest and gain on the sales of profits interests in certain partnerships realized in taxable years beginning after December 31, 2017 to higher rates of U.S. federal income tax than under prior law in certain circumstances. Significant uncertainties remain regarding the application of the provisions of the Tax Act that affect the taxation of carried interest. Enactment of this legislation could cause the Adviser's investment professionals to incur a material increase in their tax liability with respect to their entitlement to carried interest. This might make it more

difficult for the Adviser to incentivize, attract and retain these professionals, which may have an adverse effect on the Adviser's ability to achieve the investment objectives of the Funds. In addition, this can create a conflict of interest as the tax position of the Adviser may differ from the tax positions of the Funds and/or the investors and therefore, these rules may have an additional impact on the investment decisions made by the Funds, including with respect to decisions on the timing and structure of dispositions and whether to pursue other realization events during the holding period of an investment such as non-liquidating distributions. For example, the tax law gives the Adviser an incentive to cause a Fund to hold an investment for longer than 3 years in order to obtain lower tax rates on carried interest gains even if there are attractive realization opportunities earlier than 3 years.

Item 9. Disciplinary Information

Item 9 is not applicable to the Adviser.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

Various limited liability companies (the "General Partners") serve as general partners of the Funds and are under common control with the Advisers. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to all of its members, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, "Adviser Personnel"). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the "Advisers Act"), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with the Adviser's Chief Compliance Officer (the "CCO") as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon request to the CCO at (781) 290-0770.

Participation or Interest in Client Transactions

Certain employees and affiliates of the Adviser may invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds, directly into a portfolio company of a Fund or otherwise. A Fund or its General Partner, as applicable, may reduce all or a portion of the Advisory Fee and Carried Interest related to investments in the Fund held directly or indirectly by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

Due in part to the fact that potential investors in a Fund (including purchasers of a limited partner’s interests in a secondary transaction) or a co-investment opportunity (see below) may ask different questions and request different information, the Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Conflicts of Interest

The Adviser and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Fund will, from time to time conflict with the interests of the Adviser, other Funds or their respective affiliates. Certain of these conflicts of interest, as well a description of how the Adviser addresses such conflicts of interest, can be found below.

As described above in Item 5, the Adviser has in the past and may, from time to time in the future establish certain investment vehicles through which certain employees of the Adviser or its affiliates, certain business associates, other “friends of the firm,” or other persons may invest alongside a Fund. Such vehicles, referred to herein as “Side Funds,” are generally contractually required to purchase and sell certain investment opportunities at substantially the same time and substantially the same terms as the applicable Fund that is invested in that investment opportunity. The Side Funds do not pay Advisory Fees or Carried Interest.

Resolution of Conflicts

In the case of all conflicts of interest, the Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Adviser’s best judgment, but in its sole discretion. In resolving conflicts, the Adviser considers various factors, including the interests of the applicable Funds with respect to the immediate issue and/or with respect to their longer term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest:

- (1) A Fund will not make an investment unless the Adviser believes that such investment is an appropriate investment considered from the viewpoint of such Fund;
- (2) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the Organizational Documents for the Funds;
- (3) Generally, each Fund has established an advisory committee, consisting of representatives of investors not affiliated with the Adviser. The advisory committees meet as required to consult with the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the Adviser will be guided by its good faith discretion;
- (4) Where the Adviser deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price;
- (5) The Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest; and
- (6) Prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

In addition, certain provisions of a Fund's Organizational Documents are designed to protect the interests of investors in situations where conflicts may exist, although these provisions do not eliminate such conflicts. In certain instances, some of such conflicts of interest may be resolved in a manner adverse to a Fund and its ability to achieve its investment objectives.

Conflicts

The material conflicts of interest encountered by a Fund include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a Fund. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

Allocation of Investment Opportunities Among Clients

In connection with its investment activities, the Adviser may encounter situations in which it must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- The Funds;
- Any Side Funds or Deal-Specific Co-Invest Vehicles formed to invest side-by-side with one or more Funds in all or particular transactions entered into by such Fund(s);
- Adviser Investors and/or third parties that wish to make direct investments (*i.e.*, not through

an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s);

- Adviser Investors and/or third parties acting as “co-sponsors” with the Adviser with respect to a particular transaction.

The Adviser has adopted, and the Funds’ Organizational Documents include, written policies and procedures relating to the allocation of investment opportunities, and will make allocation determinations consistently therewith.

The Funds are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”), which will also apply directly or indirectly to certain Funds or Side Funds with investments contractually tied to the Funds. Investment Allocation Requirements are generally set forth in the Fund’s Organizational Documents. To the extent the Investment Allocation Requirements of a Fund do not include specific allocation procedures and/or allow the Adviser discretion in making allocation decisions among the Funds, the Adviser will follow the process set forth below.

