



Form ADV, Part 2A: Brochure

Riverwood Capital Management L.P.

70 Willow Road, Suite 100
Menlo Park, CA 94025
(650) 618-7300
investor_relations@rwcm.com
<http://riverwoodcapital.com>

This Brochure provides information about the qualifications and business practices of Riverwood Capital Management L.P. ("Riverwood" or the "Firm"). If you have any questions about the contents of this Brochure, please contact us at (650) 618-7300. 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 is also available on the SEC's website at <http://www.adviserinfo.sec.gov>.

An investment adviser's registration with the SEC does not imply a certain level of skill or training.

March 30, 2022

Item 2: Material Changes

This Brochure, dated March 30, 2022, has been prepared by Riverwood as an amendment to the prior version of this Brochure dated October 8, 2021 (the “Last Brochure”). Prior to that, the last annual amendment was on March 31, 2021 (the “Last Annual Brochure”). Since the Last Annual Brochure, Item 4 has been amended to reflect the two principal owners of the Firm: Francisco Alvarez-Demalde and Jeffrey Parks.

This Brochure also contains enhanced disclosure updates, including in Items 5, 8 and 11.

Item 3: Table of Contents

Item 2: Material Changes	2
Item 3: Table of Contents.....	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation.....	4
Item 6: Performance-Based Fees and Side-By-Side Management	8
Item 7: Types of clients	8
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	9
1. Investment Strategy and Methods of Analysis	9
2. Risk Factors	11
Item 9: Disciplinary Information.....	47
Item 10: Other Financial Industry Activities and Affiliations	47
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading..	48
1. Code of Ethics and Personal Trading	48
2. Participation or Interest in Client Transactions	48
3. Other Conflicts of Interest and Disclosures	49
Item 12: Brokerage Practices	56
Item 13: Review of Accounts.....	56
Item 14: Client Referrals and Other Compensation	56
Item 15: Custody	56
Item 16: Investment Discretion.....	57
Item 17: Voting Client Securities	57
Item 18: Financial Information.....	57
Item 19: Requirements for State-Registered Advisers	57

Item 4: Advisory Business

The Firm advises private pooled investment vehicles. Throughout this Brochure, the Firm's clients are referred to as a "Fund" or the "Funds" and references to "investors" shall mean those Funds' underlying investors.

Interests in the Funds are sold to "accredited investors" and/or "qualified purchasers."¹ Generally, the Funds' investors are institutions and high net worth individuals.

Riverwood was formed in 2008. The principal owners of the Firm are Francisco Alvarez-Demalde and Jeffrey Parks (the "Managing Partners").

The Firm mainly provides discretionary advisory services (along limited non-discretionary services) to private funds that generally seek to make private equity investments in mid-sized technology companies that are scaling at a fast pace or at an inflection point for accelerating growth, with proven technology and profitability or with proven unit economics, not venture stage, primarily in the global technology, technology-enabled and related industries, including businesses in the financial services, consumer and services sectors where the use of software, information and digital technologies and similar fields can contribute to value creation. The Firm may consider investments on behalf of the Funds in other industries in our sole discretion. With very limited exceptions, the Firm's investments are limited to private equity investments.

The Funds may have different investment guidelines.² These guidelines may limit the concentration and geography of the Funds' investments or limit the Funds' investments in certain asset classes. The Firm may further tailor its advisory services to the specific needs of a Fund as may be necessary, appropriate or negotiated from time to time. The Firm does not tailor its advisory services to the specific needs of individual investors.

The Firm does not participate in wrap fee programs.

As of December 31, 2021, the Firm managed \$5,758,321,879 of regulatory assets under management on a discretionary basis and \$140,814,889 of regulatory assets under management on a non-discretionary basis.

Item 5: Fees and Compensation

The Firm is compensated for advisory services by a "management fee" based on capital invested with the Firm and by a share of capital appreciation on the Funds' investments (commonly known as "carried interest"). The carried interest is received by a Fund's general partner, which is an affiliate of the Firm. This compensation is negotiated separately with each Fund.

Annual management fees are generally calculated either as (i) a percentage of a Fund's committed capital during the investment period and thereafter as a percentage of a Fund's

¹ The terms "accredited investor" and "qualified purchaser" are defined in the Securities Act of 1933, as amended, and the Investment Company Act of 1940, as amended. For the purposes of this Brochure, these terms refer to the definitions in these laws. Generally, they refer to high net worth individuals or institutions that can afford to bear the loss of their entire investment with the Firm.

² The investment guidelines of each fund are set forth in that fund's governing documents, including its limited partnership agreement.

invested capital or (ii) a percentage of a Fund's capital contributions during the investment period and thereafter as a percentage of a Fund's invested capital. The management fee payable by a Fund is typically 2%. There are variations in the calculation methodology and fee rate for different Funds. Management fees are generally due quarterly in advance and are deducted from a Fund's account when billed. In the extremely unlikely event that an advisory contract is terminated before the end of a management fee period, the Firm will refund the overpayment of the management fee (computed on the basis of the number of days elapsed).

Carried interest is calculated as a percentage of profits after investors have received a preferred return. Typically, carried interest payable by a Fund is 20% but there are variations in the carried interest rate for different Funds.

A small number of investors in the Funds who are affiliates, employees, and friends and family of the Firm, do not pay management fees and/or carried interest in connection with their investment in the Funds. Additionally, special purpose vehicles or co-investment vehicles that are established by the Firm in order to co-invest alongside another Fund (or Funds) do not pay a management fee or carried interest.

The Firm or members of the Firm receive certain fees from portfolio companies, such as directors' fees, in connection with activities performed on behalf of the Funds. Generally, 100% of such fees paid to the Firm or a member of the Firm as set forth in the applicable fund's governing documents, net of expenses related to the activities leading to the receipt of such fees, will reduce the management fee paid by investors.

The Funds will bear all costs and expenses related to their own operations, which may include fees, costs, expenses, liabilities and obligations relating or attributable to:

- i. activities with respect to the developing, investigating, structuring, organizing, negotiating, financing, refinancing, bidding on, consummating, acquiring, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, settling, taking public or private, selling, valuing, winding up, liquidating or disposing of, as applicable, portfolio companies and actual or prospective portfolio investments or seeking to do any of the foregoing, including, without limitation, any associated financing, legal, accounting, advisory, consulting, commitment, transaction, or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third party diligence software and service providers, consultants and similar professionals (such as Executive Advisors) in connection therewith, and any fees, costs and expenses related to transactions that may have been offered to co-investors, whether or not any contemplated transaction or project is consummated and whether or not such activities are successful;
- ii. legal, tax, accounting, auditing, advisory, consulting, administration (including fees and expenses associated with a fund's third party administrators), appraisal, investment banking, broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement, agent, valuation, certification, research, information, anti-money laundering and other professional or other services;
- iii. brokerage, custodial, depository, trustee, record keeping, accounting, agent and other bank services and other similar services;
- iv. financing, commitment, origination and similar fees and expenses;

- v. borrowings, other indebtedness of or guarantees made by a fund or its general partner on behalf of such fund, including, but not limited to, principal and interest with respect thereto and the arranging or attempted arranging thereof;
- vi. the costs of any (a) litigation, governmental inquiry, investigation or proceeding (including any actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award, settlement or fines entered into in connection therewith), (b) directors and officers liability, errors and omissions liability, general partner liability, liability premiums and other insurance expenses for a fund, its general partner, the Firm and their affiliates and (c) any indemnification or extraordinary expense or liability relating to the affairs of a fund;
- vii. legal and regulatory compliance with U.S. federal, state, local, non-U.S. or other law and regulation related to the activities of a fund (including regulatory expenses of its general partner incurred in connection with the operation of such fund and legal fees and expenses), including, without limitation, reports, disclosures, filings and notifications prepared, distributed or filed in connection therewith (including, without limitation, reports, disclosures, filings and notifications prepared in accordance with the European Union Alternative Investment Fund Managers Directive, the United States Securities Act of 1933, as amended (e.g., Form D), United States Securities Exchange Act of 1934, as amended (e.g., Form 13F, Form 13H, Section 16 filings, Schedule 13D filings and Schedule 13G filings), and the Foreign Account Tax Compliance Act (but excluding, for the avoidance of doubt, costs and expenses incurred by the Firm to comply with the Dodd-Frank Wall Street Reform and Consumer Protection Act and the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”));
- viii. distributions to a fund’s investors and other expenses associated with the acquisition, holding and disposition of a fund’s investments, including extraordinary expenses;
- ix. organizational expenses, which includes out-of-pocket expenses incurred in connection with the organization of a fund, and the marketing and offering of interests in a fund, including without limitation, any related legal and accounting fees and expenses, travel expenses, capital raising expenses, filing fees, printing and document production costs, and other organizational expenses including fees, expenses, or commissions of a placement agent;
- x. expenses of terminating, winding up and dissolving a fund and liquidating the assets of a fund;
- xi. any taxes, fees or other governmental charges levied against a fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of a fund;
- xii. the preparation, distribution or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s or other administrative, informational or similar reports, or other information, including fees and costs of any third-party service providers and professionals related to the foregoing;
- xiii. reverse breakup, termination and other similar fees;
- xiv. filing, title, transfer, registration and other similar fees and expenses;
- xv. printing, communications, marketing and publicity;
- xvi. any activities with respect to protecting the confidential or non-public nature of any information or data, including information related to a fund;

- xvii. amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a fund and any alternative vehicles thereto, including the preparation, distribution and implementation thereof;
- xviii. activities or proceedings of the limited partner advisory board (including any reasonable costs and expenses incurred by representatives of a fund's general partner, members of the limited partner advisory board, permitted observers and other persons in attending or otherwise participating in meetings of the limited partner advisory board);
- xix. expenses for business development related to the development of new investment opportunities (including attending industry conferences), even when such opportunities do not develop into a consummated investment;
- xx. complying with provisions in side letter agreements, including "most favored nations" provisions;
- xxi. annual investor meetings or other periodic, if any, meetings of the investors and any other conference or meeting with any investor, in each case, to the extent incurred by a fund, its general partner or their affiliates;
- xxii. travel costs, including airfare (i.e., first class, business class and/or private air travel), lodging, meals and ground transportation related to any of the expenses described above, including in connection with consummated and unconsummated investment (including any investments that have been offered to co-investors), disposition opportunities and the organization of a fund;
- xxiii. any fees, costs and expenses related to the organization or maintenance of any intermediate entity used to acquire, hold or dispose of one or more investments in portfolio companies or otherwise facilitating the Funds' investment activities; and
- xxiv. other fees, costs, expenses, liabilities or obligations approved by the applicable limited partner advisory board.

Travel costs and expenses incurred on behalf of one or more Funds in connection with a trip taken by employees of the Firm for purposes of multiple matters will be allocated among such matters in a fair and reasonable manner as determined by the Firm.

In the event that the Firm uses a third-party placement agent, unless otherwise prohibited by applicable law, regulation or policy, the management fee to which the Firm is entitled is reduced by 100% of limited partners' pro rata share of any such placement agent fees, expenses or commissions paid by the Funds. Certain investors who are prohibited by law, regulation or policy from paying placement agent fees do not pay any share of a Fund's placement fees and also do not receive any corresponding reduction of their management fees.

To the extent that the Funds incur brokerage fees or other transaction costs, these costs will be borne by the respective Fund. Please see Item 12 for further information regarding the Firm's brokerage procedures.

Generally, costs and expenses are borne pro rata based on committed capital between a fund and its parallel fund(s), and pro rata based on invested capital between a fund and its sidecar fund and a fund and its co-investment fund. However, from time to time, the general partners of the Funds may in good faith determine that it is appropriate to allocate a particular cost or expense equally among funds, or only to a particular fund, parallel fund, sidecar fund or co-

investment fund if such cost or expense relates specifically to such entity and/or the investors in it in accordance with applicable governing documents. When the general partners use their discretion to make non-pro rata allocations, these judgments are made in a manner that they determine to be fair and reasonable. Additionally, they may make corrective allocations should they determine that such corrections are necessary or advisable.

Neither the Firm nor its personnel accept compensation for the sale of securities or other investment products.

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

A general partner of the Funds, which is an affiliate of the Firm, accepts a performance-based fee allocated as a share of capital appreciation of the Funds' assets. This performance-based fee is referred to as "carried interest". The Funds pay carried interest. Carried interest is calculated as a percentage of profits after investors have received a preferred return. However, there are variations in the carried interest rate and calculation methodology for different Funds.

