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# TA Associates Management, L.P.

PART 2A OF FORM ADV: FIRM *BROCHURE*  
AUGUST 27, 2019

This brochure provides information about the qualifications and business practices of TA Associates Management, L.P. If you have any questions about the contents of this brochure, please contact us at [Compliance@ta.com](mailto:Compliance@ta.com) or (617) 574-6700. 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 TA Associates Management, L.P. is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC as an investment adviser does not imply a certain level of skill or training.

## **ITEM 2. MATERIAL CHANGES**

TA Associates Management, L.P. ("TA") is updating the Form ADV Part 2A filed in March 2019 in order to reflect the following: Updates to reflect terms applicable to newly raised Equity Funds and a potential TA Select Opportunities Fund (as defined below), including fees, expenses, compensation and reimbursements, potential risks and considerations, and additional conflicts of interest.

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## **ITEM 4. ADVISORY BUSINESS**

TA Associates Management, L.P., a Delaware limited partnership, together where the context permits, with its 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 is herein referred to as the “Manager,” or “TA”. Such affiliates may or may not be under common control with TA Associates Management, L.P., but possess a substantial identity of personnel and/or equity owners with TA Associates Management, L.P. 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 Manager provides investment advice to pooled investment vehicles (the “Funds,” or the “Clients” and individually a “Fund” or a “Client”) with respect to the acquisition, management and disposition of investments, which consist primarily of profitable, private middle-market growth companies globally. The Funds are exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Advisers Act”), and the Funds’ securities are not registered under the Securities Act of 1933, as amended (the “Securities Exchange Act”).

TA has been in the business of providing investment advice since 1968. TA Associates, L.P. is the general partner of the Manager and TA Associates US Holding Corp. is the general partner of TA Associates, L.P. TA Associates Management Holding, L.P. holds all of the limited partnership interests in the Manager and the Managing Directors, Senior Advisors and Advisors of the Manager hold the limited partnership interests in TA Associates Management Holding, L.P. No individual holds twenty-five percent or more of TA.

TA’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 Funds come in three varieties, all focusing on “growth private equity,” which seek out and originate investments generally in the technology, financial services, healthcare, business services and consumer industries. TA’s growth private equity investment strategy combines a focus on growth with a focus on the established business models and positive cash flow of the buyout business, resulting primarily in investments in middle-market growth private companies. The first variety of funds focuses on originating equity investments (the “Equity Funds” and individually, an “Equity Fund”). Historically, there were separate funds primarily for US limited partners (the “TA Funds”) and non-US limited partners (the “Atlantic and Pacific Funds”). However, currently the TA Funds have both US and non-US limited partners, and therefore, TA does not intend to raise another Atlantic and Pacific Fund. The second variety of funds is one or more select opportunities funds (“SOF”) that invest in third-party priced recapitalizations of TA Equity Fund portfolio companies.

The third variety of funds focuses on subordinated debt investments (the “Sub Debt Funds” and individually, a “Sub Debt Fund”), which invest principally in profitable,

private, growth companies in current yielding redeemable securities senior to the common equity and the sponsor's preferred equity. At least 75% of such subordinated debt investments must be made alongside investments by the Equity Funds. Currently 100% of the subordinated debt investments are made alongside the Equity Funds. While TA provides advice focused on growth private equity and subordinated debt investments, TA will from time-to-time recommend other types of investments as appropriate under the terms of the Fund limited partnership agreements such as advice related to hedging currencies.

The Manager provides investment supervisory services to each Fund in accordance with the limited partnership agreement (or analogous organizational document) of such Fund or pursuant to a separate investment advisory agreement (the "Advisory Agreements" and individually, an "Advisory Agreement") with the general partner of each of the Funds (the "Fund GPs" and individually, a "Fund GP"). The investment recommendations and advice provided with respect to a Fund is subject to the direction and control of the affiliated Fund GP of such Fund, and not individually to the limited partners in the Funds. Each Fund has specific investment criteria as well as investment restrictions and limitations, which are set forth in the organizational or offering documents of the applicable Fund, including but not limited to the limited partnership agreement, as amended from time-to-time, Advisory Agreements and/or side letter agreements negotiated with limited partners in the applicable Fund (such documents collectively, a Fund's "Organizational Documents").

TA has established certain special purpose funds that are used for the purpose of enabling its eligible investment professionals, partners, officers and employees, as well as employees of its affiliates ("Employees") (the "Employee Funds" and individually, an "Employee Fund") and certain friends of the firm, primarily senior management of the current and past portfolio companies (the "Strategic Partners Funds" and individually, a "Strategic Partners Fund"), to co-invest in the same investments made by other Funds directly or indirectly as a feeder fund. The obligation or right of the Employee Funds and/or the Strategic Partners Funds to co-invest and the amount of the co-investment are typically specified in the limited partnership agreement or other documents of the Fund with which they co-invest. For purposes of this brochure, the term "Funds" shall include the Equity Funds, the SOF Funds, the Sub Debt Funds, the Employee Funds and the Strategic Partners Funds unless otherwise noted.

As of June 30, 2019, the Manager manages approximately \$23,647,607,305 of client assets (regulatory assets under management), all of which is managed on a discretionary basis.

## **ITEM 5. FEES AND COMPENSATION**

Each Fund GP typically charges a Management Fee to the Fund it manages and also receives Carried Interest (each as defined below) from a Fund as described in Item 6 of this brochure unless otherwise agreed to in a Fund's Organizations Documents (e.g. the Employee Funds and SOF Funds). A Fund and/or its portfolio companies have in the past

made and may in the future make other payments to the Fund GP, the Manager or its affiliates for services provided to the portfolio companies which, in most circumstances, reduce the Management Fees of the applicable Equity and Sub Debt Funds. Additionally, consistent with the Organizational Documents of a Fund, the Fund typically bears certain out-of-pocket expenses incurred by the Manager in connection with the services provided to the Fund and/or the portfolio companies. Further details about certain fees and expenses are set forth below.

### **Management Fees**

As compensation for investment supervisory services rendered to the Funds, the Fund GP typically receives from each Fund (other than Employee Funds and SOF Funds) a management fee (each, a “Management Fee”) typically calculated based on committed capital, and for the Sub Debt Funds, based on committed capital and a percent of invested capital, with respect to such Fund or based on a percent of invested capital, with respect to such Fund. As described below, for Funds that pay a management fee, the Management Fee may be reduced or waived in some circumstances in connection with the receipt by the Manager or its related persons of various fees paid by actual or prospective portfolio companies or by certain organizational or other expenses borne by such Fund. Management Fees paid by a Fund are indirectly borne by limited partners in such Fund.

Management Fees are payable monthly in arrears. The amount and terms of payment of the Management Fees charged to each Fund (and the terms of the reimbursement of expenses) are determined through negotiations with limited partners in such Fund at such Fund’s inception and are set forth in the Organizational Documents of each such Fund. The Manager is compensated by the applicable Fund GP for performance of the services described in the Advisory Agreement on a cost-plus basis. The fee structures described herein may be modified from time-to-time as allowed by a Fund’s Organizational Documents. Fees may differ from one Fund to another, as well as, in limited circumstances as allowed by a Fund’s Organizational Documents, among limited partners in the same Fund.

The SOF Funds are not charged Management Fees and the Fund GP will retain any fees paid by actual or prospective portfolio companies or any Other Fees (as defined below). The Employee Funds are not charged Management Fees or Carried Interest and make investments by a formula approach without the advice of the Manager. Certain Strategic Partners Funds are charged lower Management Fees and Carried Interest than the Equity or Sub Debt Funds and certain Strategic Partners Funds that feed into the Equity Funds do not directly pay Management Fees and Carried Interest, but pay such fees indirectly as an investor in such Equity Fund. Notwithstanding that the Employee Funds will generally not pay Management Fees, such Employee Funds (or the Manager on its behalf) will pay their pro rata share of certain Fund expenses (as discussed further below).

The Management Fees paid by a Fund will generally be reduced by 100% 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 limited partners, (2) the fees incurred by the Manager and/or Fund GP in connection with the organization of

such Fund that exceed a limit specified in such Fund's Organizational Documents and/or (3) certain Other Fees (as defined below) received by the Manager or its affiliates. The Management Fees paid by certain Funds established prior to 2006 will generally be reduced by 80-90% of such fees. To the extent a Fund does not directly pay Management Fees (such as the Employee Funds and certain Strategic Partner Funds), such Funds do not receive the benefit of such fees, including Other Fees directly or through a Management Fee reduction. The manner and calculation of a Management Fee reduction, and the fees for which a reduction will occur, varies from Fund to Fund and is described in the applicable Fund's Organizational Documents.

To the extent a reduction relates to more than one Fund, the Manager allocates the resulting Management Fee reduction among the applicable Funds in proportion to their pro-rata share based on committed capital or their interest (or prospective interest) in the portfolio company as applicable. To the extent a Fund does not directly pay Management Fees (such as the Employee Funds and certain Strategic Partners Funds) such Funds will not receive the benefit of such fees or reduction and the excess amounts applicable to such Funds will be allocated to the applicable Funds (and not to the Manager). To the extent a Fund does not directly pay Management Fees such Funds will not receive the benefit of such fees or a reduction and the excess amounts applicable to such Funds will be allocated to the Fund GP.

In addition, the Manager has in the past waived or reduced and, where such Fund's Organizational Documents allow, may in the future waive or reduce all or a portion of the Management Fee paid by a certain Fund in consideration of future allocations of realized gains on investments by such Fund.

Such reductions are credited on a regular basis. To the extent any such credit would reduce the Management Fee for a given quarter below zero, such credit will be carried forward for future application. Due to waived or reduced Management Fees and/or the timing of receipt of compensation subject to a reduction, Fund limited partners may not receive the full benefit of reductions. For example, during periods when the Manager no longer receives Management Fees (e.g. during certain Fund term extensions) and receives compensation that would otherwise be subject to a reduction, the Manager, depending on the Organizational Documents and certain elections that may be made by the limited partners, or the advisory committee established by a Fund for such Fund's limited partners (the "Advisory Committee") regarding fees, is entitled to retain such compensation without remitting any such amounts to the applicable Fund or its limited partners.

### **Other Fees**

#### *Fees Payable by the Portfolio Companies*

The most common type of fee TA or its Employees receives from a portfolio company are fees or stock in connection with serving on the board of directors of a portfolio company ("Director Fees"), and primarily such fees are limited to U.S. public portfolio companies. In the event of such a receipt of stock, the recipients, or Manager, with respect to stock received, will typically hold the stock for the benefit of the applicable Funds in proportion

to their interest in the portfolio company. The Manager will typically hold, or direct the Employee to hold, such shares until all such Funds have fully exited the investment after which the Employee, at the direction of the Manager will typically endeavor to sell such shares at such time that it deems appropriate, in its discretion and will allocate the proceeds to the applicable Funds upon such sales.

While it is not standard practice for TA, TA and its affiliates have in the past received and may in the future receive “Monitoring Fees” in certain cases (e.g. where a co-investor investing alongside a Fund will be receiving such payments for performing similar services as provided by TA) pursuant to monitoring agreements with portfolio companies of the Funds governing the advice, consultation and other similar ongoing services provided by TA to such portfolio companies. Where such agreements allow for the acceleration of payments, TA will use its best efforts to decline such payment, unless it is believed to be in the best interest of a Fund (e.g. where a co-investor receives such payments and a Fund will receive its pro-rata share of such fees) unless otherwise disclosed in a Fund’s Organizational Documents (such as the SOF Funds).

