

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

VERITAS CAPITAL FUND MANAGEMENT, L.L.C.

March 2019

Veritas Capital Fund Management, L.L.C.
9 West 57th Street, 29th Floor
New York, NY 10019
Tel: (212) 415-6700
Fax: (212) 688-9411
Website: www.veritascapital.com

This brochure (this “Brochure”) provides information about the qualifications and business practices of Veritas Capital Fund Management, L.L.C. (the “Firm”). If you have any questions about the contents of this Brochure, please contact us at (212) 415-6700 or info@veritascapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about Veritas Capital Fund Management, L.L.C. is also available on the SEC’s website at www.adviserinfo.sec.gov.

Registration with the SEC or with any state securities authority does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

Since Veritas Capital Fund Management, L.L.C. (the “Firm”) filed its Part 2A of Form ADV: Firm Brochure with the SEC on March 28, 2018 (the “Firm’s Brochure”), the Firm’s Brochure has been amended to update the description of the business practices of the Firm and its affiliates and supplement existing disclosures relating to the Firm’s practices and potential conflicts of interest, including under “Advisory Business”, “Fees and Compensation”, and “Methods of Analysis, Investment Strategies and Risk of Loss”. This update to the Firm’s Brochure also contains changes and updates to certain information that we do not feel constitute material changes since we last filed an update to the Firm’s Brochure. Clients and prospective clients should read the Firm’s Brochure in its entirety.

**ITEM 3
TABLE OF CONTENTS**

ITEM 1 COVER PAGE.....	i
ITEM 2 MATERIAL CHANGES	ii
ITEM 3 TABLE OF CONTENTS	iii
ITEM 4 ADVISORY BUSINESS	1
ITEM 5 FEES AND COMPENSATION	2
ITEM 6 PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT	6
ITEM 7 TYPES OF CLIENTS	7
ITEM 8 METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS.....	7
ITEM 9 DISCIPLINARY INFORMATION	19
ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS	19
ITEM 11 CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING.....	20
ITEM 12 BROKERAGE PRACTICES.....	21
ITEM 13 REVIEW OF ACCOUNTS.....	21
ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION.....	22
ITEM 15 CUSTODY	22
ITEM 16 INVESTMENT DISCRETION	23
ITEM 17 VOTING CLIENT SECURITIES.....	23
ITEM 18 FINANCIAL INFORMATION	24
ITEM 19 REQUIREMENTS FOR STATE-REGISTERED ADVISERS	24

ITEM 4 ADVISORY BUSINESS

Veritas Capital Fund Management, L.L.C. (the “Firm”), a Delaware limited liability company, was organized on June 14, 2005 with an office in New York. Ramzi M. Musallam and Hugh D. Evans are the managing partners of the Firm and Mr. Musallam, Mr. Evans and Benjamin M. Polk are the managing members of the Firm. Mr. Musallam and Mr. Evans are the principal owners of the Firm. As Chief Executive Officer and Managing Partner of the Firm, Mr. Musallam has ultimate responsibility for the management, operations and investment advice provided by the Firm.

The Firm serves as the management company and provides investment advisory services to private pooled investment vehicles, the securities of which are offered to investors on a private placement basis, and related co-investment vehicles (each, a “Fund” and collectively, the “Funds”). As of the date hereof, the Firm only provides investment advice to private equity funds that invest primarily in private securities; however, the Firm is in the process of establishing one or more vehicles to pursue a credit investment strategy (the “Credit Strategy”). The investment strategies of the Funds are discussed further in Item 8 of this Brochure. The Funds include The Veritas Capital Fund III, L.P. (together with its related co-investment vehicles, “Veritas Fund III”), The Veritas Capital Fund IV, L.P. (together with its related co-investment vehicles, “Veritas Fund IV”), The Veritas Capital Fund V, L.P. (together with its related co-investment vehicles, “Veritas Fund V”) and The Veritas Capital Fund VI, L.P. (together with its related co-investment vehicles, “Veritas Fund VI”). Each of the Funds is closed to new capital commitments as of the date hereof.

Veritas Capital Partners III, L.L.C. (“Veritas III GP”), Veritas Capital Partners IV, L.L.C. (“Veritas IV GP”), Veritas Capital Partners V, L.L.C. (“Veritas V GP”) and Veritas Capital Partners VI, L.L.C. (“Veritas VI GP”), each a Delaware limited liability company and an affiliate of the Firm, serve as the general partner (in such capacity, the “General Partner” and collectively, the “General Partners”) of Veritas Fund III, Veritas Fund IV, Veritas Fund V and Veritas Fund VI, respectively.

The Firm tailors its investment advisory services with respect to each Fund in accordance with the investment objectives and guidelines set forth in such Fund’s limited partnership agreement, offering memorandum and other governing documents. Each of the General Partners has entered into side letter agreements with specific investors, the terms of which include disclosure obligations, co-investment opportunities (which typically are not subject to the Management Fee and Carried Interest (each as defined below)) and notice of certain thresholds pursuant to legal or regulatory requirements applicable to such investors (but do not include modifications to the Management Fee and Carried Interest terms set forth in the relevant Fund’s constituent governing documents).

The Firm managed \$10.2 billion as of December 31, 2018 on a discretionary basis. This amount includes the total unfunded capital committed by investors to Veritas Fund III (as of December 31, 2018), Veritas Fund IV (as of December 31, 2018), Veritas Fund V (as of December 31, 2018) and Veritas Fund VI (as of December 31, 2018). The Firm does not manage any assets on a non-discretionary basis.

This Brochure generally includes information about the Firm and its relationships with its clients and affiliates. While much of this Brochure applies to all such clients and affiliates, certain information included herein applies to specific clients or affiliates only. This Brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. The Firm may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this Brochure, that the Firm considers appropriate, subject to each client's investment objectives and guidelines.