The payment by some Funds of carried interest or the payment of carried interest at varying rates (including varying effective rates based on the past performance of a Fund) may create an incentive for the Firm 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. However, this potential conflict is mitigated by (i) certain limitations on the ability of the Firm to establish new investment funds, (ii) contractual provisions requiring certain funds to purchase and sell investments contemporaneously and/or (iii) contractual provisions and procedures setting forth investment allocation requirements.

In addition, carried interest may create an incentive for the Firm to make riskier or more speculative investments on behalf of a Fund than it would otherwise make in the absence of such performance-based arrangement. However, the Firm's investment professionals have invested material amounts in the Funds, which should reduce this incentive.

Item 7: Types of clients

The Firm provides investment advice to private pooled investment vehicles, which are referred to as "Funds" throughout this Brochure. Investors in the Funds may include institutions, trusts, pension plans, endowments, foundations, other pooled investment vehicles (e.g., funds-of-funds), other corporate or business entities, as well as high net worth individuals. The Funds are neither registered under the Investment Company Act of 1940, as amended (the "Investment Company Act"), nor are their interests registered under the Securities Act of 1933. Accordingly, interests are offered exclusively to investors satisfying the applicable eligibility and suitability requirements either in private placement transactions within the United States or in offshore transactions.

The minimum initial investment varies by Fund, however, generally investors commit a minimum of \$1 to \$10 million. Lesser amounts are accepted at the Firm's discretion.

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

1. Investment Strategy and Methods of Analysis

Riverwood's general strategy is to make private equity investments in high-growth businesses, primarily in the global technology, technology-enabled and related industries, including businesses in the financial services, consumer and services sectors where the use of software, information and digital technologies and similar fields can contribute to value creation. Riverwood may selectively consider investments in other industries where we believe our strategic, financial and global operating experience presents an opportunity to create value.

The Firm's investment professionals seek to thoughtfully identify and evaluate opportunities in growth industries, including the technology and related sector. Following investment, the Firm expects to provide the companies in which it invests (referred to in this Brochure as "portfolio companies") with the resources and guidance needed to execute their growth plan.

Identifying and Sourcing Opportunities

The Firm seeks to invest in companies that have significant opportunities for growth or face strategic or operational issues that can be addressed by the Firm's involvement. The Firm may identify investment themes based on macroeconomic or industry conditions or individual company performance and use these themes to identify prospective portfolio companies.

The Firm utilizes our network of industry contacts to source investment opportunities. The Firm's industry network has been formed through our investment professionals' years of experience operating and advising global technology businesses, extensive personal relationships and interactions with global technology executives and others involved in the technology industry. In order to capitalize on an investment theme, the Firm may take advantage of situations including (but not limited to) carve-outs, spin-offs and divestitures; structured minority and strategic investments; acquisition finance (wherein a portfolio company seeks a private equity investment for capital to make accretive acquisitions); turnarounds; distressed companies; and private and public control buyouts.

Due Diligence

The Firm has a disciplined and rigorous approach to conducting due diligence on prospective portfolio companies. The Firm's due diligence methodology generally includes review of the following factors:

- *Historical Financial Performance.* The Firm typically conducts full management and financial due diligence of prospective portfolio companies. The Firm uses this information to analyze the company's historical growth, margin and cash flow performance. The Firm may use this information to develop insights into the strengths and weaknesses of such companies.
- *Detailed Analysis of Profit Drivers.* The Firm typically examines revenues, profits and cash flow by each business unit to determine what new strategies could be adopted to drive value. These strategies may include, without limitation, geographic expansion, increase of market share and new business lines.

- *Market and Competitive Assessment.* The Firm typically develops a view of the industry sector, including macroeconomic drivers, competitive overview and history. The Firm typically will utilize internal resources, along with outside consultants and other professionals, to make these assessments.
- *Management Evaluation.* The Firm typically conducts site visits and survey customers and suppliers to ensure that portfolio company management meets our standards. The Firm looks for portfolio company management that is open to change and willing to work with it.
- *Technology Evaluation.* The Firm will evaluate the portfolio company's technology and product strategy, including the company's intellectual property and engineering talent as well as the overall design of our products. The Firm will rely on both internal technical skills and, where we deem necessary, on third-party feedback to make this evaluation.
- *Value Creation Plan.* Prior to investment, the Firm typically creates a business plan delineating the company's strategic objectives with a clear action plan.

Working with management, the Firm will seek to be flexible and creative in designing an investment structure to enable and enhance the portfolio company's ability to achieve its business plan. The Firm will typically seek board representation often times with the contractual right to be involved in operational, strategic, financial and governance matters, regardless of ownership stake.

Portfolio Company Involvement

Once an investment has been made, the Firm will typically seek to take an active role in assisting with the realization of the portfolio company's strategic objectives and growth plan. The Firm will typically seek representation on the company's board of directors and will attempt to provide expertise on the management of the company. Where applicable, we will focus on the following aspects:

- *Strategy.* The Firm will seek to stay actively involved in strategic planning efforts after making an investment. We typically will attempt to ensure that immediately following the closing of a transaction, there is a plan in place to address the most significant issues identified in diligence.
- *Technology.* The Firm believes that its investment professionals are well positioned to evaluate a company's technology position and create a technology business plan to attempt to create growth.
- *Operations.* The Firm will attempt to leverage its investment professionals' global operating experience to implement (i) best practices for business and strategic planning, (ii) methods for diagnosing and monitoring key operating activities and (iii) metrics, design of management compensation schemes and human resource management.
- *Executive Recruitment and Evaluation.* The Firm will seek to be actively involved in recruiting and hiring key executive management for portfolio companies where necessary.
- *Interim Management Responsibilities.* The Firm will attempt to be extremely active in any portfolio company that is not meeting expectations, including assuming executive management roles at critical times.

- *Reduce Costs.* The Firm's investment professionals will attempt to improve margins by assisting portfolio company management to implement cost savings through operation and strategic best practices.
- *Capital Structure Design.* The Firm's investment professionals have substantial experience and a broad base of contacts to support the execution of complex financings and to provide leadership on capital structure design.
- *New Business Development.* The Firm will seek to utilize our industry network to assist portfolio companies to establish dialogues with customer prospects.
- *Mergers and Acquisitions.* The Firm will attempt to effect consolidation in order to support strategic objectives. Our investment professionals have extensive experience effecting mergers and acquisitions.
- *Geographic Expansion.* The Firm's investment professionals have substantial international operating experience and relationships to help portfolio companies expand their businesses outside of their home markets.
- *Supply Chain Procurement.* In the past, some of the Firm's investment professionals have experience building supply chains and developing industry standards for low-cost production. We will attempt to utilize this experience to improve operational aspects of our portfolio companies' businesses.

Exit Strategy

The Firm believes that the successful realization of an investment requires an ongoing evaluation of exit strategies, beginning at the due diligence stage. At the time of an investment, our professionals expect to evaluate the alternatives, timing and economic and other considerations associated with various exit strategies. Funds will typically invest with the expectation of holding investments for a four-to six-year period.

2. Risk Factors

Investing in securities involves a risk of loss that investors should be prepared to bear. This section describes certain risks specifically related to the Firm's investment strategy and certain specific types of securities in which the Firm will direct the Funds to invest. It is not a comprehensive list of all risks associated with investments in the securities market or with the Firm's investment strategy. Prospective investors in a Fund should carefully review, in its entirety, the Fund's private placement/offering memorandum and limited partnership agreement (or other applicable governing documents), which include a more complete description of risk factors associated with an investment in such Fund.

No Assurance of Investment Return

The Firm and the Funds cannot provide assurance that they will be able to choose, make and realize investments in any particular company or portfolio of companies. There is no assurance that the Firm will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions in which the Firm intends to invest on behalf of the Funds.

There can be no assurance that expected returns for the Funds will be achieved, or that an investor will receive a return of its capital. An investment in a Fund should only be considered by

persons who can afford a loss of their entire investment. The Funds' investments, by their nature, involve a high degree of financial risk.

Risk of Investment Concentration

The Funds have a concentrated portfolio of investments and, as a consequence, the aggregate return of a Fund may be substantially adversely affected by the unfavorable performance of any single investment. Moreover, since all Fund investments cannot reasonably be expected to perform well or even return capital, for a Fund to achieve above-average returns, one or a few of its investments must perform very well. There can be no assurance that this will be the case. In addition, investors have no assurance as to the degree of diversification of the Firm's investments, either by geographic region, asset type or sector. To the extent the Firm concentrates Fund investments in a particular issuer, industry, security or geographic region, the investments will become more susceptible to fluctuations in value resulting from adverse economic to business conditions with respect thereto.

Technological Innovations

Current trends in the market generally have been toward disrupting a traditional approach to an industry with technological innovation, and multiple young companies have been successful where this trend toward disruption in markets and market practices has been critical to their success. In this period of rapid technological and commercial innovation, new businesses and approaches may be created that could affect the Funds and / or their investments or alter the market practices the Funds' strategies have been designed to function within and depend on for investment return. Any of these new approaches could damage the Funds' investments, significantly disrupt the market in which they operate and subject them to increased competition, which could materially and adversely affect their business, financial condition and results of investments. Additionally, the Firm could base investment decisions on views about the direction or degree of innovation that prove inaccurate and lead to losses.

Future Investment Techniques and Instruments

The Funds may employ new investment techniques or invest in new instruments that the Firm believes will help achieve the Funds' investment objectives, whether or not such investment techniques or instruments are specifically described herein. Such investments may entail risks not described herein. New investment techniques or instruments may not be thoroughly tested in the market before being employed and may have operational or theoretical shortcomings which could result in unsuccessful investments and, ultimately, losses to the Funds. In addition, any new investment technique or instrument developed by the Funds may be more speculative than earlier investment techniques or instruments and may involve material and unanticipated risks that could increase the risk of an investment in the Funds.

Concentration of Investments in Technology Industries

The Firm's investment strategy is to focus on companies primarily in the technology sector. Concentration in a single sector or industry may involve risks greater than those generally associated with more diversified funds, including significant fluctuations in returns. The technology industry is challenged by various factors, including rapid change, evidenced by rapidly

changing market conditions and/or participants, new competing products and/or services, short product life cycles and improvements in existing products. The Funds' portfolio companies will compete in this volatile environment.

There is no assurance that products or services sold by the portfolio companies will not be rendered obsolete or adversely affected by competing products and services or that the portfolio companies will not be adversely affected by other challenges.

Concentration of Investments in Certain Geographic Areas

Certain of the Funds' investments may be concentrated in one or more geographic areas, particularly North America and Latin America. Concentration of investments may involve risks greater than those generally associated with more diversified funds, including significant fluctuations in returns. The aggregate return of such funds may be substantially adversely affected by the unfavorable performance of even a single geographic market. To the extent a Fund concentrates its portfolio investments in a limited number of geographic areas, such Fund will be subject to risks of adverse events or conditions which particularly affect its areas of concentration, and such Fund could be more adversely affected than if its portfolio investments were more diverse as to geographic location. Investors have no assurance as to the degree of diversification in a Fund's investments by geographic region except as limited by the Fund's governing documents.

Reliance on Portfolio Company Management Teams

Each portfolio company's day-to-day operations will be the responsibility of that company's management team. Although the Firm will be responsible for monitoring the performance of each investment and seeks to invest in portfolio companies operated by strong management, there can be no assurance that the existing management team, or any successor, will be able to operate the portfolio company successfully. In addition, the Firm will generally establish the capital structure of companies in which Funds invest on the basis of financial projections for such companies. Projected operating results will normally be based primarily on the judgment of the management of the portfolio company. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General economic conditions, which are not predictable, can have a material adverse impact on the reliability of projections. In the current environment, in light of the unprecedented and widespread implications of COVID-19, the uncertainties around assumptions are heightened substantially beyond what they otherwise might be relative to times of previously experienced market volatility. For example, projections entail assumptions regarding the timing in which the impacts of COVID-19 will begin to dissipate. While the Firm has used, and will continue to use, its good faith judgment based on information available at the time to make these projections, there can be no guarantee that the assumptions will prove to be correct with the benefit of hindsight.

Investments with Third Parties

The Funds may invest with third parties (including through partnerships, joint ventures, co-investment vehicles or other entities), acquiring non-controlling interests in certain portfolio

companies. The Firm may not have control over these portfolio companies and, therefore, may have a limited ability to protect its position therein. Such portfolio investments may involve risks not present in portfolio investments where a third party is not involved, including the possibility that a third party partner or co-investor may have financial difficulties resulting in a negative impact on such portfolio investments, may have economic or business interests or goals which are inconsistent with those of the Firm, or may be in a position to take action contrary to the Firm's investment objectives.

Risks in Effecting Operating Improvements

In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of the Firm to restructure and effect improvements in the operations of a portfolio company. The activity of identifying and implementing operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that the Firm will be able to successfully identify and implement such improvements.