In addition, TA and its affiliates from time-to-time will receive fees in connection with an unconsummated transaction such as broken deal, topped-bid or similar fees (“Break-Up Fees”). The amount and timing of Break-Up Fees received by the Manager are generally negotiated at the time of the proposed investment and specified in the agreement or other documentation governing the transaction.

While it is not common, TA and its affiliates have in the past and may in the future perform transaction-related, financial advisory and other services for, and receive fees from, the issuer, seller or purchaser of a portfolio company including fees in connection with investment banking, advisory, transaction or similar fee with respect to such portfolio companies (such fees, together with Director Fees, Monitoring Fees and Break-Up Fees, are “Other Fees”).

Certain Other Fees can be substantial and may be paid in cash, in securities (or rights thereto) of the portfolio companies or investment vehicles or otherwise. Equity and Sub Debt Funds that receive Other Fees typically reduce the management fee by 100% of such Other Fees unless otherwise discussed in such Fund’s Organizational Documents and/or above (such as the SOF Funds).

The payment of Other Fees by portfolio companies where a Fund does not receive 100% Management Fee reduction for such fees, will, in some, but not all, circumstances create a conflict of interest between the Manager and its affiliates and the Funds and their limited partners because the amounts of these Other Fees and reimbursements (see “*Expense Reimbursement*” below) can be substantial and such Funds and their limited partners generally do not have a full interest in these fees and reimbursements. The Manager negotiates the amount of these fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third-party co-investors in its transactions.



### *Payments Made to Third Parties*

From time-to-time, the Manager will (in its sole discretion), agree to pay all or a portion of an Other Fee received from an actual or prospective portfolio company to an unaffiliated third-party (“Third Party Fee”), such as a consultant, adviser, finder, broker and/or investment bank. In such event, the Third Party Fee is not a fee that the Manager is entitled to retain and therefore, the Manager is not required under the terms of the applicable Organizational Documents to share such Third Party Fee with the Funds.

The Manager and its affiliates also engage and retain advisers, consultants, external executives, operating partners, and other similar professionals who are not Employees or affiliates of the Manager, for the benefit of portfolio companies, and who will, from time-to-time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, the amounts of such fees or other compensation received by such persons will be retained by such persons and will not be deemed paid to or received by the Manager and its affiliates and such amounts will not be subject to the sharing arrangements described above and will not benefit the Fund or its limited partners. For a discussion of material conflicts of interest created by the engagement of such persons, please see “*Providers of Operations Support*” in Item 11 below.

### *Expense Reimbursement*

Additionally, some but not all portfolio companies reimburse the Manager for expenses, such as those related to board meetings and events or specific support provided by the Strategic Resource Group (including without limitation travel expenses, which may include expenses for first class travel or in rare cases, all or a portion of a chartered flight, meals and entertainment and out-of-pocket expenses), indemnification expenses and certain legal expenses incurred by the Manager in connection with its performance of services for such portfolio company; such reimbursed expenses are generally not subject to the sharing arrangements described above. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see “*Allocation of Expenses*” in Item 11 below.

## **Expenses**

### *Manager Expenses*

To the extent provided in each such Fund’s Organizational Documents, TA will pay out of Management Fees certain operating expenses, including expenses on account of rent, utilities, office supplies, office equipment, routine bookkeeping, certain travel, entertainment, compensation of its Employees (other than Carried Interest described in Item 6 below) and other routine administrative expenses relating to the services and facilities provided by TA to the Funds.

### *Fund Expenses*

To the extent provided in each such Fund’s Organizational Documents, each Fund shall pay or shall reimburse the Fund GP or affiliate for all fair and reasonable expenditures made on behalf of such Fund, including, without limitation, all reasonable travel, accommodation, meals and other similar expenses (as described in more detail below),

all third party legal expenses and all accounting, other professional, printing, filing and other out-of-pocket organizational and offering expenses incurred in connection with the organization of the Fund GP and the organization of, and offering of interests in, a Fund; (ii) all reasonable fees, costs and expenses incurred in connection with the termination, winding up and ultimate dissolution of a Fund; (iii) expenses of maintaining the existence, good standing and the registered office of a Fund and a Fund GP in the jurisdiction of its organization and all related governmental fees and expenses; (iv) all reasonable expenses incurred in connection with preparing any amendment, restatement or other modifications to a Fund's Organizational Documents, including the solicitation of any consent, waiver or similar acknowledgment from the limited partners and/or the Advisory Committee; (v) all expenses incurred for any third party legal, accounting, audit (including the fees of any auditor), custody, depository, tax, administration (including the external costs of any third party administrator or depository to maintain a Fund's books and records), reporting services, consulting services and other similar services for a Fund and its investments; (vi) all retainer fees, other fees, compensation (including any payments in the form of equity) and expenses of any operating partners, operations advisors, industry advisors and other third parties retained to provide management, consulting or other business services to, or with respect to, a Fund or potential or current portfolio companies, to the extent not paid directly by portfolio companies; (vii) all insurance costs and premiums, including, without limitation, premiums for liability insurance to protect the Funds, the Fund GP and other covered persons in connection with the activities of the Funds; (viii) all fees, expenses, payments and reimbursements relating to any arbitration, litigation, proceeding or other action (whether pending or threatened) or any indemnification of any covered person to the extent permitted by the Fund's Organizational Documents (including the advancement of fees, costs and expenses incurred by any covered person in defense or settlement of any claim that may be subject to a right of indemnification, except as otherwise provided in a Fund's Organizational Documents); (ix) all costs, losses, damages or other expenses relating to any representations or warranties or any indemnities given by a Fund in relation to any investments or proposed investments, including where a claim has been made in respect of such representations, warranties or indemnities; (x) all third party costs, fees and expenses incurred in connection with identifying, evaluating, making, managing, restructuring, holding or disposing of investments or proposed investments by a Fund (whether or not consummated), including, without limitation, loan fees, financing expenses, private placement fees, sales commissions, finder's fees, brokerage fees, auditing fees, fees and expenses of tax advisers, underwriting commissions and discounts, investment banking fees, insurance costs, broken deal expenses, reverse breakup fees, termination fees and other similar fees, fees and expenses relating to interest rate or currency hedges, swaps or similar transactions; (xi) all reasonable travel, accommodation, meals and other similar expenses associated with investigating and evaluating investment opportunities (whether or not consummated), making, monitoring, managing or disposing of investments, and attending meetings of the partners and the Advisory Committee (provided that in the event that a Fund GP or its affiliates use private aircraft or other private air travel, they shall only be reimbursed for the cost of first class (or equivalent) commercial air travel), and all other expenses that are directly related to particular investments or proposed investments, whether or not actually consummated; (xii)

research expenses related to particular investments or proposed investments (e.g., third party reports, periodicals and publications and subscription-based services) and information technology expenses (including fees and expenses of technology service providers) related to acquiring, developing, implementing or maintaining related software to the extent attributable to activities undertaken for the benefit of a Fund or the partners; (xiii) expenses of forming, operating and liquidating any alternative investment vehicle, any master holding company or any other entity formed for the purpose of making or holding any investment (whether or not consummated) (and, for the avoidance of doubt, no such expenses shall be treated as organizational expenses of a Fund); (xiv) all taxes, fees, expenses and governmental charges relating to the activities of a Fund or any investment or proposed investment, including, without limitation, all fees, expenses and governmental charges relating to the preparation and filing of any regulatory or governmental reports required to be made by a Fund or relating to a Fund's investments, proposed investments or other activities (including, without limitation, Form PF required to be filed under the Investment Advisers Act, Section 16 filings, Schedule 13D filings, Schedule 13G filings and other forms, schedules, reports, filings, information and documents required to be filed under the Securities Exchange Act, any forms, schedules, reports, filings, information or other documents prepared with respect to AEOI or filed with the IRS, Commodities Futures Trading Commission, Securities and Exchange Commission or other U.S. governmental authority, and any non-U.S. forms, schedules, reports, filings, information or other documents filed with or prepared to comply with any non-U.S. governmental authority or non-U.S. law, rule or regulation, including those related to or arising out of the Alternative Investment Fund Managers Directive 2011/61/EU (the "Directive" or "AIFMD"), as well as the costs and expenses incurred in connection with developing, licensing, implementing, maintaining or upgrading computer software and hardware or filing or reporting tools (including subscription-based services) related to each of the foregoing to the extent attributable to activities undertaken for the benefit of a Fund or the partners; (xv) all fees and expenses of any audit (including the fees of any auditor), examination, investigation or other governmental proceeding relating to the activities of a Fund or any investment or proposed investment; (xvi) expenses incurred in connection with meetings of the limited partners, including, without limitation, reasonable travel, accommodation and other out-of-pocket expenses of any guest speakers at the meeting, rental expenses, technology, systems, arrangements, meals and entertainment for attendees, and expenses associated with preparing materials for the meeting; (xvii) expenses incurred in connection with meetings of the Advisory Committee, including, without limitation, expenses of Advisory Committee members that are reimbursed for travel and expenses and expenses associated with preparing materials for meetings of the Advisory Committee, the reasonable fees and expenses of legal counsel retained to assist the Advisory Committee and other expenses incurred in connection with the activities of the Advisory Committee; (xviii) expenses of preparing and delivering all reports, financial statements, tax returns and other tax filings, Schedule K-1s, capital calls, distribution notices, other reports and notices and other information required or requested from limited partners (including the fees, costs and expenses incurred to provide access to such reports or information (including through a website or other portal)), including, without limitation, expenses of all third party consultants relating to the foregoing; (xix) costs and expenses incurred in connection with developing, licensing, implementing, maintaining or upgrading any web

portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of a Fund or the limited partners; (xx) all principal, interest, fees (including any “unused” borrowing fees) and expenses relating to obtaining and borrowing under any credit facility or other permitted borrowing, guarantee or security by a Fund; (xxi) costs and expenses incurred in connection with any transfer or proposed transfer of an interest in a Fund, a limited partner’s withdrawal or a limited partner’s default (but only to the extent not paid by the limited partner, the transferee or the withdrawing limited partner); (xxii) all fees, charges and expenses incurred in connection with a Fund’s and its subsidiaries’ initial and ongoing compliance with applicable laws, rules and regulations, including all third party legal fees and other professional services fees, charges and expenses incurred in connection with such compliance efforts; (xxiii) all fees, costs and expenses incurred in connection with complying with, administering or amending side letters, including the process of distributing and implementing applicable elections pursuant to any “most favored nations” provisions, provided that in a Fund GP’s sole discretion any such fees, charges and expenses related to ongoing compliance with and administration of side letters may be charged directly to or allocated solely to the limited partners to which they relate; (xxiv) all fees, costs and expenses related to complying with anti-money laundering, know-your-customer and similar laws, rules and regulations, including, without limitation, (A) fees, costs and expenses incurred in connection with vetting potential investors in a Fund prior to, concurrently with or following the offering of limited partner interests or any transfer of limited partner interests, (B) fees, costs and expenses incurred in connection with monitoring a Fund’s, a Fund GP’s, TA Associates’ and any portfolio company’s ongoing compliance with such laws, rules and regulations, and (C) the external costs of any third party engaged to perform anti-money laundering and know-your-customer compliance and administration, in each case to the extent attributable to activities undertaken for the benefit of a Fund or the partners; and (xxv) all Management Fees and all other expenses required to be paid or reimbursed by a Fund pursuant to any other provision of such Fund’s Organizational Documents and all other customary out-of-pocket expenses relating to the business or operations of a Fund.