The Adviser must first determine which Funds are eligible to participate in an investment opportunity. The Adviser considers whether an investment opportunity is appropriate for a particular Fund(s), based on the Fund’s investment objectives, strategies and structure. A Fund’s investment objectives, strategies and structure typically are reflected in the Fund’s Organizational Documents. Prior to making any allocation to a Fund of an investment opportunity, the Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Fund(s). For example, certain conflicts of interest and other policies related to certain personnel may prevent such persons from making investment opportunities available to the Funds. Possible other restrictions include, but are not limited to:

- **Obligation to Offer:** the Adviser may be required to offer an investment opportunity to one or more Funds. This obligation to offer investment opportunities is generally set forth in a Fund’s Organizational Documents. For example, the Organizational Documents of certain Growth Funds provide that the Adviser will be obligated to offer certain Venture Funds the opportunity to co-invest a minimum percentage (as specified in the Growth Fund’s Organizational Documents) alongside the Growth Fund in each investment. In addition, the Organizational Documents of certain LSPIF Funds require that certain Venture Funds co-invest a minimum percentage (as specified in the LSPIF Fund’s Organizational Documents) alongside the LSPIF Fund in each initial investment. In addition, a Side Fund is generally contractually required to invest alongside a particular Fund in each Fund investment.
- **Related Investments:** the Adviser may offer an investment opportunity related to an investment previously made by a Fund(s) to such Fund(s) to the exclusion of, or resulting in a limited offering to, other Funds.
- **Legal and Regulatory Exclusions:** the Adviser may determine that certain Funds or investors in such Funds should be excluded from an allocation due to specific legal,

regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities.

The LSPIF Funds pursue investment strategies that overlap to an extent with the investment strategies of certain Venture Funds. Investments sourced by LS Polaris Innovation Fund Management, L.L.C. will generally be offered to LSPIF Funds and not to the other Funds, subject to the Venture Funds' obligation to co-invest at least a minimum amount in each LSPIF investment. As a result of such Venture Funds' participation right, there can be no assurance that any LSPIF Fund will be able to invest its full allocation of such investments. The Growth Funds pursue investment strategies that overlap to an extent with the investment strategies of certain Venture Funds. To the extent the Adviser identifies an investment that falls within the Growth Fund's strategy, it will generally be allocated to the Growth Fund and not to the Venture Fund, subject to the Venture Fund's co-invest right noted above. As a result of the foregoing, the Venture Funds will not, in certain cases, be allocated all opportunities that fall within their investment strategies.

Once the Funds that will participate in a particular investment have been identified, the Adviser, in its discretion, decides how to allocate such investment opportunity among the identified Funds. In allocating such investment opportunity, the Adviser may consider some or all of a wide range of factors, which include, but are not necessarily limited to, one or more of the following:

- Each Fund's investment objectives and investment focus;
- Transaction sourcing;
- Each Fund's liquidity and reserves;
- Each Fund's diversification (including the actual, relative or potential exposure of a Fund to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Any "ramp-up" period of a newly established Fund;
- Amount of capital available for investment by each Fund as well as each Fund's projected future capacity for investment;
- Each Fund's targeted rate of return;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- Composition of each Fund's portfolio;
- The suitability as a follow-on investment for a current portfolio company of a Fund;
- The availability of other suitable investments for each Fund;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;

- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax implications;
- Whether an investment opportunity requires additional consents or authorizations from the Fund, investors or third parties;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the Organizational Documents of each Fund.

The Adviser will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund. The application of the Investment Allocation Requirements and factors set forth above will often result in allocation on a non-pro rata basis and there can be no assurance that a Fund will participate in all investment opportunities that fall within its investment objectives.

With respect to transactions that are not consummated in the Growth Fund, the Venture Funds will bear a percentage (as specified in the Growth Fund Organizational Documents) of any Dead Deal Costs, even if the Venture Funds' allocation in the particular investment would have been greater than such specified percentage of the total anticipated investment by the Venture Fund(s) and the Growth Fund combined; provided, that (i) prior to the final closing of certain Venture Funds, the Venture Funds will not bear any Dead Deal Costs with respect to the Growth Fund's unconsummated investments and (ii) if the deal is not consummated after the Venture Funds have already declined to accept their full allocation of a particular investment, the applicable Venture Fund(s) will only bear their *pro rata* share of the Dead Deal Costs based on the allocation that the Venture Fund(s) had accepted.

In addition, Adviser Investors invest indirectly in and may be permitted to invest directly in Funds and may therefore participate indirectly in investments made by the Funds in which they invest. Such interests will vary Fund by Fund and may create an incentive to allocate particularly attractive investment opportunities to the Fund in which such personnel hold a greater interest. In addition, Adviser Investors have in the past and may in the future also invest directly into portfolio companies of the Funds, either in advance of the Fund's investment or alongside the Fund. The existence of these varying circumstances may present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Fund.

Allocation of Co-Investment Opportunities and Secondary Transactions

The Adviser will determine if the amount of an investment opportunity exceeds the amount the Adviser determines would be appropriate for the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to the Adviser and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the Adviser to be in the best interest of the applicable Fund), and any such excess

may be offered to one or more co-investors pursuant to the procedures included in such Funds' Organizational Documents and as set forth in the following paragraphs.

Subject to any Investment Allocation Requirements, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors in the Funds, in the sole discretion of the Adviser or its related persons and investors may be offered a smaller amount of co-investment opportunities than originally requested, (iv) certain persons other than investors in the Funds (*e.g.*, "entrepreneur partners", "venture partners", "entrepreneurs-in-residence", "executives-in-residence", "green experts", consultants, contractors, advisers and other similar professionals, Funds (*e.g.* certain Growth Funds are obligated to offer certain Venture Funds the opportunity to co-invest in Growth Fund deals and certain Venture Funds are obligated to co-invest in LSPIF Fund deals) and other third parties) rather than one or more investors in a Fund, will, from time to time be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors will generally purchase their interests in a portfolio company at the same time as the Funds or will, on occasion purchase their interests from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer). Additionally, non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require the Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Funds and other potential co-investors, the Adviser may consider some or all of a wide range of factors, which include, but are not limited to, one or more of the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);
- Any confidentiality concerns the Adviser has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- The Adviser's perception of its past experiences and relationships with the potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously

offered by the Adviser and the expected amount of negotiations required in connection with a potential co-investment party's commitment;

- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's chemistry with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the potential co-investment party or person would act upon the investment opportunity if offered;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Funds and/or the Adviser and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Funds and/or the Adviser.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. The Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Funds, potential co-investors, Adviser Investors and third parties, and in the manner discussed above 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 other such persons. For example, the Adviser may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons. While the Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Fund's actual allocation

of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist.