ITEM 5 FEES AND COMPENSATION

The management fees and performance-based compensation applicable to each Fund are set forth in detail in such Fund's governing documents. Generally, each Fund pays the Firm a fee for investment management services (a "Management Fee") and pays its General Partner a performance-based carried interest (the "Carried Interest"), as more fully described below. Notwithstanding anything set forth in this Item 5, except for one such co-investment vehicle that pays a Carried Interest, vehicles formed to co-invest with a Fund do not generally pay any Management Fee or Carried Interest, although such Management Fee and/or Carried Interest arrangements are expected to be established in the future with respect to other co-investment vehicles.

Each Fund pays the Firm a Management Fee quarterly in advance. Each Fund also pays its General Partner a Carried Interest, if at all, when investments are realized by such Fund. The constituent governing documents of each Fund contain "clawback" provisions with respect to the Carried Interest. In the sole discretion of the Firm and each General Partner, the Management Fee and/or the Carried Interest payable by a Fund may be waived or reduced with respect to certain limited partners in such Fund, and have been waived with respect to the limited partners affiliated with the Firm.

Neither the Firm nor the General Partners receive any fees from the Funds, other than the Management Fee and the Carried Interest described above, but the Firm and the General Partners are reimbursed by the Funds for certain partnership expenses, as detailed below. The Funds do not pay the Firm or the General Partners brokerage or other transaction fees, although the Funds' portfolio companies do pay transaction fees to the Firm, as described below.

Management Fee

Veritas Fund III

The Management Fee payable by Veritas Fund III is equal to 1% per annum of net invested capital attributable to the limited partners of Veritas Fund III not affiliated with Veritas III GP. However, as a result of required reductions to the Management Fee arising out of payments made to the Firm by portfolio companies of Veritas Fund III, the Management Fee payable by Veritas Fund III has been reduced to zero.

Veritas Fund IV

The Management Fee payable by Veritas Fund IV is equal to 1% per annum of net invested capital attributable to the limited partners of Veritas Fund IV not affiliated with Veritas IV GP. However, as a result of required reductions to the Management Fee arising out of payments made to the Firm by portfolio companies of Veritas Fund IV, the Management Fee payable by Veritas Fund IV has been reduced to zero.

Veritas Fund V

The Management Fee payable by Veritas Fund V is equal to 1.50% per annum of net invested capital attributable to the limited partners of Veritas Fund V not affiliated with Veritas V GP.

Veritas Fund VI

The Management Fee payable by Veritas Fund VI with respect to each limited partner of Veritas Fund VI not affiliated with Veritas VI GP ranges from 1.50% to 1.75% per annum of the capital commitment of such limited partner, depending on the amount of such limited partner's capital commitment. Commencing on the date that is the earlier of the fifth anniversary of February 14, 2017 or the date on which the Firm or an affiliate of the Firm receives a Management Fee from a new pooled investment vehicle or a separately managed account established by Veritas VI GP or its affiliates with an investment strategy substantially similar to that of Veritas Fund VI, the Management Fee payable by Veritas Fund VI with respect to each limited partner of Veritas Fund VI not affiliated with Veritas VI GP will range from 1.25% to 1.50% per annum of the net invested capital attributable to such limited partner, depending on the amount of such limited partner's capital commitment.

Carried Interest

Generally, each of the General Partners is entitled to receive a 20% Carried Interest from its respective Fund, which is calculated after the limited partners of such Fund receive a return of their capital contributions to such Fund and a preferred return equal to 8% per annum, compounded annually, on their capital contributions to such Fund, subject to catch-up payments to such General Partner after such preferred return payments are made to the limited partners of such Fund.

Operating Expenses

As set forth in detail in each Fund's limited partnership agreement, the Firm and the General Partners are entitled to be reimbursed for expenses that are required to be borne by each of the Funds and incurred in connection with operating such Fund. Those expenses generally include: (i) the fees and expenses of professional advisors, such as legal counsel, consultants, accountants, tax advisors, auditors and administrators, (ii) expenses of the investor advisory committee of such Fund, including the reasonable travel expenses of members of the advisory committee incurred in attending meetings thereof, (iii) annual meetings of the partners, including expenses relating to the annual meeting dinner held on the evening before the content portion of the meeting, meeting speakers and presenters, food, beverages and other venue charges and any

giveaways or other miscellaneous items that are provided at the annual meeting, (iv) the cost of insurance, including directors and officers, errors and omissions liability and other insurance, (v) investor portal fees, (vi) fees, costs and expenses associated with the acquisition, holding and disposition of portfolio investments, including expenses associated with operating, valuing, dissolving, winding up, liquidating, restructuring, taking public or private portfolio investments, including any travel (excluding airfare costs in excess of the cost of first class commercial airfare), meals or entertainment relating to portfolio investment activities; expenses that are reimbursed to the Firm by portfolio investments and are incurred in connection with the Firm's monitoring and advisory services; fees, costs and expenses of brokerage, custodial, depository, account and similar services; and fees, costs and expenses of engaging any broker, dealer, underwriter, investment banker, finder and similar service provider, (vii) fees, costs and expenses associated with the acquisition of investments not consummated, including, but not limited to, reverse break-up, termination and other similar fees, and the fees and expenses of professional advisors ("Broken Deal Expenses"), (viii) extraordinary expenses (such as expenses relating to litigation, mediation, arbitration or other dispute resolution processes, and the amount of any judgments, other awards or settlements paid in connection therewith), (ix) any taxes, fees or other governmental charges levied against the Funds, (x) fees, costs and expenses associated with the preparation or distribution of the Funds' administrative, regulatory or other Fund-related reporting or filing (excluding, for the avoidance of doubt, the fees, costs and expenses related to the preparation and filing of Form PF, the Firm's Form ADV and any other registration or filing obligations of the General Partners and/or the Firm not directly related to the relevant Fund), and (xi) all other expenses required to be borne by the Funds as provided in the constituent governing documents of the Funds, including the costs of reports, financial statements and tax returns and estimates or other information required to be delivered to the limited partners of such Fund; provided, that the Firm is required to bear certain travel expenses incurred during each calendar year for Veritas Fund IV, Veritas Fund V and Veritas Fund VI in respect of portfolio investments that are not consummated by such Funds.