#### *Limited Partner Co-Investment Vehicle Expenses*

TA has in the past determined and may in the future determine that it is in the Funds’ best interests to invite certain Fund limited partners to co-invest alongside the Funds. In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by limited partners to invest alongside the Fund may be formed in connection with the consummation of a transaction. In the event a co-investment 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 co-investment vehicle will generally bear its pro rata portion of expenses incurred in the making of an investment whenever such co-investment agreement allows. Absent a specific agreement to the contrary with a prospective limited partner co-investor, in the event that a transaction in which a limited partner co-investment was considered or agreed to by a limited partner is not consummated, any applicable fees, costs or expenses, including breakup fees or broken deal expenses will be borne by the applicable Funds and not by any prospective limited partner co-

investors. For a discussion of material conflicts regarding limited partner allocation, please see *“Allocation of Limited Partner Co-investment Opportunities”* in Item 11 below.

#### *Allocation of Expenses*

TA utilizes written allocation formulas to mitigate potential conflicts of interest from influencing the allocation of investment opportunities or fees and expenses among the Funds. To the extent not allocated to a portfolio company, the Manager will allocate fees and expenses incurred in the course of investment advice and investment supervisory services between Funds in accordance with each Fund’s Organizational Documents, typically pro-rata based upon aggregate capital commitments. For a discussion of material conflicts regarding allocation, please see *“Allocation of Investment Opportunities among Funds”* in Item 11 below.

Additionally, please see Item 6 below regarding “Carried Interest” that Funds may pay and Item 12 regarding any brokerage fees that Funds may pay.

## **ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

Subject to the terms of a Fund’s Organizational Documents, the Fund GP is allocated a portion of cumulative net realized profits from the investments of such Fund (customarily referred to as a “Carried Interest”). Each Fund GP is a related person of the Manager. Carried Interest paid by a Fund is indirectly borne by limited partners in such Fund. Carried Interest varies among the Funds and limited partners in such Funds (and may be eliminated or reduced in the case of the Employee Funds and Strategic Partners Funds as described in Item 5 above).

The payment of Carried Interest by some, but not all, Funds creates an incentive for the Manager to disproportionately allocate time, services or functions to Funds paying Carried Interest or Funds paying Carried Interest at a higher rate, or allocate investment opportunities to such Funds. To mitigate this conflict of interest, as negotiated with limited partners at the time of investment, whenever practical, the Organizational Documents will typically provide written allocation formulas and/or will use its good faith discretion. For a discussion of material conflicts regarding allocation, please see *“Allocation of Investment Opportunities among Funds”* in Item 11 below.

## **ITEM 7. TYPES OF CLIENTS**

The Funds are generally organized as limited partnerships and an affiliate of the Manager serves as the Fund GP. Subject to the discretion and control of the Fund GP, the Manager provides investment advice and/or recommendations to the Funds, and not individually to the limited partners in such Funds. Limited partners in the Funds typically include public pension plans, fund of funds, corporate pension plans, university endowments,

foundations, family offices, insurance companies, banks, other financial institutions and high net worth individuals.

There is typically a minimum dollar amount requirement for the creation of a new Fund, which is decided by the applicable Fund GP. This amount varies by Fund and is not a specified amount set by the Manager. Additionally, there is generally a minimum investment amount for the limited partners within each Fund discussed in the applicable Fund private placement memorandum. The applicable Fund GP reserves the right to, and periodically does, waive the minimum investment amount for the limited partners.

## **ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Methods of Analysis & Investment Strategy**

The principal investment strategy of the Manager is to generate returns by providing strategic capital to profitable, private middle-market growth companies globally, primarily in opportunities originated and led by TA. As discussed in Item 4 “*Advisory Business*” above, TA maintains three varieties of investment vehicles, the Equity Funds and the Sub Debt Funds for which the methods of analysis are similar. In targeting and selecting its private equity and subordinated debt investment opportunities, the Manager focuses primarily on four areas: quality of management; market size and growth; product or service uniqueness/differentiation; and the ability to realize a gain. Generally, the company must have capable management, a growing, sizable market, a differentiated product or service and an understanding with management on avenues for eventual liquidity. The SOF Fund is a “best ideas” private equity fund that will invest in select high-performing Equity Fund portfolio companies that have met or exceeded TA’s target returns and are believed to have compelling future growth prospects.

The Manager seeks to invest in specific company economic models that provide a sound combination of low capital risk and high returns. These characteristics include recurring revenues, reliance on intellectual capital, modest capital requirements and high profit margins. Furthermore, the Manager strives to identify leading, profitable growth companies, which generally do not need capital, and does not limit itself to buyouts or any other single type of private equity investment. Because these companies do not need capital, the Manager must have the flexibility to pursue a broad investment approach ranging from minority to control positions in unleveraged and leveraged transactions in order to create an investment opportunity. The Manager will also consider certain environmental, social, governance and other characteristics during due diligence. Additional information on the investment strategy of each Fund is included in the private placement memorandum of each such Fund.

### **Material Risks**

**Set out below is a summary of some of the important risks that a Fund may encounter relating to TA’s investment strategies. Before deciding to invest in a**

**Fund, prospective limited partners should consider carefully all of the risk factors and other information in the Fund's Organizational Documents. Any description below is qualified in its entirety by the Organizational Documents. Prospective limited partners should refer to the relevant Fund's Organizational Documents for a more detailed discussion of risk factors as applicable to each Fund.**

Although the Manager works hard to preserve and grow the assets of each Fund, investing in securities involves a substantial degree of risk. A Fund may lose money on, or experience losses in, all or a substantial portion of its investments and limited partners in Funds must be prepared to bear the risk of the possibility of a total or partial loss of their investments.

*No Assurance of Investment Return*

A Fund cannot provide assurance that it will be able to choose, make and realize investments in any particular company or portfolio. There is no assurance that a Fund will be able to generate returns for limited partners or that the returns will be commensurate with the risks of investing in the type of companies described in a Funds Organizational Documents. The interests are not readily marketable and a Fund's investments are generally illiquid. Partial or complete sales, transfers, or other dispositions of investments which may result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made. An investment in a Fund should only be considered by persons who can afford a loss of their entire investment. Past performance of investment entities associated with TA is not necessarily indicative of future results of a Fund, and there can be no assurance that projected or targeted returns for a Fund will be achieved.

*Unspecified Investments; Competition for Investments*

There can be no assurance that a Fund will be able to find a sufficient number of attractive opportunities or ever be fully invested if enough attractive investments are not identified. The business of identifying and structuring private equity transactions is highly competitive and involves a high degree of uncertainty. Some of TA's competitors may have more relevant experience, greater financial resources and more personnel than the Manager thus reducing the number of opportunities available to a Fund and adversely affecting the

terms upon which such investments can be made. Accordingly, there can be no assurance that a Fund will be able to identify and complete attractive investments in the future or that it will be able to invest fully its committed capital, and as a result of such circumstances, returns to limited partners may decrease.

*Reliance on General Partner and Management Teams*

The limited partners in a Fund will have no right or power to participate in the management of a Fund or to make investment decisions and thus must depend solely upon the ability of the Fund GP and the Manager to identify and consummate suitable investments and to dispose of investments of a Fund at a profit. The loss of the services of one or more of the partners of the Fund GP and/or the Manager could have an adverse impact on a Fund's ability to realize its investment objectives. There can be no assurance that each Employee will continue to be associated with a Fund throughout its anticipated

term. The Fund Organizational Documents provide for the rights of limited partners in the case of a “key person” event.

Although the Fund GP will monitor the performance of each investment, each portfolio company’s day-to-day operations will be the responsibility of such portfolio company’s management team. Although the Fund GPs intend to invest in companies operated by strong management, there can be no assurance that any portfolio company’s existing management team, or any successor, will be able to successfully operate such portfolio company.

#### *Investments in Middle-Market Companies*

Investments in middle-market companies such as those that a Fund generally intends to invest in may entail larger risks than are customarily associated with investments in large companies. Middle-market companies may have more limited product lines, markets and financial resources, and may be dependent on a smaller management group and on additional financing. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult.

#### *Investment in Growth Equity Transactions*

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

#### *Industry Concentration; Investments in Regulated Industries; Investments in Technology Dependent Businesses*

Each Fund’s capital is or is expected to be invested in only a handful of targeted industries (including the technology, financial services, business services, healthcare and consumer industries), several of which are highly regulated. As a result, any downturn or difficulties experienced by one or more of these industries, or an increase or change in the regulations they are subject to, could have a negative impact on such Fund’s investments and the returns to limited partners. A portion of each Fund’s capital is typically invested in companies involved in or reliant upon the technology and/or Internet industries, which markets are challenged by rapidly changing market conditions and/or participants, new competing products and services and improvements in existing products and services. In the event that the Internet industry, or the technology sector as a whole declines, returns to limited partners may decrease.



### *Concentration of Investments*

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

### *Use of Leverage*

The companies in which Funds invest typically will rely on the use of leverage, and to some extent, a Fund's ability to achieve attractive rates of return on investments will depend on their ability to access sufficient sources of indebtedness at attractive rates. In many of the private equity investments expected to be made by a Fund, indebtedness may constitute a significant portion of a portfolio company's total capitalization. An increase in either the general levels of interest rates or in the risk spread demanded by sources of debt financing could make it more difficult for a Fund to consummate investments that are dependent on a financial restructuring. Increases in interest rates could also make it more difficult to consummate investments because other potential buyers may have sources of equity capital or access to lower cost debt that would allow them to bid for assets at a higher price.

Highly leveraged portfolio companies are inherently more sensitive to declines in revenues, increases in expenses and interest rates and adverse economic, market and industry developments. For example, rising interest rates can significantly increase a portfolio company's interest expense, causing losses and/or the inability to service outstanding indebtedness. It is also typical for portfolio companies to agree to comply with certain operating and other covenants in connection with obtaining debt financing. If a portfolio company cannot generate adequate cash flow to meet its debt service obligations or defaults under the covenants imposed on it pursuant to its borrowing arrangements, it may be required to immediately repay all outstanding indebtedness. An acceleration of a portfolio company's repayment of indebtedness could result in a bankruptcy filing by the portfolio company, and a Fund may suffer a partial or total loss of capital invested in such portfolio company. As a result, the risk of loss associated with a leveraged portfolio company is generally greater than for a portfolio company with comparatively less debt.

In addition, favorable borrowing conditions in the debt markets, which historically have been cyclical, have often benefited the private equity industry. However, there have been periods of volatility, uncertainty and a deterioration of the global credit markets which reduced investor demand and liquidity for investment grade, high yield and senior bank debt and caused some investment banks and other lenders to be unwilling (or significantly less willing) to finance new investments or to offer committed financing for investments on terms less favorable than terms offered in the past, making it significantly more difficult for sponsors to obtain favorable financing. There can be no certainty that recurring periods of limited financing availability (or an increase in the interest cost) for leveraged transactions could return or persist, and should such conditions arise, they

could impair, potentially materially, a Fund's or a portfolio company's ability to consummate transactions or could cause a Fund or a portfolio company to enter into certain leveraged transactions on less attractive terms. If a portfolio company is unable to obtain favorable financing terms for its investments (including, but not limited to, investments that TA has accounted for in its investment model), refinance its indebtedness or maintain a desired or optimal amount of financial leverage, a Fund may hold a larger than expected equity investment in such portfolio company and may realize lower than expected returns from the portfolio company that would adversely affect a Fund's ability to generate attractive investment returns for the limited partners. A failure by lenders to provide financing could also expose a Fund to potential claims by sellers of businesses which a Fund may have been contracted to purchase.

#### *Recycling/Reinvestment*

Under certain circumstances and subject to certain conditions, proceeds from the partial or complete liquidation of any investment that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by the applicable Fund GP as described in a Fund's Organizational Documents. Accordingly, a limited partner may be required to fund for portfolio investments an aggregate amount in excess of its committed capital during the term of a Fund, and to the extent such recalled or retained amounts are reinvested in portfolio investments, a limited partner will remain subject to investment and other risks associated with such portfolio investments.