In the event the Adviser determines to offer an investment opportunity co-investors, there can be no assurance that the Adviser will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Fund or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from the Adviser as to appropriate strategy for an investment or may be in a position to take a contrary action to a Fund's investment objective. In the event that the Adviser is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Fund may consequently hold a greater concentration and have exposure in the related investment opportunity than was initially intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto.

In addition, to the extent the Adviser has discretion over a secondary transfer of interests in a Fund pursuant to such Fund's Organizational Documents, or is asked to identify potential purchasers in a secondary transfer, the Adviser will do so in its sole discretion, generally taking into account the following factors:

- The Adviser's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- The Adviser's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds and/or the Adviser and the expected amount of negotiations required in connection with a potential purchaser's investment;
- Whether the potential purchaser would subject the Adviser, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser's investment into another Fund (including any commitment into a future fund);
- Requirements in such Fund's Organizational Documents; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

Conflicts Related to Purchases and Sales

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment.

Investment opportunities may, from time to time, be appropriate for Funds at the same, different or overlapping levels of a portfolio company's capital structure. Conflicts may arise in determining the terms of investments, particularly where these clients may invest in different types of securities in a single portfolio company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raises conflicts of interest. In the event that one Fund has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Fund is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Funds that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided each Fund will supply such additional capital in such amounts, if any, as determined by the Adviser. In addition, a conflict arises in allocating an investment opportunity if the potential investment target could be acquired by either a Fund or a portfolio company of another Fund. Investments by more than one client of the Adviser in a portfolio company also raises the risk of using assets of a client of the Adviser to support positions taken by other clients of the Adviser, or that a client may remain passive in a situation in which it is entitled to vote. In addition, there may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. These variations in timing may be detrimental to a Fund. The applicable Fund's Organizational Documents and the Adviser's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Funds in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed. Subject to the Fund's Organizational Documents, employees and related persons of the Adviser and its affiliates have made or may make capital investments in or alongside certain Funds, and therefore may have additional conflicting interests in connection with these investments. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

A Fund may invest in opportunities that other Funds have declined, and likewise, a Fund may decline to invest in opportunities in which other Funds have invested.

From time to time the Adviser may, in its discretion, enter into transactions with investors in one or more Funds to dispose of all or a portion of certain investments held by one or more Funds. In exercising its discretion to select the purchaser(s) of such investments, the Adviser will consider some or all of the factors listed above under "*Allocation of Co-Investment Opportunities and*

Secondary Transactions”. The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser. Although the Adviser is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the applicable Fund(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Fund(s). Any such transactions will comply with the Organizational Documents of the applicable Fund(s).

A Fund may sell down an interest in its portfolio companies to co-investors. Subject to the Organizational Documents, the Adviser may charge (or may decide not to charge) a co-investor (such as a Fund investor, an Adviser Investor or third party) interest costs for the time period between the closing of the applicable Fund’s investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

The Funds, from time to time, co-invest with third-parties through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks that would not otherwise be present in investments where a third-party is not involved. Such risks include, among other things, the possibility that the third-party may have differing economic or business goals than those of the Fund, or that the third-party may be in a position to take actions that are inconsistent with the investment objectives of the Funds. There may also be instances where the Funds will be liable for the actions of such third-party co-investors. There can be no assurance that the return of a Fund participating in a transaction with a third party would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Cross-Transactions

In certain cases, the Adviser may cause a Fund to purchase investments from another Fund, or it may cause a Fund to sell investments to another Fund. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Fund may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. Additionally, in connection with such transactions, the Adviser, its affiliates and/or its professionals (i) may have significant investments, or intentions to invest, in the Fund that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). The Adviser and its affiliates may receive management or other fees in connection with their management of the relevant Funds involved in such a transaction, and generally are entitled to share in the investment profits of the relevant Funds. To address these conflicts of interest, in connection with effecting such transactions, the Adviser will follow the Investment Allocation Requirements of the relevant Funds (e.g., the Organizational Documents of certain Funds may provide for the rebalancing of investments at certain times and at a cost set forth in those Organizational Documents so that these Funds’ resulting ownership of investments is generally proportionate to the relative capital commitments of the Fund). To the extent such matters are not addressed in the Investment

Allocation Requirements, the Adviser's CCO and CFO, in consultation with the Adviser's Managing Partners, will be responsible for confirming that the Adviser (i) considers its respective duties to each Fund, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's length transaction with a third party on commercially reasonable terms, and (iii) obtains any required approvals of the transaction's terms and conditions.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with the Adviser's management of the Funds, the Adviser and its affiliates may engage in principal transactions. The Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Fund(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received. In addition, the Organizational Documents of the Funds generally contain additional restrictions on the ability of the Funds or the Adviser to engage in principal transactions.

Management of the Funds

The Adviser manages a number of Funds that may have investment objectives similar to each other. The Adviser expects that it or its personnel will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different from, those of the current Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Clients*" above. The Adviser may give advice or take actions with respect to, the investments of one or more Fund that may not be given or taken with respect to other Funds with similar investment programs, objectives or strategies. As a result, Funds with similar strategies may not hold the same securities or achieve the same performance. In addition, a Fund may not be able to invest through the same investment vehicles, or have access to similar credit or utilize similar investment strategies as another Fund. These differences may result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

In addition, it is expected that employees of the Adviser responsible for managing a particular Fund will have responsibilities with respect to other Funds managed by the Adviser, including funds raised in the future or to proprietary investments made by the Adviser and/or its principals of the type made by a Fund. Conflicts of interest may arise in allocating time, services or functions of these officers and employees.