The Funds may include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

The Firm allocates fees and expenses for products and services purchased or utilized by more than one Fund (such as fees for certain technologies used for investor reporting or meetings of investors for more than one Fund) among the Funds (including co-investment vehicles) in a manner that the Firm believes, in good faith, is fair and equitable under the circumstances and considering such factors as the Firm deems relevant, but in its sole discretion, subject to each relevant Fund's limited partnership agreement. As a general matter, shared expenses typically will be allocated among the relevant Funds (including co-investment vehicles) required to bear the applicable expenses. In exercising its discretion to allocate expenses among the relevant Funds and co-investment vehicles, the Firm will take into account various factors, such as the relative amount of committed capital to such Fund or co-investment vehicle, the relative amounts invested by the relevant Funds and co-investment vehicles and the relative benefits received by the relevant Funds and co-investment vehicles from the applicable product or service

generating an expense. The Funds have different expense reimbursement terms, including with respect to Management Fee offsets, which may result in the Funds bearing different levels of expenses with respect to the same investment.

Co-investors generally bear their pro rata share of fees, costs and expenses related to acquiring, holding, managing, operating, valuing, dissolving, winding up, liquidating, restructuring, taking public or private or otherwise disposing the investments in which they participate. However, co-investors generally do not agree in advance to pay their pro rata share of Broken Deal Expenses. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise have been beneficial, in the judgment of the General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction are likely to be borne entirely by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction.

Organizational Expenses

Generally, expenses incurred in connection with the organization and start-up of each Fund, its General Partner and any Fund-specific affiliated entities, including travel (including, where appropriate, the cost of chartering private aircraft), printing, legal, filing, capital raising, accounting fees and expenses, regulatory compliance, and any administrative or other filings (excluding, for the avoidance of doubt, the fees, costs and expenses related to the preparation and filing of Form PF, the Firm's Form ADV and any other registration or filing obligations of such Fund's General Partner and/or the Firm not directly related to such Fund), and other organizational expenses ("Organizational Expenses"), shall be borne by such Fund; *provided*, that such amount shall not exceed any limit set forth in such Fund's governing documents.

Placement Fees

Generally, placement fees due to any Placement Agents (as defined in Item 14) will be paid by a Fund. The Management Fee payable by such Fund is reduced by all or a portion of any placement fees and out-of-pocket expenses of any Placement Agents paid by such Fund to such Placement Agents.

Other Compensation

Portfolio companies of a Fund pay transaction fees, monitoring fees and other fees, including permitted directors fees, advisory fees, financial consulting fees and closing fees, directly to the Firm or its affiliates from time to time. In that case, the Management Fee payable by such Fund is reduced by all or a portion of such fees, as prorated among the Fund and its affiliates that have also invested in such portfolio companies and among the limited partners of such Fund who bear Management Fees. In addition, the Management Fee is also reduced by all or a portion of any break-up fees paid to the Firm or its affiliates by a prospective portfolio company in connection with a terminated transaction, prorated as described above. The General Partners may, in their sole discretion, waive or reduce the Management Fee payable by investors, including limited partners who are affiliates or employees of the relevant General Partner, including with respect to the Firm's commitment.

The Firm is permitted to exempt certain “affiliated partner” investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including members of the Firm and any other person designated by the Firm, such as “friends and family” of the Firm or its personnel, or other investors meeting certain qualification requirements based on commitment size. With respect to any affiliates and any other clients or investors that do not pay the Firm any Management Fee (which is usually the case for co-investment vehicles managed by the Firm), the Firm retains the portion of such transaction fees, monitoring fees, break-up fees and other fees allocable to such affiliates or such other clients or investors, which may be significant.

The Firm and its supervised persons do not accept compensation from the Funds for the purchase and sale of portfolio investments, although, as described above, the Firm receives transaction fees in connection with portfolio investments made by a Fund. The Firm believes that it effectively addresses any conflicts of interest created between the Firm and the Funds by these arrangements.

Employees of the Firm generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by the Firm or its affiliates. Certain former employees may be entitled to receive compensation derived from, and in certain cases including a portion of, carried interest or other compensation received by the Firm or its affiliates.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described above, the General Partners accept performance-based fees from the Funds. Because the Carried Interest is based on a percentage of net realized profits, the existence of Carried Interest arrangements with the Funds could create an incentive for the General Partners to make investments on behalf of the Funds that are riskier or more speculative than would be the case in the absence of such arrangements.

Additionally, although the limited partners of the Funds are currently charged the Carried Interest at the same rates, carried interest arrangements with respect to future investment funds advised by the Firm may differ from those arrangements with the Funds. Such variation could create an incentive to direct investment opportunities to investment funds that pay or allocate a higher carried interest, where such discretion is permitted.

The Firm seeks to address such conflicts on a fair and equitable basis in its good faith discretion and has established policies and procedures to address the potential conflicts of interest described above through careful review of investment opportunities, including review of available capital, anticipated duration of the investment, likelihood of profitability, portfolio diversification requirements, liquidity requirements and other appropriate factors.

The General Partners allocate investment opportunities in accordance with the investment guidelines of each Fund and offer co-investment opportunities in accordance with the terms of the limited partnership agreements of the Funds and side letter agreements, as applicable. The allocation of co-investment opportunities may be made to one or more persons for any number of reasons. In exercising its discretion in connection with co-investment opportunities, the General

Partner may consider some or all of a wide range of factors. A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of such Fund, or may be in a position to take action contrary to the investment objectives of such Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner.

For further discussion of the conflicts discussed in this Item 6, see Item 8 of this Brochure.

ITEM 7 TYPES OF CLIENTS

The clients to whom the Firm provides investment advisory services are private investment funds, the securities of which are offered to investors on a private placement basis, that invest primarily in private equity.