#### *Reliance on Projections*

A Fund may rely on projections developed by TA's officers or employees or by a portfolio company concerning the portfolio company's anticipated future performance and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of TA, its Employees and any portfolio company. The inaccuracy of certain assumptions, the failure to satisfy certain requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values and cash flow and could, therefore, adversely affect a Fund's performance.

#### *Dilution from Follow-On Investments*

Following its initial investment in a portfolio company, a Fund has in the past and may in the future decide to provide additional needed funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient capital to make all or any of such investments and the amount of any follow-on investments after such Fund's investment period is subject to limitations in the limited partnership agreements. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment or may result in a lost opportunity for the applicable Fund to increase its participation in a successful portfolio company. In the event a Fund does not participate in a follow-on investment opportunity and other limited partners provide the requested financing, the applicable Fund's investment in the portfolio company will likely be substantially diluted.

### *Illiquid and Long-Term Investments; Investments Longer than Term*

It is anticipated that there will be a significant period of time before a new Fund will have completed its investments in portfolio companies. Such investments have in the past and may in the future take at least three to five years or more from the date of initial investment to reach a state of maturity when realization of the investment can be achieved. A Fund may also hold or receive distributions of securities that cannot be sold except pursuant to a registration statement filed under applicable securities laws or unless an exemption from such laws is available. A Fund, a Fund GP or the Manager may have access to non-public information regarding certain portfolio investments, the possession of which also could limit a Fund's ability to sell such investments. There can be no assurance that a Fund will be able to divest or otherwise dispose of all of its investments prior to the end of the term of a Fund, which may require a Fund to make in-kind distributions upon its dissolution or to extend the term of a Fund in order to liquidate a Fund's investments in an orderly manner. Although the Fund GPs expect that investments will either be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, a Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

### *Contingent Liabilities Upon Disposition*

In connection with the disposition of an investment in a portfolio company, a Fund has in the past and may in the future 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 and may be responsible for the content of disclosure documents under applicable securities laws. It also may be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which would be borne by the applicable Fund.

### *Credit Facilities*

A Fund may obtain one or more credit facilities in order (i) to facilitate investments by a Fund and portfolio companies, (ii) to fund organizational expenses, operating expenses or other obligations of a Fund or portfolio companies or (iii) to otherwise carry out the business of a Fund. If a Fund obtains a credit facility, it is generally expected that a Fund's interim capital needs would be satisfied through borrowings by a Fund under the credit facility, and drawdowns of capital contributions by a Fund, including those used to pay principal and interest on credit facilities, would generally be expected to be "batched" together into larger, less frequent capital calls (although actual timing and amounts may vary). To the extent that a Fund is unable to obtain a credit facility, access to such facility becomes unavailable or TA otherwise determines not to use such facility, a Fund GP may draw down committed capital in advance and hold them in reserve in order to make investments in portfolio companies, satisfy fees and expenses and other capital needs as such needs arise in the future.

Calculations of net IRRs in respect of investment and performance data included and/or referred to herein, and with respect to a Fund, as reported to limited partners from time to time, are based on the payment date of capital contributions received from limited partners. This treatment also applies in instances where a Fund utilizes borrowings

under a credit facility in advance of receiving capital contributions from limited partners to repay any such borrowings and related interest expense. As a result, use of a credit facility generally will result in a higher reported net IRR than if the facility had not been utilized and instead such limited partners' capital had been contributed at the inception of an investment. Although borrowings by a Fund may enhance overall returns, they also may diminish returns (or increase losses) to the extent that the interest expense and other fees, costs and expenses of or related to any such borrowings, which will be expenses of a Fund, are greater than the returns realized by the Fund from investments made with such borrowings.

A credit facility may also result in a Fund being jointly and severally liable with other Funds, with assets being cross-collateralized with the assets of another Fund.

#### *Control-Person Liability*

A Fund alone or together with other affiliated entities, will often obtain a controlling interests in portfolio companies in which it invests. The exercise of such control may result in additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations (including securities laws), or other types of liability in which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, a Fund might suffer a significant loss.

#### *Director Liability*

A Fund typically will have the right to appoint one or more representatives to the boards of directors (or comparable governing bodies) of portfolio companies. Serving on such boards will expose the Fund's representatives, and ultimately the Fund, to potential liability. Although portfolio companies often purchase insurance to protect directors and officers from such liability, certain portfolio companies may not obtain such insurance and there can be no assurance that such insurance will prove sufficient even if obtained. In addition, representation of the Fund on a portfolio company's board of directors may also have the effect of impairing the ability of the Fund to sell its securities in that portfolio company at such times and upon such terms as it might otherwise desire. If the Fund is a significant shareholder with board representation, the Fund could be subject to legal claims it would not otherwise be subject to as an investor, including claims of breach of the duty of loyalty, securities law claims and other board-related claims. The Fund will indemnify such representatives for claims arising from such board representation, subject to limited exceptions in the applicable limited partnership agreements.

#### *Third Party Litigation Costs*

A Fund's investment activities subject it to the risk of becoming involved in litigation by third parties with respect to a portfolio company. This risk is somewhat greater if the Fund exercises control of, or significant influence on, a portfolio company's business operations. To the extent not covered by insurance, the expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent certain conduct by the Employees of the applicable Fund GP or the Manager, be borne by the Fund, would reduce its net assets and could require limited partners to return to the Fund capital and earnings previously distributed by the Fund.

The Manager, the applicable Fund GP and other related parties are entitled to indemnification by the Fund in connection with such litigation, subject to limited exceptions in the limited partnership agreements.

#### *Indemnification*

A Fund will be required to indemnify the Fund GP, certain Employees, their respective affiliates, and certain other “covered persons” for liabilities incurred in connection with the affairs of a Fund and as otherwise provided in the applicable limited partnership agreement. Such liabilities can be material and have an adverse effect on the returns to the limited partners. The indemnification obligation of a Fund would be payable from the assets of a Fund, including the unpaid capital commitments of the limited partners (or the return of distributions as described in the applicable Fund limited partnership agreement).

#### *Side Letters*

A Fund GP will, in its sole and absolute discretion, agree to supplement, waive or modify any provision in the Organizational Documents with respect to any limited partner by a side letter or similar agreement, without obtaining the consent of any other limited partner. The terms of such side letter may favor one limited partner over another. Any such side letter or similar agreement may have the effect of establishing rights under a Funds Organizational Documents with respect to such limited partner that are more favorable to such limited partner than those applicable to other limited partners.

#### *Excuse from Fund Liabilities*

Certain limited partners in a Fund are prohibited or excused from directly or indirectly indemnifying third parties in certain circumstances. For example, U.S. state pension plans and other government plans may be prohibited by statute from entering into indemnification agreements where they would be obligated to indemnify against losses caused by particular events or circumstances or may be prohibited from entering into indemnification agreements that are not subject to a cap on liability. If a Fund incurs an indemnification obligation and a limited partner is prohibited or excused from satisfying all or a portion of its share of such obligation, then the other limited partners may bear a greater percentage of the costs of such obligation and/or be required to make additional capital contributions to replace such shortfall. Further, the applicable Fund GP may be required to sell assets in order to satisfy the Fund’s indemnification obligation.

#### *Intermediary Risk*

It is possible that certain of a Fund’s transactions may be undertaken through local brokers, banks or other organizations, and a Fund would be subject to the risk of default, insolvency or fraud of such organizations, including where such entities have custody of a Fund’s assets. There can be no assurance that any money advanced to such organizations will be repaid or that a Fund would have any recourse in the event of default. The collection, transfer and deposit of bearer securities and cash expose a Fund to a variety of risks including theft, loss and destruction. A Fund will also be dependent upon the general soundness of banking systems and other infrastructure.

### *Bridge Financings and Syndicated Investments*

From time to time, a Fund may lend to portfolio companies on a short-term, unsecured basis or may otherwise invest in a portfolio company on an interim basis with the expectation of a subsequent refinancing or syndication. For reasons not always in a Fund's control, such refinancing or syndication may not occur, which would result in such bridge financing or interim investment remaining outstanding longer than anticipated. In such event a Fund may have more risk associated with such investment or a larger overall investment in such portfolio company than originally anticipated.

### *Minority Investments; Investments with Third Parties*

A Fund has in the past and may in the future invest in minority positions of companies and in companies for which a Fund has no right to appoint a director or otherwise exert significant influence or protect its position. In such cases, the Fund will be reliant on the existing management and boards of directors of such companies, which may include representation of other financial investors with whom the Fund is not affiliated and whose interests may conflict with the interests of the Fund, and such third party co-investors, and such investments may involve risks not present in investments where the Fund holds a majority position or a third party is not involved. A Fund also may hold non-controlling interests in certain portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies. As a condition of making non-controlling investments in portfolio companies, a Fund will seek to obtain appropriate shareholder rights to protect a Fund's investment, but it may not be possible to obtain such rights in all cases. If a Fund does not have a controlling position or other shareholder rights to protect its interests, it is possible that a portfolio company could take actions that negatively impact the value of a Fund's investment or that prevent a Fund from disposing of its investment in the portfolio company.

### *Non-U.S. Investments*

Many Funds invest a portion of their aggregate capital commitments outside of the United States. Such investments involve certain additional risks, including risks relating to (i) currency exchange matters; (ii) differences between the U.S. and foreign securities markets and governing laws; (iii) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital; (iv) the possible imposition of foreign taxes on income and gains recognized with respect to such securities; and (v) the possibility that a limited partner will be required to file tax returns and pay tax in non-U.S. jurisdictions.

### *Unfunded Pension Liabilities of Portfolio Companies*

Recent court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. A Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where a Fund may own an 80% or greater interest in such a portfolio company. If a Fund (or other 80%-owned portfolio companies of a Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the

operations of a Fund and the companies in which a Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this update, which may change in the future as the case law and guidance develops.

#### *Co-Investment Between Parallel Funds and with other Managed Funds and the Sub Debt Funds*

The Manager and its affiliates manage certain funds that co-invest with another Fund and, subject to the limitations described in the applicable Fund's limited partnership agreements, it may form funds in the future that will co-invest with a current Fund. As a result, it is possible that conflicts of interest will arise in connection with making, managing or disposing of investments by a current Fund. The Organizational Documents of the Funds, as well as certain policies and procedures of the Manager, address situations that can give rise to such conflicts of interest, but there can be no assurance that such policies and procedures will adequately address all situations that may arise.

#### *Limitations on Transferability*

Interests in a Fund will not be registered under the Securities Act or any other securities laws applicable in any U.S. or non-U.S. jurisdiction and may not be transferred unless registered under applicable securities laws or unless an exemption from such laws is available. The Funds have no plans, and are under no obligation, to register such interests under such laws. No market exists for the interests in the Funds, and none is expected to develop.

#### *Return of Distribution*

An investor in a Fund that receives a distribution in violation of certain applicable laws, rules or regulations, will, under certain circumstances, be obligated to recontribute such distribution to the applicable Fund. The applicable limited partnership agreements also require limited partners in the applicable Fund to return to the applicable Fund distributions they previously received that represent a return to limited partners of their capital contributions and amounts necessary to satisfy claims against the applicable Fund, subject to certain limitations.

#### *Hedging Policies/Risks*

In connection with the financing of certain investments, a Fund has in the past and will in the future employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices and currency exchange; however, such transactions themselves may entail certain other risks.