The Adviser may consider, and reject an investment opportunity on behalf of one Fund and, the Adviser may subsequently determine to have another Fund make an investment in the same

company. A conflict of interest arises because one fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the original Fund considering the investment. In such circumstances, the benefitting fund or funds will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment.

In addition, the Adviser receives and generates various kinds of portfolio company data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of one Fund's investment (or prospective investment) in a portfolio company. As a result, the Adviser is better able to anticipate macroeconomic and other trends, and otherwise develop investment strategies. The Adviser has in the past and is likely in the future to enter into information sharing and confidentiality arrangements with portfolio companies and other sources of information that may limit the internal distribution and use of such data. The Adviser is likely in the future in certain instances to use this information in a manner that may provide a material benefit to the Adviser, its affiliates, or to certain other Funds without compensating or otherwise benefitting the Fund or Funds from which such information was obtained. In addition, the Adviser may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. The Adviser is likely in the future to utilize such information to benefit the Adviser, its Affiliates or certain Funds in a manner that may otherwise present a conflict of interest but does not intend to specifically disclose such conflicts to the relevant Funds.

The Funds may enter into borrowing arrangements that require the Funds to be jointly and severally liable for the obligations. If one Fund defaults on such arrangement, the other Funds may be held responsible for the defaulted amount. The Funds will only enter into such joint and several borrowing arrangement when the Adviser determines it is in the best interests of the Funds.

Follow-on Investments

Follow-on investments may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on investments by one Fund in a portfolio company in which another Fund has previously invested. In addition, a Fund will from time to time participate in leveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Conflicts Relating to the General Partner and the Adviser

The Adviser has in the past and may in the future, in its discretion, contract with any related person of the Adviser (including but not limited to a portfolio company of a Fund) to perform services for the Adviser in connection with its provision of services to the Funds. When engaging a related

person to provide such services, the Adviser may have an incentive to recommend the related person even if another person may be considered more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser generally may, in its discretion, recommend to a Fund or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) the Adviser or a related person of the Adviser (including but not limited to a portfolio company of a Fund) or (ii) an entity with which the Adviser or its affiliates or a member of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit. When making such a recommendation, the Adviser, because of its financial or other business interest, may have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Subject to the Fund's Organizational Documents, the Adviser, its affiliates, and members, officers, principals and employees of the Adviser and its affiliates may buy or sell securities or other instruments that the Adviser has recommended to Funds. Officers, principals and employees of the Adviser may also buy securities in transactions offered to but rejected by Funds. A conflict of interest may arise because such investing Adviser personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of the Fund. In such circumstances the investing Adviser personnel will not share or reimburse the relevant Fund(s) and/or the Adviser for any expenses incurred in connection with the investment opportunity. In addition, officers and employees may also buy securities in other investment vehicles (including venture capital and private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds. The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics and investors will not benefit from any such investments. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. If officers, principals and employees of the Adviser have made large capital investments in or alongside the Funds they will have conflicting interests with respect to these investments. While the significant interests of the officers and employees of the Adviser generally aligns the interest of such persons with the Funds, such persons may have differing interests from the Fund with respect to such investments (for example, with respect to the availability and timing of liquidity).

Fee Structure

Because there is a fixed investment period after which capital from investors in the Funds will only be drawn down in limited circumstances and because Advisory Fees are, at certain times during the life of the Funds, based upon capital invested by the Funds, this fee structure creates an incentive to deploy capital when the Adviser would not otherwise have done so.

Additionally, as discussed above in Item 6, the General Partners of the Funds are entitled to Carried Interest under the terms of the Organizational Documents of the Funds. Such General Partners are affiliates of the Adviser. The existence of the General Partners' Carried Interest may create an incentive for the General Partners to cause the Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

Pursuant to the Organizational Documents, the General Partner may be required to return excess amounts of Carried Interest as a “clawback”. This clawback obligation may create an incentive for the General Partner to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to the Fund or would otherwise result in a clawback situation for the General Partner.

Fund Level Borrowing

The Funds from time-to-time borrow funds or enter into other financing arrangements for various reasons, including to pay fund expenses, to pay management fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor’s default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all limited partners in such Fund on a pro-rata basis, including the General Partner. In addition, credit facilities for certain Funds are available to provide borrowed funds directly to the portfolio companies of such Funds, in which case such borrowed funds would be guaranteed by such Funds.

The Fund’s use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and may make net IRR calculations higher than it otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. The General Partner therefore has a conflict of interest in deciding whether to borrow funds because the General Partner may receive disproportionate benefits from such borrowings.

Borrowing by the Fund will generally be secured by capital commitments made by the Limited Partners to the Fund and/or by the Fund’s assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by the Fund may cause the realization of UBTI.

In addition, a Fund, from time to time, may lend certain amounts to the Adviser and its affiliates (including the Funds’ general partner) with respect to the general partner’s capital commitment to such Fund after such general partner has funded a certain threshold of its capital commitment to the applicable Fund. In such circumstances, the Adviser will ensure that any such lending by the Fund is consistent with the terms of the applicable Fund’s Organizational Documents.