Control Position Risk

The Funds may make investments to acquire control or exercise influence over management and the strategic direction of the portfolio company. Additionally, members of the Firm or its affiliates may serve as directors of portfolio companies in which the Funds invest. The exercise of control over a portfolio company through a control position, or the service of a member of the Firm or its affiliates as a director of such company, could (i) expose the assets of the Funds to claims by such company, its security holders and creditors or (ii) impose additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability in which the limited liability generally characteristic of business operations may be ignored. If these liabilities were to occur, the applicable Fund(s), directly, and the applicable investors, indirectly, would likely suffer losses in their investments. In general, the Funds will indemnify the Firm, its members, officers, employees, and affiliates for such claims.

Minority Investments

The Funds may invest in minority positions of portfolio companies and in portfolio companies for which the Firm has no right to exert significant influence. In such cases, the Firm will be significantly reliant on the existing management and board of directors of such companies, which may include representatives of other investors with whom the Firm is not affiliated and whose interests may conflict with the interests of the Funds.

Investments in Smaller or Less Established Companies

The Firm may invest a portion of the Funds' assets in the securities of smaller or less established companies. Portfolio investments in such smaller or less established companies may involve greater risks than generally are associated with investments in larger or more established companies. To the extent there is any public market for the securities held by the Funds, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Smaller or less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure.

Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. Early stage enterprises usually do not have significant or any operating revenues, and any such investment should be considered highly speculative and may result in the loss of a Fund's entire investment therein. The foregoing factors also increase the difficulty of valuing such investments. In addition, there can be no assurance that any such losses will be offset by gains (if any) realized on a Fund's other investments.

Middle-Market Companies

The Funds may invest in small and/or less well-established companies. While smaller companies generally have potential for rapid growth, they often involve higher risks because they lack the management experience, financial resources, product diversification, and competitive strength of larger corporations. In addition, in many instances, the frequency and volume of their trading is substantially less than is typical of larger companies. As a result, the securities of smaller companies may be subject to wider price fluctuations. In addition, due to thin trading in some of those securities, an investment in those securities may be less liquid than an investment in many larger capitalization stocks. When making large dispositions, a Fund may have to sell portfolio holdings at discounts from quoted prices or may have to make a series of small sales over an extended period of time due to the trading volume of smaller company securities.

Investments in Private Companies

The Funds are expected to invest in large part in privately held companies, which increases the risk of investing in such funds. These companies will sometimes be smaller in scale and less capitalized than larger, more established businesses, and therefore particularly susceptible to economic downturns. These companies frequently have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. There may not be as much information publicly available about these companies as would be available for public companies and such information may not be of the same quality. In addition, privately-held companies may have higher degrees of managerial risk due to a dependence upon a smaller number of managers. For these reasons, investments in private companies involve a high degree of risk and uncertainty, and therefore may cause the Funds to incur losses.

Convertible Securities

The Funds may invest in convertible securities, which are bonds, debentures, notes, preferred stock or other securities that may be converted into or exchanged for a specified amount of common stock of the same or a different issuer within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. The ability of a portfolio company to pay a dividend is limited to the extent that the portfolio company does not have sufficient legally available funds for distribution. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields

than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its “investment value” (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its “conversion value” (the security’s worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible security’s investment value. The conversion value of a convertible security is largely determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity. A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument. If a convertible security held by a Fund is called for redemption, such Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on a Fund’s ability to achieve its investment objective.

Warrants

The Funds may receive or invest in warrants or rights. Warrants and rights generally give the holder the right to receive, upon exercise, a security of the issuer at a stated price. Risks associated with the use of warrants and rights are generally similar to risks associated with the use of options. Unlike most options, however, warrants and rights are issued in specific amounts, and warrants generally have longer terms than options. Warrants and rights are not likely to be as liquid as exchange-traded options backed by a recognized clearing agency. In addition, the terms of warrants or rights may limit the Funds’ ability to exercise the warrants or rights at such time, or in such quantities, as the Funds would otherwise wish.

Debt Securities

A Fund may invest in debt securities of existing or new portfolio companies in instances. Debt securities are subject to creditor risks, including the possible invalidation of an investment transaction as a “fraudulent conveyance” under relevant creditors’ rights laws and so-called lender liability claims by the issuer of the obligations. Further, the laws with respect to creditors and other investors in non-U.S. jurisdictions may not be as comprehensive or as well developed as in the United States, and the procedures for the judicial or other enforcement of such rights may not be as effective as in the United States. Additionally, adverse credit events with respect to any portfolio company, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership or distressed exchange, can significantly diminish the value of a Fund’s

investment in any such company. A Fund's investments may 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 such fund earlier than expected. In addition, depending on fluctuations of the equity markets, warrants and other equity securities may become worthless. Accordingly, there can be no assurance that a Fund's rate of return objectives will be realized. Any secured debt is secured only to the extent of its lien and only to the extent of underlying assets or incremental proceeds on already secured assets. Moreover, underlying assets are subject to credit, liquidity and interest rate risk. Although the amount and characteristics of underlying assets selected as collateral may allow a Fund to withstand certain assumed deficiencies in payments occasioned by an issuer's default, if any deficiencies exceed such assumed levels or if underlying assets are sold it is possible that the proceeds of such sale or disposition will not be equal to the amount of principal and interest owing to such Fund in respect to its investment. Any subordinated investments of a Fund will be subordinated to the senior obligations of an issuer. In addition, many of the remedies available to subordinated holders are available only after satisfaction of claims of senior creditors. Any such subordinated investments may be characterized by greater credit risks than those associated with the senior obligations of the same issuer. Adverse changes in the financial condition of an issuer or in general economic conditions (or both) may impair the ability of such issuer to make payments on the subordinated securities and result in defaults on and declines in the value of such securities more quickly than in the case of the senior obligations of such issuer.

Additional Capital

The companies in which the Funds invest from time to time require or would benefit from additional financing to satisfy their working capital requirements, business development strategies or other business objectives. The amount of such additional financing needed will depend upon a number of factors including the maturity and objectives of the particular portfolio company. Each such round of financing (whether from a fund or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone or the envisioned objective. If the funds provided are not sufficient, a portfolio company may have to raise additional capital at a price unfavorable to the existing investors, including a Fund. A Fund may make additional equity and/or debt investments or exercise warrants, options, or convertible securities that were acquired in the initial investment in such a portfolio company in order to preserve its proportionate ownership when a subsequent financing is planned, or to protect its investment when such portfolio company's performance does not meet expectations. Conversely, a Fund may elect not to make an additional equity and/or debt investment even where it has available funds, based on our business judgment, for example, regarding the long-term prospects of the portfolio company. To the extent a portfolio company receives additional funding in subsequent financings and such Fund(s) does not participate in such additional financing rounds, the equity interests of such Fund(s) in such portfolio company will be diluted. The availability of capital is generally a function of market conditions that are beyond the control of a Fund or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary or optimal for success or that additional funds will be available from any source or at terms that are acceptable to the Fund and/or the portfolio company. Accordingly, it is possible that one or

more of the portfolio companies of the Funds will be unable to raise additional financing, resulting in a loss for such fund and a negative impact on returns to limited partners of such Fund.

Highly Competitive Market for Investments

The business of identifying, negotiating, acquiring, monitoring, managing, and selling investments that fall within a Fund's investment objective is highly competitive, involves a high degree of uncertainty and will be subject to market conditions. The Funds are expected to encounter competition from other persons or entities with similar investment objectives. The Funds may be unable to find a sufficient number of attractive investments to meet its investment objectives. There can, therefore, be no assurance that investments of the Funds will meet all the investment objectives of the Funds, or that the Funds will be able to invest all of its available capital. Certain types of investments may not be available to the Funds on terms that are as attractive as the terms on which opportunities were available to predecessor funds. Potential competitors include, but are not limited to, strategic industry acquirers, other investment partnerships and corporations, business development companies and other financial investors, including hedge funds, investing directly or through affiliates. Further, over the past several years, an increasing number of venture capital funds, private equity funds and hedge funds have been or are being formed (and many such existing funds have grown in size). Additional funds with similar investment objectives may be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial resources, a greater willingness to take on risk, and more personnel than the Firm. It is possible that competition for appropriate investment opportunities may increase, which may also require the Funds to participate in auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to the Funds and/or adversely affecting the terms upon which investments can be made. Participating in auctions will also increase the pressure on the Funds with respect to pricing of a transaction. For example, given the increasingly more competitive environment, the Firm has found it more difficult to obtain buyer-favorable terms in a transaction, such as receiving an indemnification by the seller for a breach of representations or warranties, the ability to terminate a transaction if financing sources become unavailable or unwilling to fund, or the ability to terminate the transaction if there has been a material adverse change in the company's business prior to closing of the investment. In addition, the Firm has found competitors for investment opportunities are willing to offer seller-favorable terms in a transaction, such as providing a "reverse break-up fee" and fund level guarantees. In the event a financing-related closing condition is not available to the Funds or if the Funds are required to provide a reverse break-up fee or guarantee in connection with a potential investment, the Funds may become obligated to consummate a transaction on less favorable terms or may be required to fund the reverse break-up or similar fee in connection with a potential investment that is not made.

Illiquid and Long-Term Investments

It is anticipated there will be a significant period of time before a Fund will have completed its investments in portfolio companies. Investments in private companies are currently expected by the Firm to take several years from the date of initial investment to reach a state of maturity when realization of the investment can be achieved. Transaction structures typically will not

provide for liquidity of a Fund's investment prior to that time. In light of the foregoing, it is likely that no significant return from the disposition of a Fund's private company investments will occur until three and possibly ten or more years from the date of closing of such Fund. Generally, there will be no readily available market for the private company investments of the Funds. Dispositions of such investments may require a lengthy time period and could result in distributions in kind to investors. The Funds will generally not be able to sell the securities of its private company investments unless the sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available.

In addition, since a Fund may take large ownership positions in portfolio companies, even after the securities are saleable, it may take a significant period of time for them to be sold or distributed in an orderly manner during which time profit could have otherwise been realized or loss avoided. In some cases, the Funds may be prohibited by securities laws or by contract from selling portfolio company securities for a period of time. The market prices, if any, of such investments tend to be volatile and the Funds may not be able to sell such investments when it desires or, upon sale, to realize what it perceives to be their fair value. Even if a Fund holds publicly traded securities, such Fund's position may represent a significant portion of the outstanding public float of a particular company, creating a degree of illiquidity in the event that such Fund wished to, or was required to, dispose of or reduce its position in such company by selling shares into the market. Dispositions of such investments may require a lengthy time period or may result in distributions in kind to the investors. In the event that a Fund acquires control positions in certain companies or acquires an interest in certain companies where officers or employees of the Firm serve as directors, the filing of various forms required by Section 16(b) of the Securities Exchange Act of 1934, as amended, as part of the process of selling shares owned by a Fund may impact negatively the price of the shares that can be obtained by such Fund. Additionally, in the case where members, officers, employees, or affiliates of the Firm serve as directors of such portfolio companies, the Funds' ability to freely sell its shares in such portfolio company may be restricted due to the company's trading policies.

Valuation of Portfolio Investments and Interests

There is no established market for private fund interests and there may not be any comparable companies for which public market valuations exist comparable to one or more portfolio companies. Because there is significant uncertainty as to the valuation of illiquid investments, the values of such investments may not necessarily reflect the values that could actually be realized by the Funds. Under certain conditions the Funds may be forced to sell portfolio investments at lower prices than it had expected to realize or defer—potentially for a considerable period of time—sales that it had planned to make. In addition, under limited circumstances, the Firm may not have access to all material information relevant to a valuation analysis with respect to a portfolio investment. As a result, the valuation of the Funds' portfolio investments, and as a result the valuation of the interests themselves, may be based on imperfect information and is subject to inherent uncertainties.

Investments Longer than Term

The Funds may make investments which may not be advantageously disposed of prior to the date that the Funds' investment program is scheduled to end. Although the Firm expects that

investments will be disposed of prior to this date or be suitable for in-kind distribution at this date, under certain circumstances funds may have to sell, distribute or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time. Additionally, the Firm may make follow-on investments or capital calls for expenses and/or borrowings after the expiration of a fund's term and/or may delay liquidation of a Fund's portfolio investments if the general partner determines that such decisions would better maximize the value of the Fund's investments. In addition, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the investors will occur.

Investments in Restructurings

The Funds may make investments in restructurings that involve portfolio companies that are experiencing or are expected to experience financial difficulties. These financial difficulties may never be overcome and may cause such portfolio companies to become subject to bankruptcy proceedings. Such investments could, in certain circumstances, subject the Funds to certain additional potential liabilities that may exceed the value of the Funds' original investments therein.