#### *Tax Implications*

An investment in a Fund involves a number of complex tax considerations and no assurance can be given regarding the actual level of taxation that may be imposed upon a Fund, its investments or its limited partners with respect to their investments in a Fund. Based on the character of its income and the documentation provided by a limited partner, a Fund may be required to withhold on U.S. sourced income and/or related distributions.

### *Impact from Changes in Policy, Laws, Rules and Regulations*

A Fund and its investments is required to comply with a variety of federal, state and local and international laws and regulations. If any of the laws and regulations currently in effect change or any new laws or regulations are enacted, the legal requirements to which a Fund, a Fund's limited partners and a Fund's investments may be subject could differ materially from current requirements and may materially adversely affect a Fund. Examples of areas from which changes may impact a Fund include changes to the Investment Advisers Act, the AIFMD, money laundering regulations, U.S. interest rate and currency exchange rates, and international trade agreements, as well as additional risks resulting from Eurozone risk and the United Kingdom's Exit from the European Union, among others.

### *Public Disclosure of Confidential Information*

Some limited partners in a Fund, such as public pension plans, may be subject to public disclosure laws or requirements. The amount and type of information required to be publicly disclosed by such limited partners varies depending on the laws, regulations and public policy requirements applicable to each such limited partner. It is also possible that after a limited partner has invested in a Fund the public disclosure laws or requirements applicable to that limited partner will be modified in a manner that requires the disclosure of additional information. If confidential information relating to a Fund or its portfolio companies is publicly disclosed, a Fund or its portfolio companies could be materially harmed. Although a Fund GP will have the right to withhold certain information from a limited partner that is subject to public disclosure laws, typically information will not be withheld from such limited partner if it has provided assurances that only certain information approved by a Fund GP will be publicly disclosed. If notwithstanding such assurances, sensitive confidential information is publicly disclosed, a Fund may have limited recourse (or no recourse) for such disclosure other than withholding new information. There has been a recent increase in the number of requests under such laws for contracts (including partnership agreements, subscription agreements and side letters) that investors in private equity funds that are subject to such laws have in place with such private equity funds. A Fund may incur expenses in connection with responding to any such disclosure requests, even if a Fund ultimately succeeds in asserting confidentiality for any requested documentation.

### *Failure to Make Capital Contributions*

If a limited partner fails to pay, or is excused or excluded from paying, installments of its capital commitment or other amounts owed to a Fund, such Fund may be unable to pay its obligations when due. As a result, the applicable Fund may not be able to close transactions or pay its creditors, and may otherwise be subjected to significant penalties, damages and other negative consequences that could materially adversely affect the returns to the limited partners. A default by a substantial number of investors would limit opportunities for investment diversification and likely reduce returns to such Fund. In addition, investors may be required to make additional contributions (to the extent of their unpaid committed capital) to replace a shortfall caused by a default, thereby reducing the diversification of their investment in such Fund. In addition, if a limited partner defaults, it may be subject to various remedies as provided in the applicable



Fund's Organizational Documents, including without limitation, reductions in its capital account balance and forfeiture of a portion of its interest.

#### *No Independent Counsel*

Primarily one law firm represents the Funds, the Fund GPs, the Manager and their respective affiliates. TA's outside counsel does not represent any of the limited partners in a Fund in their capacity as a limited partner in the Fund.

#### *Receipt of Material, Non-Public Information*

By reason of their responsibilities in connection with a Fund and other activities, personnel of the Manager or a Fund GP may acquire confidential or material non-public information relating to portfolio companies or may be restricted from initiating transactions in certain securities. A Fund may not be free to act upon any such information. Due to restrictions with respect to publicly-traded securities, a Fund may not be able to initiate a transaction in the securities of a company that it otherwise might have initiated and may not be able to sell an investment in a company that it otherwise might have sold if personnel of the Manager or a Fund GP have access to material non-public information relating to such company.

#### *Valuation of Assets*

All portfolio investments are fairly valued in accordance with the procedures set forth in TA's Valuation Policy, a summary of which is provided to limited partners on a quarterly basis or otherwise available to limited partners upon request. Additionally, the Fund's independent auditors and, where applicable the Fund's Advisory Committee, review and approve such valuations annually. There is no actively traded market for most of the securities owned by the Funds. When estimating fair value, the Manager will utilize a valuation approach with respect to each investment that is most likely to yield the value that TA believes in its best judgment could be obtained in an orderly arm's length transaction between market participants as of the measurement date. In this process, TA will take into account the facts and circumstances surrounding each investment, be guided by the principles of comparability and consistency and utilize significant judgment. Valuations determined in this manner are necessarily approximations of value that might be obtained in the open market and may differ from values that would have been determined had an active market existed for such securities and will differ from the prices at which such securities may ultimately be sold. With respect to the Funds, the exercise of discretion in valuation by the Manager will give rise to conflicts of interest, as the performance allocation in certain Funds is calculated based, in part, on these valuations and such valuations affect performance calculations. Additionally, limited partner assignees may have access to such valuations which, if relied upon, could result in a limited partner paying a higher or lower amount for its limited partner interest in such Fund. TA has requested certain representations from limited partner transferees regarding reliance on such information in an assignment to mitigate such risk.

#### *Cybersecurity Risk*

TA relies extensively on computer programs and systems (and may rely on new systems and technology in the future) for various purposes, including trading, clearing and settling transactions, evaluating certain investments, monitoring its portfolio and net

capital and generating risk management and other reports that are critical to oversight of the Fund's activities. Certain of TA and the Funds' operations will be dependent upon systems operated by third parties, including administrators, market counterparties and their sub-custodians, depositories and other service providers. A Fund's service providers may also depend on information technology systems and, notwithstanding the diligence that the Fund may perform on its service providers, a Fund may not be in a position to verify the risks or reliability of such information technology systems.

Cyber-attacks and other malicious internet-based activity continue to increase in frequency and magnitude. Techniques used to sabotage, or to obtain unauthorized access to, systems or networks change frequently and generally are not recognized until launched against a target. Therefore, companies, as well as their third-party partners (including vendors and portfolio companies), may be unable to anticipate these techniques, react in a timely manner or implement adequate preventive measures. TA and its portfolio companies' information and technology systems may be vulnerable to actual or perceived damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

Cyber-attacks may also take the form of socially-engineered frauds, such as "phishing." There have been reports of alleged government sponsored hacking attempts on American corporate intellectual property and TA's (including a Fund's) portfolio companies may be at risk of cyber-attacks. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of TA's systems to disclose sensitive information in order to gain access to TA's data or that of a Fund's investors or portfolio companies. Companies and service providers have also been subject to "ransomware" attacks. As further evidence of the increasing and potentially significant impact of cyber security breaches, in 2016, 2017 and 2018, the U.S. government and several multinational companies, including financial institutions, technology companies, service providers and retailers, reported cyber security breaches affecting their computer systems that resulted in the personal information of millions of citizens, customers and employees being compromised.

Although TA has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly TA, a Fund and/or a portfolio company may incur specific time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in TA's, the Fund's and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm TA, a Fund's and/or a portfolio company's reputation, subject any such entity and its respective affiliates to legal claims or otherwise adversely affect their business and financial performance.

### *Additional Risks Specific to the Equity Funds*

#### *Bridge Financings*

While rare, from time-to-time, an Equity Fund has in the past and may in the future loan money to a portfolio company 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 an Equity 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 an Equity Fund.

#### *Investment in Junior Securities*

Although an Equity Fund expects to invest principally in senior equity and equity-related securities, the securities in which an Equity Fund will invest has in the past and may in the future be among the most junior in a portfolio company's overall capital structure and, thus, subject to the greatest risk of loss.

### *Additional Risks Specific to the SOF Funds*

#### *Third-Party Investors*

Some of the third-party financial sponsors with whom a Fund GP may elect to co-invest a Fund's capital may have substantial pre-existing investments with TA. Accordingly, due to such investor's actual or perceived influence on TA, there may be a potential conflict of interest with respect to a particular investment and there can be no assurance that any such conflict will be resolved in favor of a Fund. The terms of these pre-existing investments may differ from the terms upon which a Fund invests with the third-party financial sponsor. To the extent a dispute arises between TA and such third-party financial sponsor, the investments relating thereto may be affected.

#### *No Assurance of Investment Returns*

In addition to the risks discussed above regarding investment returns, because the SOF Funds anticipate making investments in portfolio companies that may have a considerably higher enterprise value than companies in which TA's Equity Funds invest, the possibility of generating breakout returns is less likely.

#### *Proceeds Largely Unspecified; Competition for Investments*

In addition to the risks discussed above regarding the impact of competition on investment opportunities generally, the SOF Funds will only participate in investment opportunities where an independent third-party financial sponsor leads the transaction, which may further limit the number of investments in which a SOF Fund may participate.

#### *No Operating History; Reliance on General Partner and Management Teams*

In addition to the risks mentioned above, this is the first time TA is implementing a select opportunities investment strategy. Although TA has significant experience in investment management, neither TA nor the Fund GP has previously been responsible for operating a select opportunities investment fund strategy. The SOF Funds' ability to source investments appropriate for the SOF Fund depend heavily on TA's and the Fund GP's ability to enter into satisfactory relationships with independent third-party financial

sponsors that are prepared to lead the investment. It is possible that some third-party financial sponsors may elect to not participate in deals with TA, the Fund GP or the SOF Fund which would significantly limit the number of opportunities available to the SOF Fund. In addition, market conditions may develop such that fewer sponsor-to-sponsor opportunities exist for many reasons, including because strategic buyers become more active or debt is less available. This may further limit the number of investments that the SOF Fund may make. There can be no assurance that TA's current relationships with any such independent third-party financial sponsors will continue (whether on currently applicable terms or otherwise) or that any relationship with any other independent third-party financial sponsors will be established in the future with respect to any sector or geographic market and on terms favorable to the SOF Fund.

*Minority Investments; Relationship with Third-Party Lead Investor*

In addition to the risks mentioned above, the SOF Funds will invest solely in minority positions of portfolio companies then held by an Equity Fund where a third-party financial sponsor is the lead investor in such investment. Due to its minority position, the SOF Funds may have no right to exert significant influence, including having less influence to mandate initiatives to drive growth in any portfolio company, or protect its position in such portfolio companies. Because of its minority position, the SOF Funds will be more reliant on the existing management and boards of directors of such companies, which may include representation of other financial investors with whom the SOF Funds is not affiliated and whose interests may conflict with the interests of the SOF Funds or the third-party lead investor, with less of an ability to change management. In addition, because the SOF Funds will be working with a third-party lead investor with respect to each investment, there are risks of investing in the SOF Funds that may not otherwise be present, including that the third-party lead investor may not be able to satisfy its financial obligations, that such third-party investor might at any time have economic or business interests or goals that are inconsistent with those of the Fund, that such third-party lead investor may be in a position to take action contrary to the instructions or requests of the SOF Funds or contrary to the SOF Funds' policies or objectives, that such third-party lead investor may have a different time horizon with respect to exit opportunities for any portfolio investment and that the Fund GP may not be able to control or significantly influence any sale decision with respect to any portfolio investment.

The SOF Funds also will hold non-controlling interests in its portfolio companies and, therefore, will likely have a limited ability to protect its position in such portfolio companies. As a condition of making non-controlling investments in portfolio companies, the SOF Funds will seek to obtain appropriate shareholder rights to protect the SOF Funds' investment, but it may not be possible to obtain such rights in all cases. If the SOF Funds do not have shareholder rights to protect its interests, it is possible that a portfolio company could take actions that negatively impact the value of the SOF Funds' investment or that prevent the SOF Funds from disposing of its investment in the portfolio company. The risk of the SOF Funds not receiving as many rights to protect the SOF Funds' investment as may be typical of other funds that hold minority investment positions may be greater for the SOF Funds because they will be investing solely in portfolio companies then held by an existing Equity Funds rather than investing in a new portfolio company. In addition, if the affairs of one or more portfolio companies in which

the SOF Funds holds a minority stake were to be conducted in a manner detrimental to the interests or intentions of the SOF Funds, TA's business, reputation and prospects may be adversely affected.