Providers of Portfolio Company Support

The Adviser, the Funds and/or the portfolio companies will from time to time engage with other companies and individuals (“Portfolio Company Support Providers”), which may be affiliates or employees of the General Partner or the Adviser, employees of such affiliates, portfolio companies of other of the Adviser’s Funds, “consultants” (including specialized consultants, external executives, university professors and researchers (including Drs. Robert Langer and Daniel Anderson) and industry advisory roundtable members), “entrepreneur partners”, “venture partners”, “entrepreneurs-in-residence”, “executives-in-residence”, “contractors,” “growth

experts”, “industry experts”, “operating partners”, or “advisors” (as those terms are generally understood in the venture capital industry) and other similar professionals. The Portfolio Company Support Providers are engaged to provide operational support, due diligence, research, sourcing specialized operations and consulting services and similar or related services to the Funds, or in connection with, one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies (“Portfolio Company Support Services”), including to Spin Out Companies. These services may be high level insight or extensive day-to-day roles, and may include support to the General Partner on behalf of the Funds or portfolio companies regarding, among other things, the company’s management (including serving in management positions or participating in determining corporate strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), legal, human capital management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters and similar operational matters. The nature of the relationship with each such Portfolio Company Support Provider and the time devotion requirements of each such Portfolio Company Support Provider may vary significantly. Certain Portfolio Company Support Providers are subject to contractual obligations to exclusively provide certain services to Adviser in connection with the Funds and/or their portfolio companies, including Spin Out Companies. These arrangements may be memorialized in a formal written agreement or may be informal and are negotiated individually, depending upon the anticipated Portfolio Company Support Services to be provided. Portfolio Company Support Providers may be offered the ability (or may have a preferred right) to co-invest alongside Funds, or may have pre-existing investments in such Portfolio Company, including in investments in which such Portfolio Company Support Provider is involved or participates in the management thereof.

Pursuant to the Organizational Documents of the Funds, fees and expenses associated with Portfolio Company Support Services (“Operations Expenses”) may be paid and/or reimbursed by portfolio companies and/or the Funds. Operations Expenses (including Operations Expenses incurred in connection with an affiliated Portfolio Company Support Provider) may include an annual fee or retainer, a discretionary bonus, Founder Equity, a success fee (in the form of cash or equity) based on pre-determined targets or milestones, a profits or equity interest in the Funds and/or portfolio company or other incentive-based compensation to the Portfolio Company Support Provider. The determination of whether a service is a Portfolio Company Support Service will be made by the Adviser, in its sole discretion. Operations Expenses will, from time to time also be incurred in respect of portfolio companies prior to the closing of the investment. To the extent services may be provided for the benefit of a Fund, without reference to a particular portfolio company, Operations Expenses incurred in connection with such services are borne by the Fund. In the event one or more Portfolio Company Support Providers (directly or indirectly) is providing services with respect to the Funds, such Operations Expenses will be allocated among the Funds as determined by the General Partner or Adviser, as applicable in a fair and equitable manner. To the extent any such Operations Expenses are payable to any affiliated Portfolio Company Support Provider by the Funds or a portfolio company, such Operations Expenses will not be considered Other Fees and, subject to any limitations set forth in a Fund’s Organizational Documents, will not reduce any fees otherwise payable to the management company or its affiliates; provided, however, that for certain Funds, Other Fees received by full-time, permanent employees of the Adviser will

be subject to offset. The General Partner's good faith determination as to whether a service is a Portfolio Company Support Service, the categorization of any fees and expenses (e.g., as Operations Expenses) and the allocation of such fees and expenses shall be binding on the Fund and its investors. Over time, certain existing and former employees of the Adviser (including senior personnel) may transition to a Portfolio Company Support Provider role, which may shift the burden of compensation such persons from the Adviser to the applicable Fund and/or its portfolio companies.

Although the use of Portfolio Company Support Providers and allocation of Operations Expenses paid to them may subject the Adviser and its affiliates to potential conflicts of interest, the Adviser believes any such potential conflicts of interest are mitigated by the expected savings to the portfolio companies (and, in turn, the relevant Fund(s)) that will be applied if the cost of the Operation Support Provider is lower than market rates for the services provided, or if the services provided by the Portfolio Company Support Providers are consistent with the business strategy the Adviser has for the relevant portfolio company.

Diverse Membership

The investors in the Funds are expected to include U.S. taxable and tax-exempt individuals and entities, as applicable, and individuals and entities from jurisdictions outside of the United States. Such investors often have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors generally relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that are more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

Business with and Among Portfolio Companies and Investors

Given the collaborative nature of the Adviser's business and the portfolio companies in which the Funds have invested, there are often situations where the Adviser is in the position of recommending the services of a portfolio company to other portfolio companies of the Funds or, which may involve fees, commissions, servicing payments and/or discounts to the Adviser, an affiliate, or a portfolio company. The Adviser will generally have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds. The benefits received by a portfolio company providing a service may be greater than those received by the Fund(s) and its portfolio companies receiving the service.

The Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors in the Funds, certain third parties, or their related businesses to the Funds

or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

The Advisers and/or its affiliates may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from the Fund's investment and may vary from the applicable Fund's interest (*e.g.*, whether to make a follow-on investment and, if so, how much should be allocated to the Fund).

In certain instances, a Fund's portfolio company competes with, is a customer of, or is a service provider to, another Fund's portfolio company. In providing advice to a portfolio company's business, the Adviser is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Funds. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by the Adviser to a portfolio company may have adverse consequences to a separate portfolio company owned by another Fund. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increasing its own prices or commencing litigation against another portfolio company.