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

The descriptions set forth in this Brochure of specific advisory services that the Firm offers to clients, and investment strategies pursued and investments made by the Firm on behalf of its clients, should not be understood to limit in any way the Firm's investment activities. The Firm is permitted to offer advisory services, engage in investment strategy and make investments, including any not described in this Brochure, that the Firm considers appropriate, subject to each client's investment objectives and guidelines and the terms of the partnership agreements of the Funds. The investment strategies the Firm pursues are speculative and entail substantial risks. Investors should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of any client will be achieved.

The Firm provides investment advice to the Funds by seeking investments in middle-market companies that provide critical products and services, primarily technology or technology-enabled solutions, to government and commercial customers worldwide in the target industries of aerospace & defense, communications, education, energy, government services, healthcare, national security, software and other sectors supported by a government-related customer base or impacted by government regulation or authority. The Funds invest, on a limited basis and subject to the terms of their governing documents, in other industries on an opportunistic basis. Utilizing the operating expertise of its investment professionals, the Firm seeks to increase and sustain the value of investments made by the Funds. The Firm advises the Funds to generally make investments with the ultimate objective of obtaining control or the right to influence management, although the Funds make investments in companies in which a Fund does not obtain control or the right to influence management on a limited basis, subject to the terms of their governing documents.

In addition to the above, as of the date hereof the Firm is in the process of establishing the Credit Strategy, and vehicles following that strategy will seek to make non-control

credit investments in middle-market companies that provide critical products and services, primarily technology or technology-enabled solutions, to government and commercial customers worldwide in the target industries of aerospace & defense, communications, education, energy, government services, healthcare, national security, software and other sectors supported by a government-related customer base or impacted by government regulation or authority. The Credit Strategy will target debt opportunities ranging from large liquid debt tranches to smaller, targeted financings, and may target investment opportunities in private debt and other credit products.

The Firm uses various methods of investment analysis to provide what it believes is sound investment advice. Notwithstanding the Firm's investment analysis, investing in securities involves a risk of loss.

The following risk factors do not purport to be a complete list or explanation of the risks involved in investments made by the Funds. These risk factors include only those risks the Firm believes to be material, significant or unusual and relate to particular significant investment strategies or methods of analysis currently employed by the Firm. For the avoidance of doubt, these risk factors include only those risks applicable to the private equity funds managed by the Firm.

Use of Leverage. The Funds may make investments in portfolio companies that have a leveraged capital structure. To the extent that any investment is made in a company with a leveraged capital structure, such investment may be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a downturn in the economy or deterioration in the condition of such company or its industry. In the event that such a portfolio company is unable to generate sufficient cash flow to timely meet principal and interest payments on its indebtedness, the value of a Fund's investment in such portfolio company could be significantly reduced or even eliminated. Additionally, lenders would typically have a claim that has priority over any claim by a Fund to the assets of such portfolio company in an insolvency event or proceeding.

A Fund may borrow funds, from time to time, for investment or other business purposes pending receipt of capital contributions and to provide guarantees of portfolio companies, subject to certain limitations provided in such Fund's limited partnership agreement. Such borrowing may be used for, among other purposes, the purchase of portfolio investments as they become available in advance of the receipt of anticipated funds from capital contributions or realizations or otherwise when capital contributions are not available. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. As security for such borrowing or guarantees, such Fund may grant liens on any of such Fund's assets to the lender or other counterparty, which assets may not necessarily be limited to a single portfolio investment. Such lender or other counterparty would, accordingly, have a claim that has priority over any claim by a limited partner of such Fund to such assets in an insolvency event or proceeding. In addition, to support borrowing, a Fund has the right to pledge all or a portion of such Fund's uncalled capital commitments, the right of such Fund's General Partner to deliver notices to such Fund's limited partners demanding capital contributions, and the right of such Fund's General Partner to enforce all rights and powers arising out of such Fund's right to receive capital contributions. Although borrowings by a Fund may enhance overall returns, they may further diminish returns (or increase losses) to the extent returns during the borrowing are less than

such Fund's cost of funds or in the event of default. In borrowing on behalf of a Fund, the Firm is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. It is expected that costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

Available Investments; Limited Liquidity of Investments. The private equity investment industry in which the Funds are engaged is highly competitive. Further, the identification of suitable investments is a difficult task, and there can be no assurance that the Funds will be able to implement their respective investment objectives. There is no assurance that a General Partner will be able to identify sufficient attractive investment opportunities to enable the full amount of capital committed to the relevant Fund to be invested. However, limited partners of a Fund will be required to pay annual Management Fees as described in Item 5 of this Brochure. A General Partner also may encounter significant competition for many of the investments it selects. Many of the Funds' (and the Firm's) competitors may have greater financial and other resources and may have better access to suitable investment opportunities.

An investment in a Fund should be viewed as an illiquid investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. A Fund's exit strategy with respect to one or more investments can be affected adversely by numerous factors, many of which may be unforeseen or unexpected at the time the investment is made. Moreover, the limited liquidity of investments may adversely affect a Fund's ability to implement its exit strategies in the face of unexpected developments.

It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. Moreover, limited partners of a Fund may be allocated taxable income although they have not received any distributions. Furthermore, the costs and expenses incurred in connection with operating a Fund (including Management Fees) may exceed such Fund's income, thereby requiring that the difference be paid from such Fund's capital, including uncalled capital commitments.

No Diversification Requirement; Risk of Loss. Although the Firm expects that each Fund's portfolio will have a moderate degree of diversification, each General Partner is authorized, at any time, to invest the relevant Fund's assets in only a few investments, subject to the restrictions set forth in such Fund's limited partnership agreement, and each Fund is generally expected to invest exclusively in the Firm's target industries. Thus, the unfavorable performance by investments in one industrial or economic sector could have a substantial adverse impact on the aggregate returns realized by investors. In addition, although the Firm expects that most investments will include the characteristics identified in the relevant Fund's governing documents, the Funds may also make opportunistic investments in other assets.