Speculative Nature of Investments in Distressed Debt

The Funds may from time to time invest in distressed debt securities and instruments. Companies experiencing financial distress are often those operating at a loss or with substantial variations in operating results from period to period. Investments in distressed debt securities and instruments are inherently speculative and are subject to a high degree of risk.

Benchmark Reform and the Impact on LIBOR and other Interest Rate Benchmarks.

The London Interbank Offered Rate (known as "LIBOR") has historically been a commonly used reference rate in global financial markets. A major shift is underway to transition from LIBOR to alternative near Risk-Free-Rates ("RFRs"). Similar reforms are taking place in the context of other interest rate benchmarks based on interbank lending (in addition to LIBOR, "IBORs").

From January 1, 2022, all sterling, euro, Swiss franc and Japanese yen LIBOR settings, and the 1-week and 2-month U.S. dollar LIBOR settings ceased to be available.

Six sterling and yen LIBOR settings (1-, 3-, and 6-month) will continue for the duration of 2022 but calculated in a way that does not rely on submissions from panel banks, and instead based on RFRs ("synthetic" LIBOR). There is a restriction on the new use of synthetic LIBOR which is intended for so-called 'legacy' contracts.

The remaining U.S. dollar LIBOR settings are expected to cease after June 30, 2023 but with restrictions on new use until then. It is not clear whether the continuing U.S. dollar LIBOR settings will operate on a synthetic basis for a period when the U.S. dollar LIBOR panel ends in June 2023.

It is not possible to predict with certainty the overall effect of LIBOR reform, but the discontinuance of LIBOR and the transition to RFRs continues to pose a number of risks.

Where it is not possible to amend an existing LIBOR exposure to the relevant RFR (a process known as "remediation"), by the time the relevant rate ceases to be published, is declared

unrepresentative by the FCA, or where applicable, synthetic LIBOR is no longer published, that asset is unlikely to function or perform as originally intended, its price may be negatively impacted or value transferred, and it may become illiquid and hard to value. It may not be possible to remediate certain assets from LIBOR to the new RFRs, or to transition a hedge and its underlying position at the same time, causing a mismatch or “basis risk”. Remediation is likely to be particularly difficult for assets issued to multiple investors or with high consent thresholds to amend the rate. Delays or failures in obtaining investor or counterparty consent, or regulatory approval, may adversely impact transition.

Remediation from LIBOR to RFRs may lead to a Fund paying more or receiving less on an asset than if it had remained a LIBOR-referencing asset. Spread adjustments applied to RFRs to reflect the historical difference in performance with LIBOR are rough proxies and will not perfectly match the performance of the relevant LIBOR rate it replaces, meaning that some economic impact is inevitable. Borrowing costs under financing arrangements could be impacted where RFRs or other interest rates are used (directly or indirectly) instead of LIBOR. Interest on instruments which reference an RFR is only capable of being determined at the end of the relevant interest period and just prior to the relevant interest payment date. This may make it harder to reliably estimate the amount of interest that will be payable on such instruments.

Some of the RFRs are relatively new interest rate benchmarks compared to LIBOR and how these rates, and any adjustment spreads, will perform in stressed market conditions or over longer time periods is not well established. Industry and market solutions for transition from LIBOR to RFRs across different asset classes and currencies are not aligned and are have progressed at different rates. If remediation alters the legal, commercial, tax, accounting or other economic outcome of the relevant trade(s), including as between a trade and its hedge, there is a risk of detriment to the relevant Fund and consequently to its investors. For new investments, including where an existing LIBOR-referencing asset is sold and replaced with an RFR-referencing asset during transition, the market in the relevant RFR-referencing asset may lack liquidity and/or price transparency, particularly when compared with historical LIBOR volumes. Certain other IBORs are affected by global benchmark reforms. The timings for transition from such rates vary but the broad risks set out in this section apply generally to those affected interest rate benchmarks

Non-U.S. Investments

The Funds make investments outside of the United States. In addition, the Funds may invest in companies that are organized, headquartered or principally operated in the United States that have material subsidiaries or operations in, material sales to or other material exposure to foreign countries. portfolio investments in and/or other material exposure to foreign countries securities involve certain risk factors not typically associated with investing in U.S. securities or instruments, including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which the Funds’ foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) exposure to fluctuations in interest rates payable with respect to the instruments in which the Funds invest; (iii) differences between the U.S. and foreign investment markets, including potentially greater price fluctuations and market volatility and also relative lack of liquidity of some foreign markets; (iv) different

accounting, auditing and financial reporting standards, practices and disclosure requirements compared to those applicable to U.S. companies; (v) varying levels of government supervision and regulation; (vi) higher rates of inflation; (vii) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (viii) controls on, and changes in controls on, non-U.S. investment and limitations on repatriation of invested capital and on the Funds' ability to exchange local currencies for U.S. dollars; (ix) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, political hostility to investments by foreign or private equity investors, the risks of political, economic, or social instability, including the risk of sovereign defaults, and the possibility of expropriation or confiscatory taxation; (x) the possible imposition of foreign taxes on income and gains recognized with respect to such investments; (xi) less developed corporate laws regarding creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors; (xii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; and (xiii) less publicly available information. Additionally, the legal systems of some non-U.S. countries lack transparency or could limit the protections available to foreign investors, and the Funds' investments may be subject to nationalization and confiscation without fair compensation. Furthermore, political and social instability in the countries in which the Funds invest could adversely affect the Funds' investments in such countries. Such instability could result from, among other things, popular unrest associated with demands for improved political, economic, and social conditions and popular unrest in opposition to government policies that facilitate direct foreign investment. Governments of certain of these countries have exercised and continue to exercise substantial influence over many aspects of the private sector. In addition, in some countries there is greater acceptance than in the United States of government involvement in commercial activities, and corruption. The Funds generally do not intend to obtain political risk insurance. Accordingly, government actions in the future could have a significant effect on economic conditions in such countries, which could affect private sector companies and the return from investments. Exchange control regulations, expropriation, confiscatory taxation, nationalization, restrictions on repatriation of capital, renunciation of foreign debt, political, economic or social instability, or other economic or political developments could adversely affect the assets of the Funds held in a particular country.

Accounting, auditing, financial and other reporting standards, practices and disclosure requirements in certain of the countries in which the Funds may invest are not equivalent to those in the United States and certain Western European countries and may differ in fundamental ways. Accordingly, information available to the Funds, including both general economic and commercial information and information concerning specific enterprises or assets, may be less reliable and less detailed than information available in more economically sophisticated countries and less information may be available to investors. In addition, in certain instances, the Funds may not have access to all available information to determine fully the origination, credit appraisal and underwriting practices utilized with respect to the investments or the manner in which the investments have been operated. As a result, the Funds' due diligence activities may provide less information than due diligence reviews conducted in more developed countries. The lower standards of due diligence in certain countries will increase the risk related

to the portfolio investments in these countries. While the Funds will endeavor to conduct appropriate due diligence in connection with each portfolio investment, no guarantee can be given that they will obtain the information or assurances that an investor in a more sophisticated economy would obtain before proceeding with a portfolio investment.

Cryptocurrencies

While the Funds will not make an investment in any Cryptocurrency (as defined below) for speculative purposes, the Funds may invest in a person or entity that (i) holds Cryptocurrencies, (ii) uses Cryptocurrencies as a currency in which business is transacted, (iii) utilizes blockchain technology to further part of its operations or (iv) acts as an investment adviser, investment manager or in a similar capacity to investment vehicles or clients that make such investments, which represent a speculative investment and involve a high degree of risk. The Funds may also invest in a person or entity that provides software or other products or services to persons or entities described in clauses (i)-(iv) in the preceding sentence. “Cryptocurrency” means an unregulated digital representation of money, which is neither issued by a central bank or a public authority, nor necessarily attached to a fiat currency, but is used and accepted among the members of a specific virtual community as a means of payment that can be transferred, stored or traded electronically. As relatively new products and technologies, Cryptocurrencies have not been widely adopted as a means of payment for goods and services by major retail and commercial outlets. Conversely, a significant portion of the demand for Cryptocurrencies is generated by speculators and investors seeking to profit from the short or long-term holding of Cryptocurrencies. Many Cryptocurrencies will derive their speculative value from the perceived usefulness of the blockchain networks they are attached to as many are designed to be consumed in transactions that record data or provide access to certain functionality on these networks. The relative lack of acceptance of Cryptocurrencies beyond their own blockchain network in the retail and commercial marketplace limits the ability of end-users to pay for other goods and services with Cryptocurrencies. A lack of expansion by Cryptocurrencies or use of their underlying blockchain networks into retail and commercial markets, or a contraction of such use, may result in increased volatility. Several factors may affect the price of Cryptocurrencies, including, but not limited to: supply and demand, investors’ expectations with respect to the rate of inflation, interest rates, currency exchange rates or future regulatory measures (if any) that restrict the trading of Cryptocurrencies or the use of Cryptocurrencies as a form of payment. There is no assurance that Cryptocurrencies will maintain their long-term value in terms of purchasing power in the future, or that acceptance of Cryptocurrency payments by mainstream retail merchants and commercial businesses will grow. A Cryptocurrency is usually an asset attached to a blockchain network secured by cryptographic authentication, and is created, issued, transmitted and stored according to protocols run by computers in a blockchain network. Some blockchain networks are further interdependent on other blockchain networks whose attached Cryptocurrency may have limited to no interoperability but where changes to the protocol may adversely affect some or all interdependent blockchain networks. It is possible these protocols have undiscovered flaws which could result in the loss of some or all assets held by the Funds. There may also be network scale attacks against these protocols which result in the loss of some or all of assets held by the Funds. Some assets held by the Funds may be created, issued or transmitted using experimental cryptography which could have underlying flaws. The Funds

makes no guarantees about the reliability of the cryptography used to create, issue or transmit assets held by the Funds. It may be illegal, now or in the future, to own, hold, sell or use Cryptocurrencies in one or more countries, including the United States. Although currently some uses of Cryptocurrencies, and the operation of the underlying blockchain networks, may not be regulated or may be lightly regulated in most countries, including the United States, one or more countries may take further regulatory action in the future to severely restrict the right to acquire, own, hold, sell or use Cryptocurrencies or to exchange Cryptocurrencies for fiat currency.

Economic, Political and Social Risks

Certain countries have in the past, and may in the future, experience religious, political and social instability that could adversely affect the Funds. Such instability could result from, among other things, popular unrest associated with demands for improved political, economic, or social conditions or government policies. Governments of many countries have exercised and continue to exercise substantial influence over many aspects of the private sector, and certain industries may be subject to significant government regulation. Additionally, exchange control regulations, expropriation, confiscatory taxation or the imposition of withholding or other taxes on dividends, interest, capital gains, other income, or gross sale or disposition proceeds, nationalization, restrictions on foreign capital inflows, repatriation of investment income or capital, renunciation of foreign debt, political, economic or social instability, or other economic or political developments could adversely affect the assets of the Funds. Additionally, the availability of attractive investment opportunities for the Funds is expected to depend in part on governments in certain countries maintaining, or continuing to liberalize, their policies regarding foreign investment and, in some cases, to further encourage private sector initiatives. In addition, countries may be in the initial stages of their industrial development and have a lower per capita gross national product or a low income economy as compared to the more developed economies. Markets for investments in such countries are not as developed and may be less liquid than markets in more developed countries. Portfolio investments in companies domiciled in emerging market countries may be subject to potentially higher risks as compared to the average among investments in more developed countries. Additionally, the Funds may be less influential than other market participants in jurisdictions where it or the Firm does not have a significant presence.

Regional Risk; Interdependence of Markets

Economic problems in a single country are increasingly affecting other markets and economies. A continuation of this trend could result in problems in one country adversely affecting regional and even global economic conditions and markets. The market and the economy of a particular country in which the Funds invest are influenced by economic and market conditions in other countries in the same region or elsewhere in the world. For example, financial turmoil in certain countries in the Asia Pacific region in the late 1990's adversely affected Asian economies generally. Similarly, concerns about the fiscal stability and growth prospects of certain European countries in the last economic downturn had a negative impact on most economies of the Eurozone and global markets. A repeat of either of these crises or the occurrence of similar crises in the future could cause increased volatility in the economies and financial markets of countries throughout a region, or even globally.