A Fund's portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Funds managed by the Adviser that, although the Adviser determines to be consistent with the requirements of such Funds' Organizational Documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which may provide economic or other benefits to affiliates of the Adviser that are not subject to the Advisory Fee offset provisions described herein. For example, the Adviser may in the future cause portfolio companies to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple portfolio companies and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple portfolio companies and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to the Adviser, its affiliates or a portfolio company, including related to a portion of the savings achieved by the portfolio company. While the Adviser may have a conflict of interest because its economic benefit may incentivize the Adviser to maintain such arrangements, the Adviser believes that such agreements benefit the portfolio companies due to increased access to quality products and services at beneficial pricing and the Adviser's benefits from such arrangements are reduced because the Adviser only benefits on at the same rate as the portfolio companies. However, it should not be assumed that a company related to, or otherwise affiliated with the Adviser will only take actions that are beneficial to, or not opposed to, the interests of a Fund and its portfolio companies.

Certain members of a Fund's advisory committee are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Fund. The General Partner of a Fund may

from time to time utilize the services of investors and their affiliates on an arm's length basis with commercially reasonable terms, as it deems appropriate.

The Adviser and its affiliates have in the past and may, from time to time hire part-time or full-time employees (including interns) who are relatives of, or are otherwise associated with an investor, portfolio company or service provider. Although the Adviser uses reasonable care to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee the Adviser can control all such conflicts of interest and there may be a continuing appearance of a conflict of interest.

Service Providers

The Adviser and/or its affiliates may engage certain service providers to provide services to the Adviser, the Funds and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers are, in certain circumstances, investors in a Fund or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or lending arrangements). The engagement of any such service provider may be concurrent with an investor's admission to a Fund, or during the term of such investor's investment in the Fund. This creates a conflict of interest, as the Adviser may give such investor preferred economics or other terms with respect to its investment in a Fund, or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor.

Additionally, employees of the Adviser or its affiliates, and/or their family members or relatives may have ownership, employment, or other interests in such service providers. These relationships that an Adviser may have with a service provider can influence the Adviser in determining whether to select, or recommend such service provider to perform services for a Fund or a portfolio company. The Adviser will have a conflict of interest with the Funds in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Funds or will provide the Adviser information about markets and industries in which the Adviser operates or is interested or will provide other services that are beneficial to the Adviser. Although the Adviser selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Fund(s)), there is a possibility that the Adviser, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. While the Adviser often does not have visibility or influence regarding advantageous service rates or arrangements, there will be situations in which the Adviser receives more favorable service rates or arrangements than the Funds or their portfolio companies.

The Adviser or its affiliates and service providers, often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by the Adviser or its affiliates differ from those required by the Funds and/or its portfolio companies, the Adviser and its affiliates will pay different rates and fees than those paid by the Funds and/or its portfolio

companies. Notwithstanding the foregoing, the Adviser generally does not negotiate for any arrangement with a service provider that provides for a lower rate or discount than those available to a Fund or a portfolio company for comparable services.

Positions with Portfolio Companies

Employees of the Adviser from time to time serve as directors of, or observers on boards with respect to, certain portfolio companies. While conflicts of interest may arise in the event that such employee's fiduciary duties as a director conflicts with those of the Fund, it is expected that the interests will be aligned. In addition, to the extent an employee serves as a director on the board of more than one portfolio company, such employees' fiduciary duties among the two portfolio companies may create a conflict of interest. Such employees are required to remit any remuneration they may receive as directors to the applicable Funds. In addition, employees of the Adviser have in the past, and may in the future, on occasion leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio company. Employees are generally prohibited from receiving consulting, management or other fees personally from portfolio companies; however, certain Portfolio Company Support Providers that are technically employees of the Adviser may receive such fees as detailed above.

Decisions made by a director may subject the Adviser, its affiliate or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims.

From time to time employees of the Adviser may also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest and/or following the termination of such employee's employment with the Adviser. In such circumstances, any compensation received by such Adviser employee is not subject to the Advisory Fee offset described above, or otherwise shared with the Funds and/or investors.

Additionally, certain Adviser personnel may be seconded to one or more portfolio companies and provide finance and other services to such portfolio companies and the compensation and expenses for such personnel during the secondment may be borne by the portfolio companies. To the extent the Adviser receives any fees or expense reimbursement from a portfolio company with respect to such personnel, in the event that employee is not full-time employee of the Adviser and is spending a material portion of his or her business time in a non-director management role at the portfolio company, it is expected that they will not result in any offset against the Advisory Fees payable by a Fund.

Side Letter Agreements; Advisory Committee Rights

Subject to a Fund's Organizational Documents, the Adviser often enters into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to, representations and warranties, or exceptions thereto, relating to a Fund, the Adviser or a General Partner, the acknowledgement of certain elections made by Fund investors, matters relating to a Fund's advisory committee, agreements regarding the confidentiality of an investor or the Fund, acknowledgements and

agreements related to placement agent matters and ethics policies, laws and regulations required by certain government related entities, acknowledgements and representations and warranties regarding transactions with, agreements with and indirect and direct ownership interest of certain government related entities, agreements regarding compliance with laws and regulations related to anti-money laundering, anti-terrorist financing and similar activities with investors, transfer rights, consent to jurisdiction, venue, arbitration and limitations on waiving rights with respect to the same, acceptance of legal opinions from certain internal counsel, information and reporting rights, and other rights or terms necessary in light of particular legal, regulatory or policy requirements of a particular investor. Except as otherwise agreed with an investor, the Adviser (or applicable Fund's General Partner) is not required to disclose the terms of side letter arrangements with other investors in the same Fund. The Adviser generally does not enter into side letter arrangements with investors in the LSPIF Funds other than (i) with respect to representations made by the investors to the LSPIF Fund, (ii) certain regulatory matters, and (iii) agreements regarding the confidentiality of the investor or LSPIF Fund information.