In circumstances where the third-party lead investor involves a management group, such third parties are generally expected to receive compensation arrangements relating to such investments, including incentive compensation arrangements and/or other fees payable to such third-party management group which may reduce the actual returns realized by limited partners on their investment in the SOF Funds.

#### *Additional Risks Specific to the Sub Debt Funds*

##### *Portfolio Companies and the Nature of Debt Securities*

The securities in which the Sub Debt Funds typically invest, by the nature of their issuers' leveraged capital structures, will involve a high degree of financial risk. These securities are often unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. In addition, these securities may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency.

##### *Reliance on or Unavailability of Contractual Covenants*

As the Sub Debt Funds generally hold a non-controlling interest in portfolio companies, they may have to rely solely on contractual covenants (which, as noted above, may not be available) to protect its position in such portfolio companies. The ability of the Sub Debt Funds to influence a portfolio company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors and the Sub Debt Funds may not be able to take the steps necessary to protect its investments in a timely manner or at all.

##### *Default of Issuer*

Adverse changes in the financial condition of an issuer or in general economic conditions (or both) has in the past and may in the future impair the ability of such issuer to make payments on the subordinated securities and result in defaults on, and/or declines in the value of, such securities more quickly than in the case of the senior obligations of such issuer. The Sub Debt Funds may incur expenses if they are required to seek recovery upon default or to negotiate new terms with a defaulting portfolio company. There can be no assurance that a portfolio company will generate sufficient cash necessary to service its debt obligations, and, in any such case, the Sub Debt Fund may suffer a partial or total loss of invested capital.

##### *Early Redemption*

The Sub Debt Fund's investments has in the past and may in the future be subject to early redemption features, refinancing options, pre-payment options or similar provisions which, in each case, could result in the issuer repaying the principal on an obligation held by the Sub Debt Funds earlier than expected. Early repayments of the Sub Debt Fund's investments may have a material adverse effect on the Sub Debt Fund's investment objectives and the rate of return on invested capital.

### *Creditor Risks*

Debt securities are also subject to other creditor risks, including (a) the possible invalidation of an investment transaction as a “fraudulent conveyance” under relevant creditors’ rights laws, (b) so-called “lender liability” claims by the issuer of the obligations and (c) environmental liabilities that may arise with respect to collateral securing the obligations.

For a discussion of material conflicts regarding allocation, please see “*Allocation of Investment Opportunities among Funds*” in Item 11 below.

## **ITEM 9. DISCIPLINARY INFORMATION**

The Manager has nothing to report.

## **ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

### **Related General Partners**

The affiliated Fund GPs serve as general partners of the Funds, and TA Associates, L.P. or TA Associates Cayman, Ltd. is the general partner of each of the Fund GPs. The investment committees of the Manager and the Fund GPs are comprised of investment staff of TA and are appointed for each investment. For a description of material conflicts of interest created by the relationship among TA and the Fund GPs, as well as a description of how such conflicts are addressed, please see Item 11 below.

### **Affiliated Advisers**

The Manager has a Services Agreement with TA Associates (UK), LLP (“TA UK”), which has its registered office in England and is regulated by the Financial Conduct Authority (the “FCA”). TA UK is a subsidiary of TA Associates UK Advisors Limited and TA Associates UK Holding, LLC which are wholly-owned subsidiaries of the Manager. TA UK is engaged to, among other things, identify prospective investment opportunities for the Manager, and to prepare information and analysis for the Manager.

The Manager has a Services Agreement with TA Associates Advisory (Mauritius) Ltd. (“TA Mauritius”), which has its principal place of business in Mauritius. TA Mauritius is a wholly-owned subsidiary of the Manager and is engaged to, among other things, identify prospective investment opportunities for the Manager, and to prepare information and analysis for the Manager.

TA Mauritius has a Sub-Advisory Services Agreement with TA Associates Advisory Private Limited (“TA India”), which has its registered office in India. TA India is a wholly-

owned subsidiary of TA Mauritius and is engaged to, among other things, identify prospective investment opportunities for TA Mauritius, and to prepare information and analysis for TA Mauritius.

The Manager has a Services Agreement with TA Associates Asia Pacific Limited (“TA Asia”), which has its principal place of business in Hong Kong. TA Asia is a wholly-owned subsidiary of the Manager and is engaged to, among other things, identify prospective investment opportunities for the Manager, and to prepare information and analysis for the Manager.

## **ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

### **Code of Ethics**

TA has adopted a Code of Ethics in accordance with Rule 204A-1 under Advisers Act that is applicable to all of its partners, officers and Employees, as well as Employees of its affiliates and certain independent contractors (collectively, “Personnel”). The Code of Ethics contains provisions that remind Personnel of their obligations to TA’s clients and obligations to comply with federal securities laws, sets forth standards of conduct, restricts certain personal securities trading and requires reporting of personal securities transactions and holdings. Personnel who violate the Code of Ethics may be subject to disciplinary or other action (including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or, termination of employment or agreement). Each Personnel is required to acknowledge that he or she received, read and understands the Code of Ethics. The Code of Ethics, among other benefits, helps the Manager detect and prevent potential conflicts of interest.

The Code of Ethics is designed to prevent the personal securities transactions and interests of Personnel from interfering with (i) making decisions for Clients and (ii) implementing such decisions while, at the same time, allowing Personnel to invest for their own accounts where appropriate. The Code of Ethics restricts trading in the securities of any issuer included on TA’s restricted list and requires preapproval from Compliance before making a transaction in an initial public offering or limited offering. Under the Code of Ethics, Personnel are also required to file certain periodic reports with TA’s compliance personnel consistent with Rule 204A-1 under the Act. Such reporting and compliance review helps TA detect and prevent potential conflicts of interest.

TA will provide a copy of the Code of Ethics to any Client or prospective Client upon written request addressed to: ATTN: Chief Compliance Officer, TA Associates Management, L.P., 200 Clarendon Street, 56<sup>th</sup> Floor, Boston, MA 02116; email [Compliance@ta.com](mailto:Compliance@ta.com); or call 617-574-6700.

### **Participation or Interest in Client Transactions**

The Employee Funds co-invest in the same investments that are made by the Equity, SOF and Sub Debt Funds. The amount and certain other terms of such co-investments typically are agreed with the limited partners in the Equity Funds, SOF and Sub Debt Funds with which the Employee Funds co-invest and are described in the Organizational Documents of the applicable Funds. 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 limited partners and potential limited partners in a Fund (including limited partner assignees) or a co-investor (see below) may ask different questions and request different information (for example in side letters or diligence inquiries), the Manager may provide certain information to one or more prospective limited partners that it has not provided to all of the limited partners or prospective limited partners.

### **Conflicts of Interest**

The Manager and its related entities focus on investments in growth private equity. In conjunction with such investments, TA provides investment advisory, transaction-related, management and other services to the Funds and portfolio companies. In the ordinary course of conducting its activities, the interests of a Fund can conflict with the interests of the Manager, other Funds or their respective affiliates. Certain of these conflicts of interest, as well a summary of how TA addresses such conflicts of interest, can be found below.

#### *Resolution of Conflicts*

In the case of all conflicts of interest, the Manager’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Manager’s best judgment, but in its sole discretion. In resolving conflicts, the Manager will typically consider 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 practices 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 TA believes that such investment is an appropriate investment considered solely from the viewpoint of such Fund;
- (2) Many important conflicts of interest will generally be disclosed in and resolved by set procedures, restrictions or other provisions contained in the Organizational Documents for the Funds;
- (3) The Equity, SOF and Sub Debt Funds have or will establish Advisory Committees, consisting of representatives of limited partners not affiliated with TA. The Advisory Committees meet as required to consult with TA for various topics, including as to certain potential conflicts of interest. Where no Advisory Committee or limited partner approval is required, TA will be guided by its good faith discretion; and



- (4) Where the Manager deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of a valuation specialist to opine as to the fairness of an equitable allocation of proceeds in distressed situations.

### *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 are disclosed throughout this brochure and a Fund's Organizational Documents and the brochure and the applicable Fund's Organizational Documents should be read in their entirety for other conflicts.

### *Allocation of Investment Opportunities Among Clients*

Investment opportunities available to a given Fund are often appropriate investments for one or more other Funds. TA seeks to reduce the risk of any inequitable allocation of investment opportunities by formulating investment sharing guidelines (including such "equity rights" available to the Sub Debt Funds and opportunities appropriate for the SOF Funds) within the Organizational Documents of each Fund. However, the Manager may not anticipate all possible investment structures that may be required during the life of a Fund and certain investment structures may not be contemplated in such Organizational Documents (e.g. certain debt structures and rights in non-U.S. investments). In such cases, TA will seek to allocate such opportunities on an equitable basis using its best judgment based upon the Manager's understanding of the intent of applicable terms in the Organizational Documents.

### *Allocation among the Equity Funds*

Historically when TA managed more than one Equity Fund simultaneously, the Equity Funds co-invested directly or indirectly in portfolio companies on a side-by-side basis and allocations among the Equity Funds are pro-rata based upon aggregate capital commitments (and each investment by an Employee Fund is in the same securities and on the same terms and conditions as the Equity Funds' investment). However, an investment opportunity may be allocated on a non-pro-rata basis in the event that one or more of the Equity Funds that will be investing has called capital in an amount equal to a certain percentage of the aggregate capital commitments of such Equity Fund as set forth in the Fund's Organizational Documents. In addition, generally no Equity Fund will make an investment on any economic terms that are less favorable to such Fund than those on which any other Equity Fund participating in such investment makes such investment, subject to any specific investment limitations applicable to any participating Equity Fund (e.g. If a Fund has reached its Non-U.S. portfolio company investment limitation as set forth in the Fund's Organizational Documents) and certain other factors as described in the Organizational Documents of the Funds.

### *Allocation among the Sub Debt Funds*

Typically, only one Sub Debt Fund invests in a particular portfolio company, though the Manager has in the past and may in the future allow certain Sub Debt Funds to co-invest in a portfolio company in certain circumstances. In such situations, TA seeks to reduce the risk of inequitable allocation of investment opportunities by formulating investment sharing guidelines in advance for investments made during this time period and not on a

deal-by-deal basis. In such circumstances, generally no Sub Debt Fund will make an investment on any economic terms that are less favorable to such Fund than those on which any other Sub Debt Fund participating in such investment makes such investment, subject to any specific investment limitations applicable to any participating Sub Debt Fund and certain other factors as described in the Organizational Documents of the Funds.

Notwithstanding the above, the establishment of the SOF Fund results in allocation decisions in such situations to be made at the discretion of the Manager which will result in one or more Equity or Sub Debt Funds investing on a non-pro-rata basis but consistent with the sharing arrangements described in the Organizational Documents of the applicable Funds. TA also considers whether an investment is appropriate for a cross fund transaction in limited scenarios which are made at the discretion of the Manager but consistent with the applicable TA policies and procedures.

TA utilizes the applicable Fund Advisory Committees to review certain allocation decisions outside of the scope or investment limitations of a Fund's Organizational Documents and TA will consult with such Funds' Advisory Committees regarding certain conflicts which arise in the allocation of investments between the Funds as outlined in each such Fund's applicable Organizational Documents.