Currency and Exchange Rate Risks

A portion of the Funds' portfolio investments, and the income received by the Funds with respect to such portfolio investments, are denominated in currencies other than U.S. dollars. However, the books of the Funds will be maintained, and contributions to and distributions from the Funds generally will be made, in U.S. dollars. Accordingly, changes in currency exchange rates may adversely affect the dollar value of portfolio investments and the amounts of distributions, if any, to be made by the Funds. In addition, Funds will incur costs and execution risk when converting portfolio investment proceeds from one currency to another. From time to time, the Firm enters into hedging transactions designed to reduce such currency risks, but it does not expect to eliminate the Funds' exposure to exchange rate fluctuations.

U.S. Dollar Denomination of Interests

The Funds' interests are denominated in U.S. dollars. Investors subscribing for the interests in any country in which U.S. dollars are not the local currency should note that changes in the rate of exchange between the U.S. dollar and such currency may have an adverse effect on the value, price, or income of the investment to such investors. In addition, rapid changes in inflation could have a material adverse effect on the performance of the Funds. The fees, costs and expenses incurred by an investor in converting its local currency to U.S. dollars (if applicable) in order to meet capital calls will be borne solely by such investor and will be in addition to the amounts required by such capital calls (and will not be part of or otherwise reduce such investor's unpaid capital commitment).

Investments in Latin America

The Funds make investments in Latin America. Investments in Latin America may be subject to factors that are not associated with investing in more developed and stable markets, including, but not limited to, interest rate fluctuations, inflation, currency depreciation, availability of financing, changes to the legal environment on both the federal and local level and the distinctive economic, political and regulatory environment in such markets. Participation in investments in Latin America is suitable only for investors capable of understanding the specific risks involved and able to bear any potential economic loss.

Certain of the Latin American countries in which a Fund may invest have experienced a dramatic political and social transformation from an authoritarian state, including military rule, to a more democratic state with a market-based economy. Some of these countries have made this transition as recently as in the past few decades. Because of the scale of political and economic change, these countries may be more susceptible to unrest arising from economic hardship, uneven distribution of wealth, discontent with privatization, social and ethnic instability, reform of the social welfare system and public subsidies and the lack of an effective social safety net. Many of the Latin American countries in which a Fund may invest have experienced hyperinflation or substantial rates of inflation in the past, accompanied by high interest rates. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and financial and securities markets of these countries.

Certain of the Latin American countries in which a Fund may invest have in the past, and may in the future, be subject to significant economic, political, regulatory and social risks. The

governments of certain of these countries have exercised and may continue to exercise substantial influence over aspects of the private sector. Capital markets, often opaque, can be highly regulated and will likely be subject to continuing government restrictions. The availability of investment opportunities for a Fund depends in part on governments continuing to follow liberalized policies regarding foreign investments and to encourage private sector initiatives. The governments of certain Latin American countries have enacted reforms lessening state control over the economic system and have made efforts to move towards a more market-oriented economy. This process has resulted in economic dislocations leading in the past, in some cases, to severe inflation, currency depreciation and lower production, which in turn have caused the governments in certain markets to re-evaluate the nature and pace of market reforms. There can be no assurance that these reforms will continue or, if continued, will be successful. Furthermore, there can be no assurance that the process will not be reversed. The governments of certain of the Latin American countries in which a Fund may invest have controlled in the past, and may control going forward, in varying degrees, the repatriation of capital and profits that result from foreign investment. There can be no assurance that a Fund will be permitted to repatriate capital or profits, if any, from these countries.

Accounting, auditing and financial reporting standards in certain Latin American countries do not necessarily conform to the standards in the United States, which may result in less reliable and less detailed information than investors expect in countries with more developed market economies and regulation. The quality and reliability of official data published by governments in certain Latin American countries may be below international standards. A Fund may be required to make investment decisions and valuations on the basis of information that will be less complete and less reliable than customarily available elsewhere. A Fund may have difficulty in successfully pursuing certain claims as the effectiveness of the judicial systems in certain Latin American countries may be low or vary, particularly as compared to the judicial system of the United States and other more developed countries.

Use of Leverage

While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a higher degree of risk. Fund investments may involve varying degrees of leverage, as a result of which recessions, operating problems and other general business and economic risks (as well as particular risks associated with investing in technology companies described above) may have a more pronounced effect on the profitability or survival of such companies. Moreover, any rise in interest rates may significantly increase a portfolio company's interest expense, causing losses and/or the inability to service debt levels. If a portfolio company cannot generate adequate cash flow to meet debt obligations, a Fund may suffer a partial or total loss of capital invested in the company. The Firm may also obtain leverage at the fund level on a deal by deal basis. Although borrowings by Funds have the potential to enhance overall returns that exceed a Fund's cost of funds, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the Fund's cost of funds, and the Fund may be forced to withhold distributions in order to repay such borrowings. In addition, borrowings by a Fund may be secured by the Fund's capital as well as by the Fund's assets.

Intellectual Property

Companies in the technology, technology-enabled, and other growth industries are often highly dependent upon intellectual property. Accordingly, an investment in a Fund involves a higher level of risks than an investment that is diversified across sectors that are less dependent upon intellectual property value. A Fund may be dependent upon the value of its portfolio companies' intellectual property. Portfolio companies may incur substantial costs to protect intellectual property, including litigation to enforce intellectual property rights and defend against intellectual property violation claims from other companies. Litigation involves a high degree of uncertainty. If the portfolio companies are unable to protect the value of their intellectual property or are found to violate other companies' intellectual property rights, or incur substantial legal costs, the value of the portfolio investments could be materially impaired, and a Fund could incur losses.

Bridge Financings

From time to time, the Funds may lend capital to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other refinancing or syndication. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always within the Firm'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 the Funds.

Capital Calls

Capital calls will be issued by the general partner of each Fund from time to time in the discretion of such general partner, based upon its assessment of the needs and opportunities of such Fund. To satisfy such capital calls, investors may need to maintain a substantial portion of their capital commitment in assets that can be readily converted to cash. Except as specifically set forth in the governing documents of a Fund, each limited partner's obligation to satisfy capital calls will be unconditional. A limited partner's obligation to satisfy capital calls will not in any manner be contingent upon the performance or prospects of the applicable fund or upon any assessment thereof provided by the general partner thereof. Capital call notices may not provide all of the information an investor desires in a particular circumstance, and such information may not be made available and will not be a condition precedent for a limited partner to meet its funding obligation. Additionally, and notwithstanding the foregoing, the general partner will not be obligated to call 100% of the limited partner's capital commitment during a Fund's term. Even if a capital call is issued, in the event that the general partner of a Fund determines that a proposed portfolio investment will not be consummated or that capital contributions are not applied to a portfolio investment for any reason after a period of time as set forth in the governing documents of such Fund, the general partner will refund to the partners the unapplied amounts without interest and such amounts are treated as never having been contributed. If one or more investors are unable to make, or are contractually excused from making, their capital calls on any one investment, the capital call of the other investors will increase accordingly, possibly materially. The fees, costs and expenses incurred by a limited partner in order to meet capital calls (whether

it is bank fees, wire fees, value-added tax or other applicable charge imposed on a limited partner) will be borne solely by such limited partner.

Recycling; Reinvestment

The general partner of a Fund typically has the right to recall, retain, reinvest or recycle the proceeds of any portfolio investment that is realized or disposed of within a certain period of time. Accordingly, during the term of a Fund, an investor may be required to make capital contributions in excess of its capital commitment. In addition, such reinvestment limits early distributions to investors, and to the extent such retained amounts are reinvested in portfolio investments, an investor will remain subject to investment and other risks associated with such portfolio investments. As a result, reinvestment increases the risk of investing in a Fund. If a situation arises where a Fund may benefit from additional liquidity for purposes of maximizing or preserving the value of its assets, the Firm may consider opportunities to create liquidity through dispositions with the goal of recycling the proceeds to redeploy them in a manner believed to be in the best interest of such Fund. In certain circumstances, the Firm may opportunistically consider seeking, with the appropriate consents required under such Fund's governing documents, to extend the amount of time during which capital may be recycled and redeployed or such other measures with similar economic effect.

Dilution from Subsequent Closings

To the extent that investors subscribing for interests at subsequent closings of a Fund participate in existing investments of such Fund, it will dilute the interest of existing investors therein. Although such investors subscribing for interests at subsequent closings will contribute their pro rata share of previously made capital calls (plus an additional amount thereon), there can be no assurance that this payment will reflect the fair market value of such Fund's existing investments at the time such additional limited partners subscribe for interests.

Distributions In-Kind

During the term of a Fund, the general partner of such Fund may make in-kind distributions of marketable securities. In certain circumstances, the general partner of a Fund may offer the limited partners of such Fund the election to receive an in-kind distribution of marketable securities in lieu of receiving cash, and there may be conditions associated with such a choice that renders certain limited partners unavailable to make such election. In addition, it is possible that not all portfolio investments will be realized by the end of a Fund's term. In such cases, in the general partner's sole and absolute discretion, there may be in-kind distributions by such Fund of illiquid securities or instruments. There can be no assurance that investors will be able to dispose of such securities or instruments or that the fair market value of such securities or instruments determined by the Funds for purposes of the determination of distributions and the calculation of the carried interest ultimately will be realized. In addition, if a Fund receives distributions in-kind from any portfolio investments, it may incur additional costs and risks in connection with the disposition of such assets.

Cyber Security Breaches; Identity Theft and Social Engineering Attempts

Cyber security incidents, cyber-attacks, denial of service attacks, ransomware attacks, and social engineering attempts (including business email compromise attacks) have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future (including as a consequence of the COVID-19 pandemic and the increased frequency of virtual working arrangements). There have been a number of recent highly publicized cases involving the dissemination, theft and destruction of corporate information or other assets, as a result of a failure to follow procedures by employees or contractors or as a result of actions by a variety of third parties, including nation state actors and terrorist or criminal organizations. The Firm, the Funds, the portfolio companies, their service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions, and their operations rely on the secure access to, and processing, storage and transmission of confidential and other information in their systems and those of their respective third-party service providers. These information, technology and communications systems are subject to a number of different threats or risks that could adversely affect the Firm, the Funds, the investors and the portfolio companies. For example, the information and technology systems of the Firm, the Funds, its portfolio companies and other related parties, such as service providers, may be vulnerable to damage or interruption from cyber security breaches, computer viruses or other malicious code, ransomware attacks, network failures, computer and digital infrastructure failures, infiltration by unauthorized persons and other security breaches or usage errors by their respective professionals or service providers. power outages or catastrophic events such as fires, tornadoes, floods, hurricanes, earthquakes, wars and terrorist attacks. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Firm's, the Funds', the portfolio companies' or their respective service providers' systems to disclose sensitive information in order to gain access to the Firm's, the Funds' or the portfolio companies' data or that of the investors. There also have been several publicized cases where hackers have requested ransom payments in exchange for not disclosing client or customer information or restoring access to digital infrastructure (and any information contained therein), pipelines and other infrastructure assets. The U.S. federal government has issued public warnings that indicate that such infrastructure assets might be specific targets of "cyber sabotage" events, which illustrates the particularly heightened risk for the Funds and their portfolio companies from such events.

If unauthorized parties gain access to any information and technology systems of the Firm, the Funds, portfolio companies or certain service providers, they may be able to steal, publish, delete or modify private and sensitive information, including nonpublic personal information related to investors (and their beneficial owners) and material nonpublic information. Although the Firm has implemented, and portfolio companies and service providers may implement, various measures to manage risks relating to these types of events, such systems could prove to be inadequate and, if compromised, could become inoperable for extended periods of time, cease to function properly or fail to adequately secure private information. There also have been several publicized cases of ransomware where hackers have requested ransom payments in exchange for not disclosing client or customer information or restoring access to information technology or communications systems. The Firm does not control the cyber security plans and

systems put in place by third party service providers, and such third party service providers may have limited indemnification obligations to the Firm, the Funds and its portfolio companies, each of which could be negatively impacted as a result. Breaches such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage may not be identified even with sophisticated prevention and detection systems, potentially resulting in further harm and preventing them from being addressed appropriately. The failure of these systems or of disaster recovery plans for any reason could cause significant interruptions in the Firm's, its affiliates', the Funds' and 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 their beneficial owners), material non-public information and the intellectual property and trade secrets and other sensitive information in the possession of the Firm and portfolio companies. The Firm, the Funds or a portfolio company could be required to make a significant investment to remedy the effects of any such failures, harm to their reputations, legal claims that they and their respective affiliates may be subjected to, regulatory action or enforcement arising out of applicable privacy and other laws, adverse publicity, other events that may affect their business and financial performance.