Reliance on the General Partners and Portfolio Company Management. Control over the operation of each Fund will be vested with its General Partner, and the profitability of a Fund depends largely upon the business and investment acumen of the Firm's principals and other senior investment professionals and the actions of such Fund's General Partner. No limited partner of a Fund has the right, power or authority to participate in the ordinary and routine management of the affairs of such Fund or to exercise any control over the decisions of such Fund's General Partner. The loss or reduction of service of one or more of the Firm's principals or other senior investment professionals could have an adverse effect on a Fund's ability to identify investment opportunities and/or realize its investment objectives.

Each Fund's General Partner monitors the performance of each investment made by such Fund, however, it is primarily the responsibility of each portfolio company's management team to operate such portfolio company on a day to day basis. Although the Funds generally seek to invest in portfolio companies with strong management or recruit strong management to such portfolio companies, there can be no assurance that the management of such portfolio companies will be able or willing to successfully operate a portfolio company in accordance with any of the relevant Fund's objectives.

Reliance on Government Contracts. The Funds invest in portfolio companies that are heavily dependent on U.S. government contracts, which may be only partially funded. These contracts are subject to the U.S. government's political and budgetary constraints, changes in short-range and long-range plans, the timing of contract awards, the congressional budget authorization and appropriation processes, the U.S. government's ability to terminate contracts for convenience or for default, as well as other risks such as contractor debarment in the event of certain violations of legal and regulatory requirements. Portfolio companies providing services under U.S. government contracts are also subject to extensive regulation and audit by agencies of the U.S. government.

Contingent Liabilities on Disposition. In connection with the disposition of an investment, a Fund and its General Partner may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties (e.g., about the business and financial affairs of a portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses) and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by the relevant Fund and, ultimately, its limited partners. A General Partner may establish reserves as appropriate to provide for such contingent liabilities. In the event that the amount of such contingent liabilities exceeds the reserves and other assets of the relevant Fund, such Fund's limited partners may be required to repay to such Fund all or a portion of distributions previously received by them in respect of such portfolio company.

Risk of Minority Positions in Portfolio Companies; Lack of Unilateral Control. If, as part of its overall investment strategy, a Fund elects at any time to hold a minority position in one or more portfolio companies, it may not be able to exercise control over such companies. The amount of non-control investments that a Fund is permitted to make is restricted by the constituent governing documents of such Fund. Even if a Fund is the majority investor or controlling shareholder, as

applicable, of a portfolio company, in certain circumstances it may not have unilateral control of the portfolio company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, or makes a minority investment, the relevant portfolio companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the relevant Fund or its limited partners. Such third parties may be in a position to take action contrary to such Fund's business, tax or other interests, and such Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such portfolio companies in a manner that maximizes or protects value.

Need for Follow On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow on investments or will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful operation or the dilution of such Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Many business leaders expect the U.S. and Western Europe to enter into a recessionary period. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to achieve attractive dispositions of their businesses. This may slow the rate of future investments by the Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Funds' portfolio companies.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of the Firm and its affiliates, the Firm frequently comes into possession of confidential or material non-public information. Therefore, the Firm and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information

had not been known to it, may have been undertaken on account of applicable securities laws or the Firm's internal policies. Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent the Firm or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust remedies relating to one Fund's acquisition of a portfolio company may require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

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

Cybersecurity Risks. Cyber-attacks and other malicious internet-based activity continue to increase in frequency and magnitude. Recent events have illustrated such ongoing cybersecurity risks to which operating companies are subject. 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. As part of its business, the Firm processes, stores and transmits large amounts of electronic information, including information relating to the transactions of the Funds and personally identifiable information of the limited partners. Similarly, service providers of each General Partner and/or the Funds, especially any administrator, may process, store and transmit such information. A Fund's and its portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, denial-of-service attacks, infiltration by unauthorized persons and security breaches, usage errors or malfeasance by their respective professionals or service providers; power, communication or other service outages; and catastrophic events such as fires, tornadoes, floods, hurricanes, typhoons, earthquakes, wars, terrorist attacks and other similar events.

Although each Fund's General Partner 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, a General Partner, 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. To the extent that a General Partner, a Fund or a portfolio

company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, it may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Additionally, a General Partner's, a Fund's and/or a portfolio company's insurance coverage may be insufficient to compensate any such entity and its respective affiliates for incurred liabilities. Any of such circumstances could subject a portfolio company, or a Fund, to substantial losses.

In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Firm or one of its service providers holding its financial or investor data, the Firm, its affiliates and/or one or more Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks.

Impact of Government Regulation, Reimbursement and Reform. Certain or all of the Firm's target industries are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Certain or all of the Firm's target industries may be highly dependent upon various government (or private) reimbursement programs. While the Funds intend to invest in portfolio companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the portfolio companies in which the Funds invest. By way of example, the healthcare industry has been, and will likely continue to be, significantly impacted by recent legislative changes, and various U.S. federal, state or local or non-U.S. legislative proposals related to the healthcare industry are introduced from time to time, which, if adopted, could have a significant impact on such industry in general and/or on portfolio companies in which the Funds may invest. In addition, various agencies and departments of the U.S. government regulate the defense and aerospace industries. New and existing regulations and burdens of regulatory compliance may have a material adverse effect on portfolio companies that operate in these industries.

In the ordinary course of the Firm conducting its activities, the interests of a Fund may conflict with the interests of the Firm, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed below and in Items 5, 6, 11 and 17 of this Brochure. For the avoidance of doubt, this section describes only those certain conflicts applicable to the private equity funds managed by the Firm.

Conflicts of Interest Generally. The Firm seeks to devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner and in accordance with their respective limited partnership agreements, although the Funds and their respective investments place varying levels of demand on these over time. In the ordinary course of the Firm conducting its activities, the interest of a Fund may conflict with the interest of the Firm, one or more other Funds, portfolio companies or their respective affiliates. As a general

matter, the Firm determines all matters relating to structuring the Funds' transactions and operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject to the limited partnership agreements of the relevant Fund(s), and in certain cases, to approval by the advisory committee of each relevant Fund. From time to time, the Firm will be presented with investment opportunities that would be suitable not only for one Fund, but also for other Funds or other investment vehicles operated by the Firm or its advisory affiliates. In determining which investment vehicles should participate in such investment opportunities, the Firm and its affiliates are subject to conflicts of interest among the investors in such investment vehicles.