#### *Allocation to the Employee Funds and Strategic Partner Funds*

Unless otherwise allowed in the Organizational Documents or prohibited by law or the insider trading, or other internal policies and procedures of a portfolio company, each Strategic Partners Fund (that is not a feeder fund) and each Employee Fund will invest or dispose of its pro-rata portion of any portfolio company investment at the same time and on the same terms and conditions as the other such Funds which have invested in such portfolio company.

#### *Conflicts of Interest between the Equity Funds and Sub Debt Funds*

Conflicts of interest can arise at the time of a portfolio company investment where the investment structure favors an Equity Fund or a Sub Debt Fund and the Manager must determine the best structure for the proposed investment. The Sub Debt Funds currently only make investments in connection with transactions in which an Equity Fund currently has or concurrently will make an investment. TA negotiates the purchase price and type of capital with the management and/or seller of the portfolio company and makes an offer that TA believes can provide an attractive return. TA's investment proposal may include a number of alternative capital structures (e.g. no debt, senior debt, subordinated debt, senior/subordinated debt hybrid, etc.) that are appropriate for a portfolio company's specific financial situation and also take into account the preferences of the shareholders and management. If appropriate, a Sub Debt Fund may be included as one option assuming the Sub Debt Fund's return and other criteria are met. In most situations, it is up to the shareholders and/or management to decide and approve the final structure. 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.

The Equity Funds and the Sub Debt Funds have different investment strategies; this can lead to possible conflicts of interests during the life of the investment. To mitigate the risk of such conflicts, the Organizational Document for the applicable Funds provide for Advisory Committee consultation or participation in the resolution of certain conflicts of interest between an Equity Fund and a Sub Debt Fund (such as uncured default and proposed in court or out of court restructuring of indebtedness). In such cases, in the event that the Fund GP and the Advisory Committee of the applicable Fund are unable to agree upon a course of action within a reasonable period of time, the Advisory Committee may consult with, or review and approve decisions of, an independent third-party in accordance with the particular Funds' Organizational Documents. However, the Advisory Committee may be, but is typically not, consulted for changes outside those discussed in such Fund's Organizational Documents such as decisions regarding amendments to the terms of indebtedness, including, without limitation, changes to interest rates, permitting "payments-in-kind," subordinating the indebtedness to allow new debt that is senior to subordinated debt, extending the maturity date, or other concessions that may be given in a troubled situation. Such amendments and concessions may raise conflicts of interest, particularly in Funds that have invested in different securities of the same portfolio company. To resolve such conflicts, TA considers the facts and circumstances from the view point of each applicable Fund.

Conflicts of interest can arise at the time of a portfolio company divestment. For example, from time-to-time the Manager has in the past entered and may in the future, in its discretion, enter into transactions with limited partners in one or more Funds to dispose of all or a portion of certain investments held by one or more Funds. Additionally, from time-to-time the Manager has in the past advised and may in the future, in its discretion, advise one Fund to sell its pro-rata share of a portfolio company in advance of one or more Funds which are also invested in such portfolio company. Typically, such sales are limited to occasions when a Fund is at or nearing its end of life. The sales price for such transactions will be mutually agreed to by the Manager and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Manager. Although the Manager 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 Funds, 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 Funds.

#### *Conflicts of Interest between the Equity Funds and SOF Funds*

The SOF Fund will acquire interests in portfolio companies directly or indirectly from an Equity Fund in connection with the full or partial sale of interests of such portfolio company held by such Equity Fund as part of a transaction whereby at least a majority of the interests being purchased in connection with such transaction are being purchased by an independent and unrelated third-party financial sponsor (including transactions in which an Equity Fund has the opportunity to "roll" a portion of its interests in such portfolio companies). The Fund GPs and the Equity Funds are affiliates and as such, the

Fund GPs have a conflict of interest in such transaction, including, but not limited to, as a result of a Fund GP's economic interests in the Equity Funds, on one hand, and the SOF Fund, on the other hand. While the investment will be priced and structured by the independent and unrelated third-party financial sponsor, and the SOF Fund will, in most cases, invest *pari passu* with such third-party financial sponsor in the identical security class and with identical rights attached thereto, there can be no assurances that such conflicts will be handled and resolved in a manner that is most favorable to, or in the best interests of, each Fund. For example, conflicts of interest can arise at the time when the SOF Fund makes a portfolio company investment. An Equity Fund has an interest in selling at a high price and a SOF Fund has an interest in buying at a low price. The use of a third-party to price the investment may not fully reduce this conflict and one Fund may receive a better return than another Fund. A conflict of interest also can arise during the course of the investment where an Equity Fund and a SOF Fund hold different securities. For example, an Equity Fund may have rights subordinate to a SOF Fund which may result in an uneven distribution of profits or assets in a distressed situation. Conflicts of interest also can arise at the time of a portfolio company divestment. For example, TA anticipates that there will be situations where an Equity Fund will exit an investment prior to a SOF Fund. The SOF Funds rights will be based upon the rights negotiated by the independent and third-part financial sponsor with the Equity Fund; accordingly, one Fund may have more favorable returns than another Fund on such investment and the timing of such exit may be more favorable for reasons including, but not limited to, changes in the market or changes at the portfolio company.

Under the SOF Fund Organizational Documents, only certain related party transactions must be submitted to the Advisory Committee for resolution. However, even where such transactions are presented to the Advisory Committee, the Advisory Committee will not necessarily represent the interests of all the limited partners and the members of the Advisory Committee may themselves be subject to various conflicts of interest (including as investors in other Funds).

#### *Follow-on Investments*

A follow-on investment in an existing portfolio company could present a conflict of interest, such as with respect to a determination of terms or the allocation of the investment opportunity to different Funds (for example when the Organizational Documents of a Fund would not permit such follow-on investment). To mitigate such conflicts, where required by a Fund's Organizations Documents, such Funds' Advisory Committees, will be made aware of, or will approve, such conflicts. In addition, while not common outside of a SOF investment, a Fund may from time-to-time participate in releveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest arise, including determinations of whether existing Funds are being cashed out at a price that is higher or lower than market value and whether new Funds 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.

### *Cross Transactions*

Other than as described above in related to the SOF Fund investing, occasionally, and under certain limited circumstances as described in the Organizational Documents of the applicable Fund, one or more of the Funds have in the past and may in the future engage in activities that may be considered internal cross-trading transactions. 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 Manager might have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund.

To address these conflicts of interest, the Manager maintains policies and procedures regarding the disclosure and best execution requirements for such transactions. Additionally, the Manager does not receive any compensation in addition to its regular Management Fees, and is not deemed to be a broker for purposes of Section 206(3) of the Advisers Act, in connection with such transfers and, therefore, such transfers are not agency cross-trading transactions. No internal cross-trading transactions will be conducted with a Fund that is a “plan assets vehicle” under ERISA.

### *Principal Transaction*

It is the policy of the Manager to limit the number of principal transactions that a Fund enters into. In the rare event that a Fund enters into a principal transaction, it will only do so with the approval of the Chief Compliance Officer and in accordance with all of the requirements of the Advisers Act. The Manager 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.

### *Management of the Funds*

Employees of the Manager responsible for managing a particular Fund will have responsibilities with respect to other Funds managed by the Manager, including funds raised in the future. Conflicts of interest arise in allocating time, services or functions of such Employees. To mitigate such conflicts, the Fund Organization Documents will typically limit and describe when the Manager can fundraise for a new fund.

### *Allocation of Limited Partner and Other Third-Party Co-investment Opportunities*

TA will periodically offer, in its sole discretion, to limited partners the ability to co-invest in an investment consistent with TA’s Limited Partner Co-investment Policy. Co-investment opportunities may arise due to size of an investment, a desire for a co-investor based on strategic considerations including, but not limited to, relevant knowledge of an industry, geographic region or contacts with prospective managers, board members or advisors or for other reasons deemed appropriate by TA. TA shall consider whether offering a co-investment would pose a conflict with the Funds before making any investment available to such potential co-investors.

TA will also offer co-investment opportunities to current or future members of the management team or employees of portfolio companies, and other third-party consultants and

advisors with respect to such portfolio companies or pre-existing investors or other persons associated with such portfolio companies and any other person or entity, including persons or entities whom TA believes will be of benefit to a Fund or one or more portfolio companies or who may provide a strategic, sourcing or similar benefit to TA, a Fund, a portfolio company or one or more of their respective affiliates due to industry expertise, regulatory expertise, end-user expertise or otherwise (including private equity funds sponsored by persons other than the TA).

In the event the Manager determines to offer a co-investment investment opportunity to a third-party, there can be no assurance that TA will be successful in offering such co-investment opportunity, in whole or in part, that the closing of such co-investment will be consummated in a timely manner or that the co-investment will take place on the terms and conditions that will be preferable for the Fund. In the event that TA 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 than was initially intended, experience delays in the investment process, and/or lose, or cause the Funds to renegotiate, the investment opportunity, each of which could result in less favorable terms or economics for such Funds.

The commitment of such co-investors to a potential or current portfolio company may be substantial and such investments may involve risks not present in investments where such co-investors are not involved. Any fees, costs, or expenses related to co-investments (irrespective of whether such co-investments are ultimately consummated), such as broken deal expenses and break-up fees, that are not borne by co-investors typically will be considered expenses of, and be borne by, a Fund. A Fund may in certain circumstances be liable for the entire amount of such fees, costs and expenses, even if co-investors commit to participate in the relevant investment at the same time as the Fund. Further, it is possible that a co-investor may experience financial, legal or regulatory difficulties, may at any time have economic, tax or business interests or goals that are inconsistent with those of a Fund, may take a different view from TA as to the appropriate strategy for an investment, or may be in a position to take action contrary to a Fund's investment objectives. Additionally, a Fund's position could also be diluted or subordinated by subsequent investments of Co-Investors

#### *Conflicts Relating to the Fund GPs and the Manager*

The Manager has in the past and may in the future, in its discretion, utilize services of a current, past, or prospective portfolio company to perform services for the Manager in connection with its provision of services to the Funds. When engaging a related person to provide such services, the Manager has an incentive to recommend the related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Manager, its affiliates, and Personnel have in the past bought or sold and, in limited circumstances, may in the future buy or sell securities or other instruments that the Manager has reviewed and considered as a possible investment for a Fund where the Fund did not ultimately invest. A conflict of interest may arise because such investing affiliated person or entity will, for some investments, benefit from the evaluation,

investigation, and due diligence undertaken by the Manager on behalf of the Fund. In such circumstances, the investing affiliated person or entity will not share or reimburse the relevant Funds and/or the Manager for any expenses incurred in connection with the investment opportunity. In addition, Personnel may also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include (i) potential competitors of the Funds, or (ii) limited partners in the Funds, which results in Personnel having an additional indirect ownership in such Funds. The transactions described above are subject to the policies and procedures set forth in TA's Code of Ethics and the Funds will not benefit from any such investments.