General Economic and Market Conditions

The private equity industry generally and the success of the Firm's investment activities will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political, environmental and socioeconomic circumstances. The Firm, the Funds and/or their respective portfolio companies may be sensitive to general downward swings in the overall economy or in their specific industries or geographies. Factors affecting economic conditions, including, for example, inflation rates, currency devaluation, exchange rate fluctuations, industry conditions, competition, technological developments, domestic and worldwide political, military and diplomatic events and trends and innumerable other factors, none of which will be in the control of the Firm, can substantially and adversely affect the business and prospects of the Firm, the Funds and/or their respective portfolio companies. A recession or adverse developments in the securities market would be expected to have an adverse impact on some or all of the Firm's portfolio investments. The Funds may be adversely affected to the extent that they seek to dispose of portfolio investments into an illiquid or volatile market, and the Funds may be unable to dispose of an investment at a price that reflects the investment's fair value. Any slowdown or downturn in the U.S. or global economy (or any particular segment thereof) or adverse development in prevailing market trends could adversely affect the profitability of the Funds, impede the ability of their portfolio companies to perform under or refinance their existing obligations, and impair the Firm's ability to effectively consummate and exit portfolio investments on favorable terms.

Market Dislocation

Adverse events in the U.S. fixed income markets could cause significant dislocations, illiquidity and volatility in the U.S. structured credit, leveraged loan and high-yield bond markets, the effects of which could spill over into the wider global financial markets. A prolonged disruption may prevent the Funds from advantageously realizing on or disposing of its portfolio investments. To the extent that such marketplace events occur, this may have an adverse impact on the

availability of credit to the Funds, and the assets, businesses and entities in which the Funds invests and the terms on which such credit is available, and could lead to an overall weakening of the U.S. and global economies. A sustained downturn in the U.S. or global economy (or any regional economy or any particular segment thereof) could adversely affect the profitability and financial resources of a portfolio company and its ability to make principal and interest payments on, or refinance, outstanding debt when due. Any of the foregoing events could result in substantial or total losses to the Funds in respect of certain portfolio investments, which losses will likely be exacerbated by the presence of leverage in the capital structure of entities or businesses in which the Funds invest and may also cause a decrease in the availability of financing, an increase in the interest cost and more stringent ratios, tests and requirements on the part of lenders to portfolio companies, which may impair the Funds' ability to consummate certain transactions or cause the Funds to enter into such transactions on less attractive terms. Such marketplace events may also restrict the ability of the Funds to sell or liquidate investments at favorable times or favorable prices, and the value of the Funds' portfolio investments may not appreciate as projected or may suffer a loss.

Public Health Risk

Certain countries have been susceptible to epidemics and pandemics, such as severe acute respiratory syndrome, avian flu, H1N1/09 flu and most recently, the coronavirus. The outbreak of an infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, has proven to have a negative impact on the economy, and business activity in any of the countries in which the Funds may invest, and thereby adversely affect the performance of the Funds' portfolio investments.

Coronavirus and Public Health Emergencies; Legislative & Regulatory Enactments

As of the date of Brochure, there is an outbreak of COVID-19, which the World Health Organization has declared to constitute a "Public Health Emergency of International Concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Businesses are also implementing similar precautionary measures. In addition, state, federal and non-U.S. laws and regulations have been implemented (and other laws and regulations are being considered) that place restrictions on lenders and landlords in the real estate sector and other industries from exercising certain of their rights in the event of borrower or tenant defaults or delinquencies, including with respect to foreclosure and eviction rights. For example, certain jurisdictions have implemented debt payment relief packages or suspended the enforcement of residential and commercial evictions. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are (i) creating significant disruption in supply chains and economic activity and (ii) having a particularly adverse impact on transportation, hospitality, tourism, healthcare, consumer, entertainment and other industries. Moreover, with the continued spread of COVID-19, governments and businesses are likely to take increasingly

aggressive measures to help slow its spread. For this reason, among others, as COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronaviruses, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Funds and its portfolio entities and could adversely affect the Funds' ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on the Funds' and its portfolio companies' operational and financial performance will depend on many factors, including, but not limited to, the duration and scope of such public health emergency (as well as the availability of effective treatment and/or vaccination), the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and spending levels, and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. While the U.S. Food and Drug Administration and other similar regulators globally have approved COVID-19 vaccines (some for emergency use only) and these vaccines are currently available to the general public in the United States and in some non-U.S. jurisdictions, due to limited supply, they are not yet widely available to the general public in many other jurisdictions. Furthermore, a substantial proportion of the population in the United States and other jurisdictions, including in the Asia Pacific region, has, despite the availability of vaccines, not been vaccinated, and a portion of vaccinated individuals may not be fully protected against the disease, both of which could prolong the effects of COVID-19 even following availability of vaccines to the general public globally. The effects of a public health emergency may materially and adversely impact the value and performance of the Funds' and the Funds' portfolio companies, the Funds' ability to source, manage and divest investments and the Funds' ability to achieve its investment objectives, all of which could result in significant losses to the Funds'.

In addition, the operations of the Funds, its portfolio companies and the Firm may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the personnel of any such entity's key service providers.

In connection with the impacts of the current pandemic and any future such public health crisis, a Fund is expected to incur heightened legal expenses which could similarly have an adverse impact to a Fund's returns. For example, but not by limitation, a Fund or its portfolio companies may be subject to heightened litigation and its resulting costs, which costs may be significant and are expected to be borne by a Fund and/or its portfolio companies. There is also a heightened risk of cyber and other security vulnerabilities during the current public health emergency and any future one, which could result in adverse effects to a Fund or its portfolio companies in the form of economic harm, data loss or other negative outcomes.

Scrutiny and Regulation of the Private Fund Industry and Financial Services Industry

A Fund's ability to achieve its investment objectives, as well as the ability of a Fund to conduct its operations, is based on laws and regulations which are subject to change through legislative, judicial or administrative action. There have been significant legislative developments affecting the private investment fund industry and there continues to be discussion regarding enhancing governmental scrutiny and/or increasing the regulation of the private investment fund industry. It is difficult to determine what impact, if any, any increased regulatory scrutiny or initiatives will have on the private investment fund industry generally or on the Firm and the Funds specifically. Future legislative, judicial or administrative action could adversely affect the Funds' ability to achieve their investment objectives, as well as the ability of the Funds to conduct their operations.

The alternative asset management and financial services industries are subject to enhanced governmental scrutiny and/or increased regulation, and a number of legislative initiatives have been signed into law affecting alternative investment firms, including the Dodd-Frank Act, a key feature of which is the potential extension of prudential regulation by the Board of Governors of the Federal Reserve System (the "Federal Reserve Board") to nonbank financial companies that are not currently subject to such regulation but that are determined to pose risk to the U.S. financial system. The Dodd-Frank Act defines a "nonbank financial company" as a company that is predominantly engaged in activities that are financial in nature. The Financial Stability Oversight Council (the "FSOC"), an interagency body created to monitor and address systemic risk, has the authority to subject such a company to regulation by the Federal Reserve Board (including capital, leverage and liquidity requirements) if the FSOC determines that such company is systemically important, in that its material financial distress or the riskiness of its activities could pose a threat to the financial stability of the United States. The Dodd-Frank Act does not contain any minimum size requirements for such a designation, and it is possible that it could be applied to private funds, particularly large, highly leveraged funds. If regulations were to extend the regulatory and supervisory requirements, such as capital and liquidity standards currently applicable to banks, or the Funds were considered to be engaged in certain "shadow banking" activities, either in the United States or in any other jurisdiction in which the Funds engage in investment activities, the regulatory and operating costs associated therewith could adversely impact the implementation of the Funds' investment strategy and the Funds' returns and may become prohibitive.

The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with certain private equity funds and hedge funds and other provisions that will affect the private equity industry, either directly or indirectly. Included in the Dodd-Frank Act is the so-called "Volcker Rule," which takes the form of Section 13 of the Bank Holding Company Act of 1956. Among other things, the Volcker Rule (as amended by the Reform Act, as

defined below, and together with its implementing regulations) prohibits any “banking entity” (generally defined as any insured depository institution, subject to certain exceptions including for depository institutions that do not have, and are not controlled by a company that has, more than \$10 billion in total consolidated assets and significant trading assets and liabilities, any company that controls such an institution, a non-U.S. bank that is treated as a bank holding company for purposes of U.S. banking law and any affiliate or subsidiary of the foregoing entities) from sponsoring or acquiring or retaining an ownership interest in a private equity fund or hedge fund that is not subject to the provisions of the Investment Company Act in reliance upon either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act, subject to certain exclusions. Prospective investors in the Funds that are banking entities should consult their bank regulatory counsel prior to making an investment.

Although the Firm is currently registered under the Advisers Act, the enactment of these reforms and/or other similar legislation could nonetheless have an adverse effect on the private investment funds industry generally and on the Firm and/or a Fund specifically, and may impede a Fund’s ability to effectively achieve its investment objectives. The Volcker Rule also authorizes the imposition of additional capital requirements and certain other quantitative limits on such activities engaged in by certain nonbank financial companies that have been designated as systemically important by the FSOC and subject to supervision by the Federal Reserve Board (as discussed above), although such entities are not expressly prohibited from sponsoring or investing in such funds. Prospective investors in a Fund that are banking entities should consult their bank regulatory counsel prior to making an investment in such Fund. The Dodd-Frank Act, as well as future related legislation, may have an adverse effect on the private equity industry generally and/or on the Funds or the Firm.

As a registered investment adviser under the Advisers Act, the Firm is required to comply with a variety of periodic reporting and compliance-related obligations under applicable federal and state securities laws (including, without limitation, the obligation of the Firm and its affiliates to make regulatory filings with respect to the Funds and its activities under the U.S. Advisers Act (including, without limitation, Form PF)). Relatedly, the Firm may be required to provide certain information regarding some of the investors in the Funds to regulatory agencies and bodies in order to comply with applicable laws and regulations, including the FCPA (as defined below) and the Freedom of Information Act (“FOIA”). In light of the heightened regulatory environment in which the Funds and the Firm operate and the ever-increasing regulations applicable to private investment funds and their investment advisors, it has become increasingly expensive and time-consuming for the Funds, the Firm and their affiliates to comply with such regulatory reporting and compliance-related obligations. For example, Form PF requires that the Firm report the regulatory assets under management of the Funds, and because the Funds could be required to bear the Funds’ expenses relating to compliance-related matters and regulatory filings, the Funds

will bear the costs and expenses of initial and ongoing Form PF compliance applicable to the Funds, including costs and expenses of collecting and calculating data and the preparation of such reports and filings. Such expenses are likely to be material, including on a cumulative basis over the life of the Funds. Any further increases in the regulations applicable to private investment funds generally or the Funds and/or the Firm in particular may result in increased expenses associated with the Funds' activities and additional resources of the Firm being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for the Limited Partners and/or have an adverse effect on the ability of the Funds to effectively achieve its investment objective.

Furthermore, various federal, state and local agencies have been examining the role of placement agents, finders and other similar service providers in the context of investment by public pension plans and other similar entities, including investigations and requests for information, and in connection therewith, new and/or proposed rules and regulations in this arena may increase the possibility that the Firm and its Affiliates may be exposed to claims and/or actions that could require a limited partner to withdraw from a Fund. Relatedly, the Firm may be required to provide certain information regarding some of the limited partners in the Funds to regulatory agencies and bodies in order to comply with applicable laws and regulations including the U.S. Foreign Corrupt Practices Act and FOIA. In addition, as a publicly traded global alternative asset manager whose broad range of businesses includes the management of direct and secondary private equity funds, hedge funds, real estate funds, credit-oriented funds and other private investment funds, as well as the provision of various financial advisory, restructuring and fund placement services, the Firm is from time to time subject to litigation and claims relating to its businesses, as well as governmental and/or regulatory inquiries, investigations and/or proceedings. Anything disclosed in the Firm's public filings or made available to the limited partners is incorporated herein by reference, to the extent applicable, including with respect to litigation, investigations, settlements and similar proceedings. Riverwood is subject to extensive regulation, including periodic examinations, by governmental agencies and self-regulatory organizations in the jurisdictions in which it operates around the world. These authorities have regulatory powers dealing with many aspects of financial services, including the authority to grant, and in specific circumstances to cancel, permissions to carry on particular activities. Many of these regulators, including U.S. and foreign government agencies and self-regulatory organizations, as well as state securities commissions in the United States, are also empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel, changes in policies, procedures or disclosure or other sanctions, including censure, the issuance of cease-and-desist orders, the suspension or expulsion of a broker dealer or investment adviser from registration or memberships or the commencement of a civil or criminal lawsuit against the Firm or its personnel. Moreover, the SEC has specifically focused on private equity. In connection with that focus, the SEC's list of examination priorities includes, among

other things, private equity firms' collection of fees and allocation of expenses, their marketing and valuation practices, allocation of investment opportunities and other conflicts of interests. The Firm is regularly subject to examinations and requests for information and informal or formal investigations by the SEC and other regulatory authorities, with which the Firm routinely cooperates and, in the current environment, even historical practices that have been previously examined are being revisited. Even if an investigation or proceeding did not result in a sanction or the sanction imposed against the Firm or its personnel by a regulator were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm the Firm and the Funds. While it is difficult to predict what impact, if any, the foregoing may have, there can be no assurance that any of the foregoing, whether applicable to the Firm specifically or the underlying private equity funds in which the Funds invests generally, would not have a material adverse effect on a Fund and its ability to achieve its investment objectives.