Generally, each Fund has established an advisory committee, consisting of representatives of investors. A conflict of interest may exist when some, but not all limited partners are permitted to designate a member to the advisory committee. The advisory committee may also have the ability to approve conflicts of interests with respect to the Adviser and the applicable Fund, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory committee. Representative of the advisory committee may have various business and other relationships with the Adviser and its partners, employees and affiliates. These relationships may influence the decisions made by such members of the advisory committee.

In addition, members of one Fund's advisory committee may also be a member of another Fund's advisory committee. In such instances, a conflict of interest exists because the funds on which such overlapping advisory committee members may have conflicting interests and such advisory committee members may be requested to provide their consent with respect to such conflicts of interest and will not recuse themselves from any such vote.

Other Potential Conflicts

The Organizational Documents of a Fund establish complex arrangements among the Funds, the Adviser, investors, and other relevant parties. From time to time, questions may arise regarding certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Organizational Documents, if any, may be broad, unclear, general, conflicting, ambiguous, and vague and may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While the Adviser will construe the relevant provisions in good faith and in a manner consistent with its fiduciary duty and legal obligations, the interpretations used may not be the most favorable to a Fund or its investors.

The Adviser and the Funds will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Fund, and may also represent one or more portfolio companies or investors in a Fund. In the event of a significant dispute or

divergence of interest between Funds, the Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Adviser and its affiliates, and in litigation and other circumstances separate representation may be required. Additionally, the Adviser and the Funds and the portfolio companies of the Funds will, from time to time engage other common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to the Adviser, the Funds, and/or the portfolio companies. This may result in the Adviser receiving a more favorable rate on services provided to it by such a common service provider than those payable by the Funds and/or the portfolio company, or the Adviser receiving a discount on services even though the Funds and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between the Adviser, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Funds and/or the portfolio companies.

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in “miles” or “points” or credit in loyalty/status programs to the Adviser and/or its personnel, and such rewards and/or amounts will exclusively benefit the Adviser and/or such personnel and will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies.

The Adviser has in the past and may, in its discretion, in the future have, and may, in its discretion, cause the Funds and/or their portfolio companies to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of the Adviser. The Funds and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between the Adviser and the Funds (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

The Funds have in the past and may in the future create a platform for acquiring companies in a particular industry. In such instances, a holding company (“Holding Company”) would be created that would source, acquire and manage the companies in the platform. The Holding Company would be staffed with personnel responsible for sourcing, acquiring and managing companies for the Holding Company. In certain circumstances, such Holding Company employees include former employees of the Adviser, or current or former senior advisors or consultants to the Adviser and its affiliates. The Holding Company’s costs and expenses (including compensation for its personnel, which compensation may include, among other things, the granting of profit participation in certain investments of Holding Company and/or a capital interest in such investments or the underlying assets) would be borne by the Holding Company (and, therefore, indirectly borne by the Fund). Such costs and expenses will not offset the Advisory Fee and are

in addition to Advisory Fees and other compensation (*e.g.*, Carried Interest) received by the Adviser. In addition, as the Adviser earns Advisory Fees and Carried Interest from the Fund, the Adviser will benefit from the assets, income and gains of Holding Company.

The Adviser has in the past and may, from time to time in the future, cause one or more Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the applicable General Partner, the Adviser and/or their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Adviser that cover one or more Funds and/or the Adviser (including their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties). The Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Funds, and/or the Adviser on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

Certain portfolio companies of the Funds are, or may be, counterparties or participants in agreements, transactions or other arrangements with the Adviser, its affiliates, other portfolio companies of the Adviser’s clients, to receive favorable procurement terms, including fees, servicing payments, rebates, discounts or other financial benefits. The Adviser is sometimes eligible to receive favorable terms for its procurement due in part to the involvement of its portfolio companies in such arrangements, and any discounted amounts will not be subject to Advisory Fee offsets or otherwise shared with the relevant Funds.

The Organizational Documents of certain Funds permit the General Partner of each such Fund to cause such Fund to distribute such General Partner’s share of securities resulting from an investment disposition by such Fund to such General Partner or its affiliates (including managing directors and employees) in kind, while disposing of limited partners’ share of such securities and distributing the net cash proceeds of such sale of securities to the limited partners. This ability creates conflicts of interest between the General Partners and the limited partners of the applicable Fund, because the General Partner may have an incentive to cause the Fund to exit an investment at a time that may result in limited partners receiving a lesser return on such investment than would be the case if the General Partner was prohibited from receiving its proceeds from investments in kind (or was otherwise required to receive its share of investment proceeds in the same form as limited partners). Furthermore, the General Partner, or its affiliates, may receive distributions in kind from an investment disposition. In the event the General Partner, or its affiliates, receive such a distribution, the General Partner will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which the investor sells its distributed securities), or hold on to the distributed securities for such time as the General Partner shall determine. The ability of the General Partner to act in its own interest with respect to such distributed shares creates a conflict of interest between the General Partner or affiliate, as an adviser to the Fund, and the Fund.

The Organizational Documents of certain Funds permit each such Fund's General Partner to withhold information from certain limited partners or investors in such Fund in certain circumstances. For instance, information may be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The General Partner may elect to withhold certain information to such limited partners for reasons relating to the General Partner's public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

Please see the discussion above under the sub-heading "Resolution of Conflicts" for a description of the means by which the Adviser and its related persons may seek to alleviate conflicts of interest among the Funds or other persons.