Other Activities. The Firm and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of the Funds, and providing transaction-related, investment advisory, legal, management and other services to the Funds and their portfolio companies. To the extent not prohibited by the governing documents of the applicable Funds, the Firm's personnel who work on behalf of a Fund may also work on behalf of one or more other Funds, and conflicts of interest may arise in allocating management time, services or functions among such entities. It is possible that a Fund will invest in a portfolio company that is or becomes a competitor of a portfolio company of another Fund. Such investment could create a conflict between such Funds.

During the investment period of a Fund, the Firm generally pursues all appropriate investment opportunities exclusively through such Fund, subject to certain limited exceptions set out in such Fund's limited partnership agreement. Following the investment period of a Fund, the Firm's principals may and likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

The Firm believes that the significant investment of the General Partners and their affiliates in the Funds, as well as each General Partner's Carried Interest, operate to align, to some extent, the interests of each General Partner with the interests of its Fund and the limited partners of such Fund, although a General Partner and its affiliated persons generally have economic interests in other Funds as well and receive Management Fees and Carried Interest relating to other Funds. The other Funds and investments that the Firm and/or its affiliated persons may control or manage may compete with a Fund or portfolio companies acquired by a Fund. Following the investment period of a Fund, the Firm's principals and personnel may, and likely will, focus their investment activities on other opportunities and areas that may or may not be related to such Fund's investments.

Allocation of Investment and Co-Investment Opportunities. The Firm generally assesses whether an investment opportunity is appropriate for a particular Fund based on such Fund's limited partnership agreement, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the relevant Fund's limited partnership agreement, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, cash level (if any), applicable regulatory restrictions, life-cycle and structure. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund may invest together with other Funds in the manner set forth in the relevant Funds' limited partnership agreements. The Firm will determine the allocation of investment opportunities among Funds in a manner that it believes is

fair and equitable, consistent with the Firm's obligations, and may take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, the Firm will determine whether the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and any excess may be offered to one or more potential co-investors, including third parties, as determined in accordance with such Fund's governing documents, any relevant side letters and the Firm's procedures regarding allocation. The Firm intends to first offer co-investment opportunities to investors whose participation reasonably can be expected to provide the relevant Fund or portfolio investment with a strategic advantage. An investor may be considered strategic as a result of, among other considerations, ability to provide strategic benefits in connection with sourcing or consummating the investment opportunity or following consummation of the investment, such as, among other things, operational or similar strategic benefits, committed financing or lending support, certainty or expediency of closing, support in diligence or industry expertise, provision of directors, benefits to the investment in terms of regulatory or tax profile, or otherwise.

Absent such strategic considerations, the Firm may offer co-investment opportunities to one or more of the relevant Fund's limited partners or other third parties and the terms of such co-investment arrangements may differ from the terms of the relevant Fund's limited partnership agreement. The Firm's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: expressed interest in co-investment opportunities; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations; the Firm's perception of the ability of the co-investors to continue to support the investment in the event of subsequent financings; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; and other factors that the Firm considers important in connection with the specific transaction or investment. The General Partners have entered into, and may in the future enter into, side letters with certain limited partners of the Funds (including but not limited to limited partners whose capital commitments meet minimum thresholds established by the relevant General Partner) with respect to co-investment opportunities, and the Firm is consequently obligated, in certain circumstances, to allocate co-investment opportunities to certain of such limited partners. Although a prospective co-investor's willingness to invest in future Funds may be considered by the Firm, it will not be the sole determining factor considered by the Firm in identifying co-investors.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by the Firm or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other Fund limited partners, subject to the co-investment rights granted to certain limited partners in side letters, as described above, and the consideration of the factors set forth above may result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments may receive none. When and to the extent that employees and related persons of the Firm and its affiliates make capital investments in or alongside a Fund, the Firm and its affiliates are subject to conflicting interests in connection with these investments.

The Firm's allocation of co-investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others.

Conflicts may arise when a Fund makes an investment in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a portfolio company in which another Fund has already made an investment. Such Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other Fund. In addition, under certain circumstances (generally when such Fund has invested the maximum amount permitted under its governing documents with respect to such portfolio company), the Firm and/or its related persons may be permitted to invest in a Fund's portfolio company on the same terms and conditions as such Fund.

Where multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by its General Partner in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, the Firm may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, the Firm may be subject to conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances Funds may be prohibited from exercising (or the Firm may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests. The Firm intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness.

Positions with Portfolio Companies. As a result of the Funds' controlling interests in portfolio companies, the Firm and/or its affiliates typically have the right to appoint portfolio company board members, or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members will approve compensation and/or other amounts payable to the Firm and/or its affiliates. Such amounts will be in addition to any Management Fees or Carried Interest paid by a Fund. Although the interests of each Fund and its portfolio companies typically are closely aligned, in certain limited circumstances, actions that may be in the best interest of a portfolio company may not be in the

best interests of the relevant Fund, and vice versa. The Firm's personnel serving on the boards of portfolio companies will consider all relevant facts before coming to a decision or making a recommendation.

Additionally, a portfolio company typically will reimburse the Firm or service providers retained at the Firm's discretion for expenses (including without limitation travel expenses) incurred by the Firm or such service providers in connection with the performance of services for such portfolio company. This subjects the Firm and its affiliates to conflicts of interest because the Funds generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial.