The Dodd-Frank Act, as well as future related legislation, may have an adverse effect on the private equity industry generally and/or on the Firm or the Funds, specifically. Therefore, there can be no assurance that any continued regulatory scrutiny or initiatives will not have an adverse impact on the Firm or otherwise impede the Funds' activities. The current regulatory environment in the United States may be impacted by future legislative developments, such as amendments to key provisions of the Dodd-Frank Act. For example, on May 24, 2018, the Economic Growth, Regulatory Relief and Consumer Protection Act (the "Reform Act") was signed into law. Among other regulatory changes, the Reform Act amends various sections of the Dodd-Frank Act, including by modifying the Volcker Rule to exempt depository institutions that do not have, and are not controlled by a company that has, more than \$10 billion in total consolidated assets and significant trading assets and liabilities. In July 2019, U.S. federal regulatory agencies adopted amendments to the Volcker Rule regulations to implement the Volcker Rule amendments included in the Reform Act, and also in 2019 such U.S. federal regulatory agencies adopted certain targeted amendments to the Volcker Rule regulations to simplify and tailor certain compliance requirements relating to the Volcker Rule. In June 2020, U.S. federal regulatory agencies adopted certain clarifying amendments to the Volcker Rule's restrictions on sponsoring and investing in certain covered hedge funds and private equity funds, along with certain new exemptions that allow banking entities to sponsor and invest without limit in credit funds, venture capital funds, customer facilitation vehicles and family wealth management vehicles (the "Covered Fund Amendments"). The Covered Fund Amendments also loosen certain other restrictions on extraterritorial fund activities and direct parallel or co-investments made alongside covered funds. The Covered Fund Amendments should therefore expand the ability of banking entities to invest in and sponsor private funds. The ultimate consequences of the Reform Act and such regulatory developments on a Fund and its activities remain uncertain, and the private investment fund industry may in the future be subject to further enhanced governmental

scrutiny and/or increased regulation, including resulting from changes in U.S. executive administration or Congressional leadership. Prospective investors should note that any significant changes in, among other things, banking and financial services regulation, including the regulation of the asset management industry, could have a material adverse impact on a Fund and its activities.

In addition, elements of organized labor and other representatives of labor unions have embarked on a campaign targeting private investment firms on a variety of matters of interest to organized labor. There can be no assurance that the foregoing will not have an adverse impact on the Firm or the Funds or otherwise impede the Funds' activities. The recent negative perception of the private investment fund industry in certain countries could make it harder for funds sponsored by private investment firms, such as the Funds, to successfully bid for and complete investments.

This increased political and regulatory scrutiny of the private investment fund industry has been particularly acute since the 2008-2009 global financial crisis. In addition to the U.S. legislation described above, other jurisdictions, including many European jurisdictions, have proposed modernizing financial regulations that have called for, among other things, increased regulation of and disclosure with respect to, and possibly registration of, hedge funds and private equity funds. There is therefore a material risk that regulatory agencies in the U.S., Europe, or elsewhere may adopt burdensome laws (including tax laws) or regulations, or changes in law or regulation, or in the interpretation or enforcement thereof, which are specifically targeted at the private equity industry, or other changes that could adversely affect private equity firms and the funds they sponsor, including the Funds.

In addition, as private fund firms and other alternative asset managers become more influential participants in the U.S. and global financial markets and economy generally, the private fund industry has recently been subject to criticism by some politicians, regulators and market commentators. The recent negative perception of the private fund industry in certain countries could make it harder for the Funds to successfully bid for and complete Investments.

Political Activities

A portfolio company may, in the ordinary course of its business, make political contributions to elected officials, candidates for elected office or political organizations, hire lobbyists or engage in other permissible political activities in U.S. and/or non-U.S. jurisdictions with the intent of furthering its business interests or otherwise. Portfolio companies are not considered affiliates of the Firm, and therefore such activities may be undertaken by a portfolio company without the knowledge or direction of the Firm. The interests advanced by one portfolio company of a Fund may, in certain circumstances, not align with the interests of other portfolio companies of such Fund, such Fund and/or the investors of such Fund. The costs of such activities may be allocated to or ultimately borne by such Fund and, while the costs of such activities will typically be borne

by the portfolio company undertaking such activities, such activities may also directly or indirectly benefit other portfolio companies, other Funds, their portfolio companies, and/or the Firm. There can be no assurance that any such activities will be successful in advancing the interests of a portfolio company or otherwise benefit such portfolio company or the applicable Fund. Such activities may bring negative publicity to a portfolio company and/or a Fund, which could have an adverse impact on such portfolio company, such Fund and/or the investors of such Fund.

Trade Policy Uncertainty

Political leaders in the United States and certain European nations have recently been elected on protectionist platforms, fueling doubts about the future of global free trade. The U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries, and has made proposals and taken actions related thereto. In addition, the U.S. government has recently imposed tariffs on certain foreign goods, including steel and aluminum, and has indicated a willingness to impose tariffs on imports of other products. Some foreign governments, including China, have instituted retaliatory tariffs on certain U.S. goods and have indicated a willingness to impose additional tariffs on U.S. products. In April 2018, the U.S. government began imposing tariffs on Chinese imports. China, in turn, retaliated with its own tariffs on United States imports. The trade dispute is still developing, and the United States and China—although reaching a preliminary agreement on narrow aspects of trade relations—have yet to reach a compromise. While this dispute has already had negative economic consequences on the U.S. markets, to the extent that this trade dispute escalates into a “trade war” between the U.S. and China, there could be additional significant impacts on the industries in which the Funds participate and other adverse impacts on Funds’ investments. Moreover, the U.S. government has imposed limitations on whether and how U.S. companies and, under certain circumstances, non-U.S. companies may interact with certain Chinese companies that are potentially important suppliers to, or customers for, U.S. companies, and further such limitations are possible via the addition of such companies to U.S. restricted parties lists, the imposition of licensing requirements for certain emerging and foundational technologies, and changes to the export controls regulations to capture a greater number of items, which could have a materially adverse impact on the Funds’ portfolio companies and their supply chain.

OFAC, FCPA and Similar Considerations

Economic sanction laws in the United States and other jurisdictions may prohibit the Firm, its affiliates and the Funds from transacting with or in certain countries and with certain individuals and companies. In the United States, the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”) administers and enforces laws, Executive Orders, and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These entities and individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs. The lists of OFAC prohibited countries, territories, persons and entities, including the List of Specially Designated Nationals and Blocked Persons, as such list may be amended from

time to time, can be found on the OFAC website at www.treas.gov/ofac. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC. Similar sanction lists are maintained by the United Kingdom, including the consolidated list of financial sanctions targets, and the European Union, including the consolidated list of persons, groups and entities subject to EU financial sanctions. These types of sanctions may restrict the Funds' investment activities.

In some countries, there is a greater acceptance than in the United States of government involvement in commercial activities, and of corruption. The Firm, its affiliates and the Funds are committed to complying with the U.S. Foreign Corrupt Practices Act of 1977, as amended ("FCPA"), the United Kingdom Bribery Act 2010 (the "Bribery Act"), the United Nations Convention Against Corruption (the "Convention") and other anti-corruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, to which they are subject. As a result, the Funds may be adversely affected because of their unwillingness to participate in transactions that violate such laws or regulations. Such laws and regulations may make it difficult in certain circumstances for the Funds to act successfully on investment opportunities and for investments to obtain or retain business.

In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the FCPA. In addition, the United Kingdom has significantly expanded the reach of its anti-bribery laws through the enactment of the Bribery Act. While the Firm has developed and implemented policies and procedures designed to ensure compliance by the Firm and its personnel with the FCPA, the Bribery Act and the Convention, such policies and procedures may not be effective in all instances to prevent violations. In addition, in spite of our policies and procedures, affiliates of portfolio companies, particularly in cases where a Fund or another Firm sponsored fund or vehicle does not control such portfolio company, may engage in activities that could result in FCPA, Bribery Act or Convention violations. Any determination that the Firm has violated the FCPA, the Bribery Act or other applicable anticorruption laws or anti-bribery laws could subject the Firm and/or the Fund to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and a general loss of investor confidence, any one of which could adversely affect the Firm's business prospects and/or financial position, as well as the Funds' ability to achieve its investment objective and/or conduct its operations.

Environmental, Social and Governance Strategy

While the Firm may consider environmental, social and governance ("ESG") factors when making an investment decision, the Funds do not pursue an ESG-based investment strategy or limit their investments to those that meet specific ESG criteria or standards.

CFIUS

The actions of the Committee on Foreign Investment in the United States ("CFIUS"), an inter-agency committee authorized to review transactions that could result in control of a U.S. business by a foreign person and certain other transactions involving foreign investment, may adversely impact the prospects of a portfolio company in the context of mergers with, or acquisitions by, a

foreign person. CFIUS may recommend that the President block such transactions, or CFIUS may impose conditions on such transactions, certain of which may materially and adversely affect the Fund's ability to execute its investment strategy. In addition, the CFIUS process will continue to evolve. In particular, a set of reform measures known as the Foreign Investment Risk Review Modernization Act ("FIRRMA") was enacted into law and has broadened the jurisdiction of CFIUS with respect to certain investments, including by expanding its reach to investments in certain companies that do not confer potential control over a U.S. business by a foreign person. In addition, certain of the Funds' investors are non-U.S. investors, and in the aggregate, are expected to comprise a substantial portion of the Funds' aggregate commitments, which increases both the risk that investments may be subject to review by CFIUS, and the risk that limitations or restrictions will be imposed by CFIUS or other non-U.S. regulators on the Funds' investments. In the event that restrictions are imposed on any investment by the Funds due to the non-U.S. status of an investor or other related CFIUS or national security considerations, subject to the terms of a Fund's governing documents, the general partner of such Fund may take such actions as the general partner, in its sole discretion, deems necessary to comply with any CFIUS directive or order. However, there can be no assurance that any restrictions implemented on any such investor will allow the Funds to maintain, or proceed with, any investment or sale of a portfolio company. The outcome of the CFIUS process may be difficult to predict, and there is no guarantee that, if applicable to a portfolio company, the decisions of CFIUS would not adversely impact a Fund's proposed or actual investment in such company. The CFIUS risks described herein are not limited to the Funds and would similarly apply depending upon the ownership interest of the Firm, which ownership could change over time.

Legal, Tax, and Regulatory Risks

Legal, tax, and regulatory changes could occur during the term of a Fund and adversely affect the Fund, its portfolio companies, or partners. For example, from time to time, the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. The Funds intend to invest in portfolio companies that operate in a highly regulated environment and are subject to extensive legal and regulatory restrictions and limitations and to supervision, licensing, examination, and enforcement by regulatory authorities. New and existing regulations and burdens of regulatory compliance may directly impact the business and results of the operations of, or otherwise have a material adverse effect on, portfolio companies that are subject to regulation. Failure to comply with any of these laws, rules, and regulations, some of which are subject to interpretation and/or are subject to change, could result in a variety of adverse consequences, including civil penalties and fines, which could have material adverse effects. Additionally, foreign investment in securities of companies in certain of the countries in which the Funds invest or may invest is restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment above certain ownership levels or in certain sectors of the country's economy and increase the costs and expenses of a Fund. While regulation of investment has liberalized in recent years throughout much of the world, there can be no assurance that more restrictive regulations will not be adopted in the future. Some countries require governmental approval for the repatriation of investment income, capital, or

the proceeds of sales by foreign investors and foreign currency. The Funds could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital interests and dividends paid on securities or instruments held by the Funds, and income on such securities or instruments or gains from the disposition of such securities or instruments could be subject to withholding taxes or other taxes imposed by certain countries where the Funds invest or in other jurisdictions.

Permits, Approvals and Licenses

A license, approval or permit may be required to acquire certain investments and their direct or indirect holding companies, or registration may be required before an acquisition can be completed. Examples of permits, approvals and licenses necessary to make an investment include antitrust approvals, environmental licenses, foreign investment approvals and registrations, and other similar matters. The Funds may require some or all of these licenses, approvals and permits to acquire an asset, and counterparties may also require some or all of these licenses, approvals and permits to acquire assets from the Funds. There can be no guarantee of when and if such a license, approval or permit will be obtained or if the registration will be effected, which may adversely affect the Funds' ability to acquire and sell assets.