Item 12. Brokerage Practices

As Funds invest primarily in private equity ventures, the Adviser anticipates that investments in publicly traded securities will be infrequent occurrences (*e.g.*, money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, *etc.*). However, to meet its fiduciary duties to the Funds, the Adviser has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

Selection of Brokers and Dealers

For each of the Funds, the Adviser has, subject to the direction of such Fund's General Partner, if applicable, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for a Fund involving a broker-dealer, the Adviser will seek "best execution" of the transaction. "Best execution" means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, the Adviser's investment personnel takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions. In addition, the Adviser may consider the use of Electronic Communications Networks ("ECNs") when placing trades on behalf of the Funds. When purchasing or selling over-the-counter securities with market makers, the Adviser generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Adviser's investment personnel, in consultation with the Adviser's CCO, will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Fund.

The Adviser does not receive "soft dollars" in connection with its use of broker-dealers.

Aggregation of Trades

In pursuing the Funds' investment objectives, the Adviser may cause multiple Funds to purchase and sell publicly traded securities through brokers. The Adviser and its affiliates may aggregate (or bunch) the orders of more than one Fund for the purchase or sale of the same publicly traded security. The Adviser often employs this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. The Adviser and its affiliates may combine orders on behalf of Funds with orders for other Funds for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction.

If an order for more than one Fund for a publicly traded security cannot be fully executed, allocation shall be made based upon the Adviser's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed on a quarterly basis whereby each such portfolio company provides requested performance and other relevant information to the Adviser, which is then reviewed by the CFO.

Reporting

Subject to the Fund's Organizational Documents, investors in the Funds typically receive, among other things, a copy of audited financial statements, as applicable, of the relevant Fund within 90 days after the fiscal year end of such Fund, as well as, for certain Funds, quarterly performance reports within 45 days after each fiscal quarter end. The Adviser and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Item 14. Client Referrals and Other Compensation

For details regarding economic benefits provided to the Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, the Adviser and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies of Funds and/or the customers or suppliers of such portfolio companies.

While not a client solicitation arrangement, the Adviser has in the past, and may from time to time in the future engage one or more persons to act as a placement agent for a Fund in connection with the offer and sale of interests to certain potential investors. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Fund that are subsequently accepted. Advisory Fees received by the Adviser are generally reduced by the amount of such fees paid by the Fund.

Item 15. Custody

Item 15 is not applicable to the Adviser.

Item 16. Investment Discretion

Investment advice is provided directly to the Funds, subject to the direction and control of the General Partner of each Fund, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Advisory Agreements with the Funds and/or Organizational Documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Organizational Documents of the applicable Fund.

Item 17. Voting Client Securities

The Adviser has established written policies and procedures setting forth the principles and procedures by which the Adviser votes or gives consent with respect to securities owned by the Funds (“Votes”). The guiding principle by which the Adviser votes all Votes is to vote in the best interests of each Fund by maximizing the economic value of the relevant Fund’s holdings, taking into account the relevant Fund’s investment horizon, the contractual obligations under the relevant Advisory Agreements or comparable documents, and all other relevant facts and circumstances at the time of the vote. The Adviser does not permit Voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

It is the Adviser’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, the Adviser reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Adviser’s CCO, CFO, Managing Partners or the relevant Adviser investment professional, the costs associated with voting such Vote outweigh the benefits to the relevant Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Funds.

Funds generally cannot direct the Adviser’s Vote.

All Voting decisions initially are referred to the Adviser’s General Counsel or appropriate investment professional for a voting decision. In most cases, the Adviser’s General Counsel, in

consultation with the Adviser's Managing Partners, or investment professional covering the particular investment will make the decision as to the appropriate vote for any particular Vote. In making such decision, he or she may rely on any of the information and/or research available to him or her. If the investment professional is making the Voting decision, the investment professional will inform the CCO of any such Voting decision, and if the CCO does not object to such decision as a result of his or her conflict of interest review, the Vote will be voted in such manner. If the investment professional and the CCO are unable to arrive at an agreement as to how to vote, then the CCO may consult with the Adviser's Managing Partners as to the appropriate vote, who will then review the issues and arrive at a decision based on the overriding principle of seeking the maximization of the economic value of the relevant Funds' holdings.

The Adviser's CCO has the responsibility to monitor Votes for any conflicts of interest, regardless of whether they are actual or perceived. All Voting decisions will require a mandatory conflicts of interest review by the Adviser's CCO in accordance with these policies and procedures, which will include consideration of whether the Adviser or any investment professional or other person recommending how to vote and/or the Adviser's affiliates and their clients has an interest in how the Vote is voted that may present a conflict of interest. In addition, all Adviser investment professionals are expected to perform their tasks relating to the voting of Votes in accordance with the principles set forth above, according the first priority to the best interest of the relevant Funds. The Adviser's CCO will use his or her best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his or her independent assessment of the best interests of the Funds.

Where the Adviser's CCO deems appropriate in his or her sole discretion, unaffiliated third parties may be used to help resolve conflicts. In this regard, the Adviser's CCO shall have the power to retain independent fiduciaries, consultants, or professionals to assist with Voting decisions and/or to delegate voting or consent powers to such fiduciaries, consultants or professionals.

Information regarding how proxies were voted in connection with a Fund and copies of proxy voting policies are available to any client or prospective client upon request to the CCO at (781) 290-0770.

Item 18. Financial Information

Item 18 is not applicable to the Adviser.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to the Adviser.