#### *Invested Capital Fee Structure*

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

#### *Providers of Operations Support*

The Funds and the portfolio companies periodically engage advisers, consultants, external executives, operating partners, or other similar professionals ("Operations Support Providers") to provide operational support, specialized operations and consulting services and similar or related services to, or in connection with, one or more portfolio companies in relation to the identification, acquisition, holding, improvement (including, but not limited to, serving as temporary company management, developing financial controls and reporting, determining sales or marketing strategies, or recruiting human capital), and disposition of such portfolio companies ("Operations Support Services"). The nature of the relationship with each such Operations Support Provider, the time devotion requirements of each such Operations Support Provider and the fees and expenses ("Operations Expenses") for such services may vary significantly and will typically be negotiated by the Manager and/or the applicable portfolio company taking into account the particular Operations Support Services. With respect to the implementation of the arrangements described herein, there may not be an independent third-party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest may exist in the determination of any such fees and other related terms in the applicable agreement with the portfolio company. These arrangements are typically memorialized in a formal written agreement but may be informal and are negotiated individually, depending upon the anticipated Operations Support Services to be provided. Operations Support Providers may negotiate to receive an annual fee or retainer, a discretionary bonus, a profit or equity interest in a portfolio company in which such Operations Support Provider is involved or participates in the management thereof, or other incentive-based compensation. Such Operations Support Providers may also be limited partners in a Fund. Operations Expenses will, from time-to-time also be incurred in respect of portfolio companies prior to the closing of the investment and may be paid by a Fund in relation to unconsummated transactions.

TA utilizes its Strategic Resource Group to help portfolio companies with various endeavors. Such persons are typically compensated, and expenses related to such persons, are typically paid by the Manager or its affiliated entities. However, while it is not currently a common practice for TA, a Fund's Organizational Documents may permit Operations Expenses of TA affiliates or Employees, including but not limited to, the Strategic Resource Group, to be paid by the Funds or the portfolio company rather than the Manager. Such Operations Expenses paid may not reduce the Management Fee or fees otherwise payable to the Manager or its affiliates. The Manager will determine whether it is appropriate to have a Fund or portfolio company reimburse the Manager for such Operations Expenses in its good faith determination.

#### *Diverse Membership*

The limited partners in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. The general and limited partners may have conflicting investment, tax and other interests with respect to their investments in a Fund, which may relate or arise from, among other things, the nature of investments made by a Fund, the structuring (such as an A/B fund series, alternative investment vehicles or non-U.S. investment structures) or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the Fund GP. In selecting and structuring investments appropriate for a Fund, the Fund GP and the Manager will consider the investment and tax objectives of a Fund and its limited and general partners as a whole, not the investment, tax or other objectives of any limited partner individually.

#### *Business with Portfolio Companies and Limited Partners*

Given the collaborative nature of the Manager's business and the portfolio companies in which the Funds have invested, there are occasionally situations where the Manager is in the position of recommending portfolio company services to other portfolio companies of the Funds. The Manager will generally have a conflict of interest in making such recommendations, in that the Manager 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.

In certain instances, a Fund's portfolio company may compete with another Fund's portfolio company. A conflict of interest may arise in these instances because advice and recommendations provided by the Manager to a portfolio company may have adverse consequences to a competitor portfolio company owned by another Fund.

Certain members of a Fund's Advisory Committee are, and in the future may be, officers or directors of, or otherwise affiliated with, limited partners in another Fund.

#### *Positions with Portfolio Companies*

Employees of the Manager serve as directors of most 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. Additionally, consistent with the terms of a Fund's Organizational Documents, such Employees are required to remit any remuneration (such as Directors Fees discussed above) they may receive as directors for the benefit of the applicable Funds. In addition, while typically not the preference or at the request of TA, Employees of the Manager have in the past, and may in the future, on occasion leave the employment of the Manager or its affiliates and become an officer or employee of a portfolio company. Employees are prohibited from receiving consulting, management or other fees personally from portfolio companies.

#### *Side Letter Agreements; Advisory Committee Rights*

The Manager enters into certain side letter arrangements with certain limited partners in a Fund providing, in certain cases, such limited partners with different or preferential rights or terms, including but not limited to information rights (such as an agreement to complete an limited partner's preferred disclosure form but not necessarily increased transparency), acknowledgement that a limited partner is interested in co-investments (such acknowledgement does not provide a limited partner with any specific co-investment rights or preferences), internal transfer rights (such as an agreement to make internal limited partner restructurings less burdensome for such limited partner), and in very limited circumstances a different fee structure, where specifically permitted by and disclosed in such Fund's Organizational Documents. Except as otherwise agreed with a limited partner, the Manager (or applicable Fund GP) is not required to disclose the terms of side letter arrangements with other limited partners in the same Fund.

Many of the Funds have established an Advisory Committee, consisting of representatives of limited partners nominated by such Fund GP and approved by such Fund's limited partners. A conflict of interest may exist when the GP nominates only certain and not all limited partners who expressed interest in becoming a member of a Fund Advisory Committee. A Fund Advisory Committee may also have the ability to approve conflicts of interests with respect to the Manager and the applicable Fund, which could be disadvantageous to limited partners, including those limited partners who expressed interest in becoming a member of the Advisory Committee but were not nominated by such Fund GP.

#### *Other Potential Conflicts*

The Manager 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 limited partners in a Fund, and may also represent one or more portfolio companies or limited partners in a Fund. In the event of a significant dispute or divergence of interest between Funds, the Manager and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Manager and its affiliates, or when applicable, by the Advisory Committee, and in litigation and other circumstances separate representation may be required.

## **ITEM 12. BROKERAGE PRACTICES**

TA utilizes broker-dealers as necessary to sell a Fund's publicly-traded securities consistent with the disposition strategy of the investment committee for that particular investment. It is TA's policy to select brokers based on a number of factors, including, but not limited to, the size and type of transaction, the markets for securities to be purchased or sold, execution, efficiency, settlement capability, financial condition of the broker-dealer, the quality of the broker-dealer's portfolio execution on a continuing basis and reasonableness of brokerage commissions.

TA will always attempt to achieve the best overall value for the Funds, taking into account the circumstances of the transaction and the reputability of the executing broker-dealer, and will evaluate each transaction to ensure that the execution price is in line with, or exceeds, that of the current market. TA will generally use the Volume Weighted Average Price (VWAP) as an indicator of the current market. The lowest possible commission cost is not necessarily sought in that it may not result in the best quality execution of transactions effected for the Funds.

A "soft dollar" arrangement is an arrangement whereby an investment adviser directs client brokerage, or pays higher commissions, to a particular broker-dealer in return for research or other services from such broker-dealer. It is TA's policy to not enter into any soft dollar arrangements.

TA may, however, receive proprietary research and certain other limited benefits from broker-dealers as an incident of doing business with such broker-dealers, but only where (i) there is no arrangement to direct a specific amount of TA's commission business to such broker-dealers in exchange for such items, and (ii) TA does not "pay up" for such items in the form of higher commissions on client trades. TA does not have any formal or informal soft dollar arrangements by which it received research or brokerage products or services.

A "directed brokerage" arrangement is an arrangement whereby a client of an investment adviser instructs the adviser to direct a portion of its brokerage transactions to a particular broker-dealer. It is TA's policy to not enter into directed brokerage arrangements or recommend a broker-dealer to any limited partner.

## **ITEM 13. REVIEW OF ACCOUNTS**

### **Oversight and Monitoring**

Each Fund has specific investment criteria and limitations set forth in the Organizational Documents of the Fund. At the time of any investment by a Fund, members of TA's investment committee with the assistance of certain legal and compliance personnel as necessary, evaluate whether the investment will satisfy the particular investment criteria and limitations applicable to such Fund. After an investment is made by a Fund, members

of the investment committee responsible for that investment will continuously monitor the investment for the Fund.

TA generally enters into an investment with the expectation of being lead director and an active investor whenever possible. As such, TA seeks to hold a board seat for each investment, or serve as a board observer whenever TA's investment structure precludes it from having a board seat. Individual investments held within the Funds are also reviewed on a quarterly basis by the Portfolio Committee and on a periodic basis by the larger internal industry group as part of the portfolio monitoring process. Additionally, TA's Executive Committee, Management Committee and/or the Core Investment Committee members will review investments in the aggregate on a periodic and on an as-needed basis.

### **Reporting**

Limited partners within the Funds receive an audited annual balance sheet and statement of results of operations for the year within 120 days after the fiscal year end. In addition, the limited partners are furnished with a quarterly report containing an unaudited balance sheet and statement of operations, valuations for each investment, detailed descriptions of new investments and comments on the portfolio and outlook. TA will from time-to-time, in its sole discretion, provide additional information relating to such Fund to one or more limited partners in such Fund as they deem appropriate.

## **ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION**

Registered investment advisers are required to disclose any economic benefits received for providing advice to a client from someone who is not a client and any compensation provided for client referrals to someone who is not a supervised person. For details regarding economic benefits provided to TA by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, TA, Employees and TA affiliates, in certain instances, receive gifts from or discounts on products and services provided by portfolio companies and prospective portfolio companies of Funds (e.g. friends and family discounts or product samples) or gifts and entertainment from third-parties and service providers (such as closing dinners and gifts, some of which will have meaningful value, and such value will not be shared with the Funds).

During the raising of a new fund, while not a client solicitation arrangement, TA may enter into a third-party agreement pursuant to which it compensates a third-party for identifying and marketing the Fund to potential limited partners. Such persons generally will receive a set fee or a fee in an amount equal to a percentage of the capital commitments for interests made by certain potential limited partners to such Fund that are subsequently accepted. See Item 5 above for a discussion of fees and expenses related to such arrangements.

## **ITEM 15. CUSTODY**

TA complies with Advisers Act Rule 206(4)-2, the “Custody Rule” by obtaining an audit by an independent public accountant and delivering the financial statements within 120 days after the fiscal year end. As such, discussion of qualified custodian reporting under this item is not applicable to TA.

## **ITEM 16. INVESTMENT DISCRETION**

The Manager provides investment advisory services to each of the Funds and their respective Fund GPs pursuant to investment advisory agreements. Investment recommendations and advice are provided by the Manager directly to the Funds and Fund GPs, subject to the direction and control of the affiliated Fund GP of such Fund, and not individually to the limited partners in the Funds. Any restrictions on investment are established by the applicable Fund GP and are set forth in the Organizational Document of such Fund received by each limited partner prior to investment in such Fund.

## **ITEM 17. VOTING CLIENT SECURITIES**

The Funds are often active investors in their portfolio companies. The Funds typically have a contractual right to have a representative at the board of directors of their private portfolio companies. It is common for these representatives to remain on the board for a period of time after the portfolio company goes public. In addition, the Funds stay closely involved with the investments as shareholders. It is TA’s practice to review and vote on proxy and shareholder consent matters on a case-by-case basis. In furtherance of the foregoing, it is TA’s policy to (i) stay apprised of developments that affect the portfolio companies in which the Funds invest, (ii) carefully review matters submitted to the Funds for a vote as holders of portfolio company securities, and (iii) vote on those matters on a case-by-case basis in a manner that TA believes is in the best interests of the applicable Funds. In rare instances where a conflict of interest exists and is not able to be resolved, or for other appropriate reasons, TA may abstain from voting the proxy or shareholder consent. A member of the compliance team is involved in the proxy voting process to help evaluate and mitigate conflicts of interest.

Additionally, corporate governance standards, disclosure requirements and voting processes vary significantly among the foreign markets in which the Funds may invest. The Funds generally will vote proxies for foreign companies in a manner that the Funds believe is consistent with the objective of the TA Proxy Voting Policy, while taking into account differing practices by market. However, there have in the past been, and may in the future be, instances where the Funds elect not to vote proxies relating to foreign securities or may be unable to do so.

The limited partners may obtain information about how a proxy was voted and/or obtain a copy of the proxy voting policies and procedures upon written request to: ATTN: Chief

Compliance Officer, TA Associates Management, L.P., 200 Clarendon Street, 56<sup>th</sup> Floor, Boston, MA 02116; email [Compliance@ta.com](mailto:Compliance@ta.com); or call 617-574-6700.

## **ITEM 18. FINANCIAL INFORMATION**

The Manager does not have anything to report.

## **ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

This item is not applicable to the Manager.