The Firm generally exercises its discretion to recommend to a Fund or to a portfolio company that it contract for services with (i) the Firm or a related person of the Firm (which may include a portfolio company or another Fund), (ii) an entity with which the Firm or its affiliates or current or former members of their personnel have a relationship or from which the Firm or its affiliates or their personnel otherwise derive financial or other benefit or (iii) certain Fund limited partners or their respective affiliates. For example, the Firm may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners of one or more Funds or their respective affiliates that are engaged in lending or related business. This discretion subjects the Firm to conflicts of interest because although the Firm selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, the Firm may have an incentive to recommend the related or other person (including a Fund limited partner) because of its financial or other business interest. There is a possibility that the Firm, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Fund or the Firm), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not the Firm has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time the Firm may cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by the Firm, or co-investors or co-investment vehicles. Such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there can be no assurance that the price at which such transactions are entered into will represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' limited partnership agreements or otherwise in the sole discretion of the Firm, the Firm may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, the Firm may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to a Fund under then-current market conditions. The Firm intends that any such

transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

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

The Firm and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies currently or previously owned by the Funds or other investment vehicles advised by the Firm; conversely, current or former personnel or executives of the Firm and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by the Firm. Similarly, the Firm, its affiliates and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contact of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Funds and/or the Firm and/or its affiliates. The Firm may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company owned by such Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide the Firm information about markets and industries in which the Firm operates (or is contemplating operations) or will provide other services that are beneficial to the Firm. The Firm may have a conflict of interest in making such recommendations, in that the Firm has an incentive to maintain goodwill between itself and the existing and potential portfolio companies of the Funds, while the products or services recommended may not necessarily be the best available to a particular portfolio company or Fund.

Carried Interest and Management Fees. As described in Item 6 of this Brochure, the existence of Carried Interest arrangements could create conflicts of interest between a Fund and its General Partner. Also, because there generally is a fixed investment period after which capital from the limited partners of a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, the Management Fee structure may create an incentive to deploy capital when such Fund's General Partner might not otherwise have done so.

Transfers of Fund Interests. In certain cases, the Firm will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Fund's limited partnership agreement, no

obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, the Firm will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on suitability and other factors similar to those employed in selecting co-investors, and unless required by the relevant limited partnership agreement, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

Group Discount Programs. The Firm expects that it may in the future institute a program under which portfolio companies owned by the Funds would be given the option to participate in purchasing, vendor or similar arrangements with the Firm, its affiliates and/or other portfolio companies. Program participants would expect to receive discounts negotiated with various vendors and service providers on a groupwide basis. The Firm would allocate any fees and/or third-party administration costs for such program among the relevant Funds and/or portfolio companies. The Firm and its affiliates also might participate in the program in exchange for an allocable portion of any such fees and/or costs, and receive similar benefits and discounts as the portfolio companies participating therein. No such amounts would result in additional offsets to the Management Fee. The Firm believes the potential for conflicts relating to such arrangements would be mitigated by the anticipated cost savings to portfolio companies (which would be expected to be to the benefit of the applicable Fund(s)) that would result if the negotiated discount rates for goods and services were discounted relative to those widely available in the market.

ITEM 9 DISCIPLINARY INFORMATION

There are no legal or disciplinary events that are material to a client's or a current or prospective investor's evaluation of the Firm's advisory business or the integrity of the Firm's management.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither the Firm nor any of its management persons is registered, or has an application pending to register with the SEC as a broker-dealer or a registered representative of a broker-dealer. Neither the Firm nor any of its management persons is registered, or has an application pending to register, as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person thereof. The Firm does not recommend or select other investment advisers for the Funds.

As described above, the Firm provides investment advisory services to the Funds. Each of the General Partners serves as general partner to its respective Fund.

When the Firm, through a General Partner, deems it appropriate and consistent with the best interests of a Fund, such General Partner offers limited partners co-investment opportunities. The Firm's policy with respect to co-investment opportunities is guided by what it believes is in each Fund's best interest. The General Partner of a Fund gives priority co-investment rights to limited partners whose capital commitments meet minimum thresholds established by such General Partner. A General Partner or one of its affiliates is permitted to co-invest in a

portfolio investment with a Fund in limited circumstances as permitted under the governing documents of such Fund. The Firm's co-investment allocation procedures are described in detail in Item 8 of this Brochure.

ITEM 11

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

The Firm strives to adhere to the highest industry standards of conduct based on principles of professionalism, integrity, honesty and trust. In seeking to meet these standards, the Firm has adopted a Code of Ethics (the "Code"). The Code incorporates the following general principles that all employees are obligated to uphold:

- employees must at all times place the interests of the Firm's clients first;
- all personal securities transactions must be conducted in a manner consistent with the Code and any actual or potential conflicts of interest or any abuse of an employee's position of trust and responsibility must be avoided;
- employees must not take any inappropriate advantage of their positions;
- information concerning the identity of investments and financial circumstances of the Funds, including the identity of each Fund's investors, must be kept confidential; and
- independence in the investment decision-making process must be maintained at all times.

The Firm has adopted formal policies and procedures relating to insider trading, privacy, "pay to play," anti-money laundering and OFAC regulations, identity theft, and environmental, social and governance matters. Further, the Firm has established policies and procedures to monitor and resolve conflicts with respect to investment opportunities in a manner it deems fair and equitable, including the restrictions placed on personal trading in the Code, as described above. Clients and current and prospective investors are permitted to request a copy of the Code by contacting the Firm at the address or telephone number listed on the first page of this document. As part of the Firm's practice of periodically assessing its policies and procedures, the Firm is in the process of updating its existing policies and procedures in light of the establishment of the Credit Strategy.

The Firm, its affiliates and its employees could give advice or take action for their own accounts that differs from, conflicts with or is adverse to advice given or action taken for clients. Further, instances could arise where the interests of the Firm or one of its affiliates conflicts with the interests of a Fund and its limited partners. The Firm and its affiliates will endeavor to ensure that these conflicts do not work to the detriment of the Funds. If a conflict of interest arises, the related transaction will be presented to the applicable committee of limited partners of the applicable Fund authorized to approve such conflict of interest transaction. Such conflicts include,

among others, purchases and sales of portfolio investments between Funds and related persons, persons affiliated with the Firm and the General Partners and co-investments by such affiliated persons with the Funds.

ITEM 12 BROKERAGE PRACTICES

Although the Funds generally purchase securities in privately negotiated transactions, the Firm from time to time recommends that a Fund purchase publicly traded securities or hold publicly traded securities and use specific brokers and dealers to execute, settle and clear such securities transactions. In the limited circumstances where a Fund purchases or holds publicly traded securities, the Firm seeks to obtain best execution in selecting brokers (including prime brokers) to execute any transaction relating to such public securities.

In selecting brokers (including a prime broker) and negotiating commission rates, the Firm considers, among other things, the ability of the brokers and dealers to effect the transaction, the brokers' or dealers' facilities, reliability and financial responsibility, as well as the provision by the brokers of other services, such as: fund raising, consulting and access to deal flow. Accordingly, the commission rates (or dealer markups and markdowns) charged to a Fund by a broker or dealer in the foregoing circumstances could be higher than those charged by other brokers or dealers who do not offer such services.

Research and Other Soft Dollar Benefits.

The Firm does not receive research or other products or services, other than, in rare cases, execution from a broker-dealer or a third party in connection with a portfolio investment of a Fund involving publicly traded securities.

Brokerage for Client Referrals.

In selecting or recommending broker-dealers, the Firm and its related persons do not receive referrals from any broker-dealer or other third party.

Directed Brokerage.

The Firm, through the General Partners of the Funds, directs the Funds to select broker-dealers, if used.

Order Aggregation.

There are no purchase or sales orders of securities that are aggregated for various client accounts.

ITEM 13 REVIEW OF ACCOUNTS

As discussed above, the Firm provides investment advisory services to Funds primarily with respect to private equity investments. All investments of a Fund are carefully

reviewed by the Firm's investment professionals before they are made. All portfolio investments of a Fund are monitored on a regular basis by the Firm's investment professionals.

The Firm generally provides annual audited financial statements to its clients within 120 days of the applicable client's fiscal year end.

The Firm prepares quarterly and annual written reports for investors regarding each Fund's activities and performance, which include quarterly and annual financial statements. All information is made available to Fund investors through the Firm's password-protected website. In addition, the Firm issues to Fund investors tax reports and audited financial statements concerning their applicable Funds within 90 days of the end of a Fund's fiscal year. Upon request by a Fund investor, the Firm provides such investor with additional information that other investors have not received.

ITEM 14

CLIENT REFERRALS AND OTHER COMPENSATION

The Firm does not receive economic benefits from non-clients for providing investment advice and other advisory services. Neither the Firm nor any related person, directly or indirectly, compensates any person who is not a supervised person, including placement agents, for client referrals.

However, the Firm enters into placement agreements with placement agents (each, a "Placement Agent") and each such agreement, a "Placement Agreement"), pursuant to which a Placement Agent agrees to introduce potential investors to a Fund (other than a Fund that is closed to new capital commitments, such as Veritas Fund III, Veritas Fund IV, Veritas Fund V and Veritas Fund VI). Pursuant to the terms of any such Placement Agreement, each Fund would pay the Placement Agent a placement fee equal to a percentage of the aggregate capital commitments made by each investor introduced to such Fund by the Placement Agent.

ITEM 15

CUSTODY

The Firm is deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting Management Fees from a Fund's account or otherwise withdrawing funds from such account. Account statements related to the clients are sent by qualified custodians to the Firm.

The Firm is subject to Rule 206(4)-2 (the "Custody Rule") under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"). However, the Firm is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all of its investors within 120 days of the end of its fiscal year.

ITEM 16

INVESTMENT DISCRETION

The Firm serves as the management company and provides investment advisory services to each Fund, while the General Partners have authority to implement investment decisions for their respective Fund. The Firm is deemed to have discretionary investment authority with respect to the Funds based on its affiliation with the General Partners. As a general policy, the Firm does not allow clients to place limitations on this authority. Pursuant to the terms of the relevant Fund's limited partnership agreement, however, the Firm and/or its affiliates may enter into side letters with certain limited partners whereby the terms applicable to a limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt out of certain investments for legal, tax, regulatory or other similar reasons. The Firm's investment decisions and advice with respect to each Fund are subject to each Fund's investment objectives and guidelines, as set forth in each Fund's governing documents.

ITEM 17

VOTING CLIENT SECURITIES

The Funds are primarily invested in private companies which do not issue proxies. If a Fund holds publicly traded securities, the public company will issue proxies. The Firm, through the applicable General Partner, exercises the voting decisions with respect to the publicly traded securities held by a Fund. The Firm exercises such decisions in a manner which it believes is in the best interest of the Fund. In compliance with Rule 206(4)-6 under the Advisers Act, the Firm has adopted proxy voting policies and procedures. The general policy is to vote proxy proposals, amendments, consents or resolutions (collectively, "Proxies") in a prudent and diligent manner that will serve the applicable client's best interests and is in line with each client's investment objectives.

The Firm takes into account all relevant factors, as determined by the Firm in its discretion, including, without limitation:

- the impact on the value of the securities;
- the anticipated costs and benefits associated with the proposal;
- the effect on liquidity; and
- customary industry and business practices.

Generally, clients are not permitted to direct the Firm's vote in a particular Proxy solicitation.

Conflicts of interest could arise between the interests of a client, on the one hand, and the Firm or its affiliates, on the other hand. If the Firm determines that it has, or is perceived to have, a conflict of interest when voting Proxies, the Firm will address matters involving such conflicts of interest in accordance with its Proxy voting policies and procedures. Clients or investors are permitted to obtain a copy of the Firm's Proxy voting policies and procedures and its Proxy voting record upon request.

ITEM 18
FINANCIAL INFORMATION

The Firm is not required to provide a balance sheet for its most recent fiscal year, is not aware of any financial condition likely to impair its ability to meet contractual commitments to clients, and has not been the subject of a bankruptcy petition at any time during the past ten years.

ITEM 19
REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.