Possible State Licensing Requirements

A Fund may be required to obtain various state licenses in order to make, hold or dispose of certain investments, particularly with respect to loaning money to portfolio companies. A Fund has not applied for these licenses and may not. We expect that if a Fund does apply for such licenses this process will be costly and take several months. There is no assurance that a Fund will obtain all of the licenses that it desires or that a Fund would not experience significant delays in seeking these licenses. Furthermore, a Fund will be subject to various information and other requirements in order to maintain these licenses, and there is no assurance that a Fund will satisfy those requirements. A Fund's failure to obtain or maintain licenses might restrict its investment options and have other adverse consequences for a Fund. In addition, the ownership and operation of certain portfolio companies may require certain individuals to be routinely vetted in order for the portfolio company to obtain and maintain certain state licenses. Similar to fund licenses, there is no assurance that a portfolio company will obtain all of the licenses it desires or that a portfolio company would not experience significant delays in seeking these licenses and failure to obtain or maintain such licenses may adversely impact the portfolio company.

Litigation

In connection with ordinary course investing activities, the Firm, the Funds and their respective affiliates as well as portfolio companies of the Funds are and may become involved in litigation either as a plaintiff or a defendant. There can be no assurance that any such litigation, once begun, would be resolved in favor of the Funds. Any such litigation could be prolonged and expensive and typically such costs (which may include consultants, investigators, experts and other advisors, in addition to legal costs, and which in the aggregate may be substantial) are borne by the Fund. In addition, it is by no means unusual for participants in reorganizations to use the threat of, as well as actual, litigation as a negotiating technique. The expense of defending

against claims by third parties and paying any amounts pursuant to settlements or judgments generally would be borne by the Funds and would reduce net assets or could require limited partners thereof to return to the Funds distributed capital and earnings.

Documentation and Legal Risks

The Funds, portfolio companies and portfolio investments are governed by a complex series of legal documents and contracts. The intent of the legal documents and contracts might not be clear, and even clear drafting can be misconstrued by counterparties and judges. A dispute over interpretation of any of these documents or contracts could arise, which may result in unenforceability of the contract or other outcome that is adverse to the Funds.

Indemnification

The Funds will be required to indemnify the Firm, its affiliates, and their respective officers, directors, stockholders, equity holders, members, partners, employees, operating executives, executive advisors, agents and consultants, and likely any other person who serves at the request of the Firm on behalf of the Funds as an officer, director, partner, employee, or agent of any other entities, and any member of the limited partner advisory committee of the Funds for liabilities incurred in connection with the affairs of the Funds. Additionally, such parties may be entitled to exculpation by the Funds. Such liabilities may be material and may have a material adverse effect on the returns to the limited partners of the Funds. The indemnification obligation of the Funds would be payable from the assets of the Funds, including the unfunded commitments of the limited partners thereof. If the assets of the Funds are insufficient, the Firm may recall distributions previously made to the limited partners, subject to certain limitations in the governing documents of the Funds. It should be noted that the Firm typically cause the Funds to purchase insurance for the Funds, the Firm and their respective employees, agents and representatives, but there can be no assurance that such insurance will cover any or all liabilities. In addition, the Firm may cause the Funds to advance the costs and expenses of an indemnitee pending outcome of the particular matter (including determination as to whether or not the person was entitled to indemnification or engaged in conduct that negated such person's entitlement to indemnification). As a result, there may be periods where a Fund is advancing expenses to an individual or entity with whom such Fund is not aligned or is otherwise an adverse party in a dispute. Moreover, in its capacity as general partner of a Fund, the Firm will, notwithstanding any actual or perceived conflict of interest, be the beneficiary of any decision by it to provide indemnification (including advancement of expenses). This may be the case even with respect to settlement of actions where any indemnitee was alleged to have engaged in conduct that disqualifies any such person from indemnification or exculpation so long as the Firm (and/or its legal counsel) have determined that such disqualifying conduct did not occur.

Force Majeure Risk

Force majeure is the term generally used to refer to an event beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, weather, earthquakes, global health crises and pandemics, war, terrorism, and labor strikes. Some force majeure events may adversely affect a party's ability to perform its obligations, under a contract or otherwise, until it is able to remedy the force majeure event. Such events, whether or not considered to be

a contractual Force Majeure event, may nonetheless impact the operations of a Fund and/or its portfolio companies, potentially materially so. For example, the cost of repairing or replacing damaged assets in case of such event could be considerable. Repeated or prolonged service interruptions may result in permanent loss of customers, substantial and costly litigation, or penalties for regulatory or contractual non-compliance. In some cases, transaction or other agreements may provide for termination of the agreement if the force majeure event is so catastrophic as to render it incapable of remedy within a reasonable, pre-agreed time period. Force majeure events that are incapable of, or costly to, cure may also have a permanent adverse effect on a portfolio company and/or a Fund. Force majeure clauses may be drafted or construed narrowly in a manner that would not cover a particular event that might occur, such as a pandemic or global public health crisis. If this were to occur, there could be an adverse impact on the Fund or its portfolio company.

Systems and Operational Risks

The Funds depend on the Firm to develop and implement appropriate systems for the Funds' activities. The Funds rely daily on financial, accounting and other data processing systems and other core operating systems that are critical to oversight of the Funds' activities. Certain of the Funds' and our activities will be dependent upon systems operated by third parties, and we are not in a position to thoroughly vet the risks or reliability of certain third-party systems based on limitations of access to vendor data, especially with larger vendors who, in our experience, have been unwilling to provide such access. Failures in the systems and processes employed by the Firm and other parties could result in mistakes made, including, among other things, in the confirmation or settlement of transactions, or in transactions not being properly booked, evaluated or accounted for. Operational risks result from inadequate procedures and controls, employee fraud, recordkeeping errors, human errors and other mistakes or failures by the Firm or a service provider. Disruptions in the Funds' operations may cause the Funds to suffer, among other things, financial loss, the disruption of their businesses, liability to third parties, regulatory intervention or reputational damage. Any of the foregoing failures or disruptions could have a material adverse effect on the Funds and the investors' investments therein. While the Firm has a business continuity plan in place in the event of an operational or other significant incident, there is no guarantee that the plan will be capable of implementation under the circumstances that may occur, or that once implemented, it will adequately address the challenges presented by the situation.

Possibility of Fraud and Other Misconduct of Employees and Service Providers

Misconduct by employees of the Firm, service providers to the Firm or the Funds and/or their respective affiliates could cause significant losses to such Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Funds and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial

losses to such Funds. The Firm has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that the Firm will be able to identify or prevent such misconduct.

Hedging Policies/Risks

In connection with the acquisition, holding, financing, refinancing or disposition of certain portfolio investments, the Funds may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices or currency exchange or to otherwise improve the investment returns of the Funds. The costs of such hedging techniques will be borne by the Funds. While such transactions may reduce certain risks, such transactions themselves entail certain other risks. Thus, while the Funds may benefit from the use of these hedging mechanisms, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Funds than if they had not entered into such hedging transactions. There is a possibility that additional regulatory requirements could be triggered by virtue of a Fund entering into hedging transactions, and in such an event, such Fund could bear additional costs for compliance with requirements and would be subject to additional regulatory risk that it would be unlikely to face absent its participation in hedging transactions. Further, such hedging transactions could result in diminished returns (or increased losses on capital) to the extent overall returns are less than the Funds' costs or losses associated with such hedging transactions.

Financial Market Fluctuations

General fluctuations in the market prices of securities and other assets and in interest rates may adversely affect the value of portfolio investments held by the Funds. Instability and volatility in the securities markets and in interest rates may also increase the risks inherent in the Funds' portfolio investments, as, among other things, portfolio companies may need to refinance their outstanding debt as it matures. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities or loans in the high yield debt or bank financing markets, which historically have been cyclical with regard to the availability of financing. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors).

Risks Relating to Due Diligence of and Conduct at Portfolio Companies

Before a Fund makes new investments, the Firm conducts due diligence that we deem reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, environmental, and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third-party advisors or consultants

may present risks primarily relating to the Firm's reduced control of the functions that are outsourced. When conducting due diligence and making an assessment regarding an investment, the Firm will rely on the resources available to us, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that the Firm carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. There can be no assurance that attempts to provide downside protection with respect to investments will achieve their desired effect and potential investors should regard an investment in a Fund as being speculative and having a high degree of risk.

There can be no assurance that the Firm or a Fund will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during our efforts to monitor the investment on an ongoing basis. Conduct occurring at portfolio companies, even activities that occurred prior to a Fund's investment therein, could have an adverse impact on such Fund. In the event of fraud by any portfolio company or any of its affiliates, a Fund may suffer a partial or total loss of capital invested in that portfolio company. An additional concern is the possibility of material misrepresentation or omission on the part of the portfolio company or the seller. Such inaccuracy or incompleteness may adversely affect the value of a Fund's securities and/or instruments in such portfolio company. A Fund will rely upon the accuracy and completeness of representations made by portfolio companies and/or their former owners in the due diligence process to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to a Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Russian Invasion of Ukraine

Commencing in 2021, Russian President Vladimir Putin ordered the Russian military to begin massing thousands of military personnel and equipment near its border with Ukraine and in Crimea, representing the largest mobilization since the illegal annexation of Crimea in 2014. President Putin initiated troop movements into the eastern portion of Ukraine and continued to threaten an all-out invasion of Ukraine. On February 22, 2022, the United States and several European nations announced sanctions against Russia in response to Russia's actions. On February 24, 2022, President Putin commenced a full-scale invasion of Russia's pre-positioned forces into Ukraine, which could have a negative impact on the economy and business activity globally (including in the countries in which the Funds invest), and therefore could adversely affect the performance of the Funds' investments. Furthermore, the conflict between the two nations and the varying involvement of the United States and other North Atlantic Treaty Organization countries could preclude prediction as to their ultimate adverse impact on global economic and market conditions, and, as a result, presents material uncertainty and risk with respect to the Funds and the performance of their investments or operations, and the ability of the Funds to achieve their investment objectives. See also "Force Majeure Risks" herein. Additionally, to the extent that third parties, investors or related customer bases have material operations or assets in Russia or Ukraine, they may have adverse consequences related to the ongoing conflict.

Changes Resulting from the United Kingdom's Exit from the European Union

The United Kingdom ("UK") formally notified the European Council of its intention to leave the EU in 2017. In January 2020, the UK and the EU ratified a withdrawal treaty under which the UK left the EU on January 31, 2020 with the benefit of a transition period lasting until December 31, 2020. During the transition period all of the current rules and arrangements will remain in place while the UK and the EU seek to negotiate a free trade agreement ("FTA"). The FTA will govern the trading relationship between the UK and the EU following the transition period. Changes Resulting from the United Kingdom's Exit from the European Union

The United Kingdom ("UK") formally notified the European Council of its intention to leave the EU in 2017. In January 2020, the UK and the EU ratified a withdrawal treaty under which the UK left the EU on January 31, 2020 with the benefit of a transition period lasting until December 31, 2020. During the transition period all of the current rules and arrangements will remain in place while the UK and the EU seek to negotiate a free trade agreement ("FTA"). The FTA will govern the trading relationship between the UK and the EU following the transition period.

The UK will remain subject to EU law with access to the single market and privileges to provide services until the end of the transition period, but any further privileges after that date will depend either on extending the transition period, or on the terms of the FTA (if the parties have agreed an FTA). It is not clear whether the FTA will cover the provision of services by UK firms. If the UK and the EU are unable to agree the terms of an FTA by December 31, 2020, and do not agree to extend the transition period, the UK will become a third country vis-à-vis the EU on the expiry of the transition period. As a third country, the cross-border trade in goods between the UK and the EU will depend on any multilateral trade agreements to which both the EU and the UK are parties (such as those administered by the World Trade Organization ("WTO")) and the provision of services by UK firms will be generally restricted to those that could be provided by firms established in any third country.

UK regulated firms and other UK businesses could be adversely affected under an FTA or under WTO terms. A tariff or non-tariff barrier, customs checks, the inability to provide cross-border services, changes in withholding tax, restrictions on movements of employees, restrictions on the transfer of personal data, etc., all have the potential to materially impair the profitability of a business, require it to adapt, or even relocate.

In summary, the UK left the EU on January 31, 2020 with a transition period lasting until December 31, 2020. Given the relatively short time within which to negotiate an FTA, there is a risk that the UK may leave the transition period without a future trade agreement and may not seek an extension. In such circumstances, it is probable that the adverse effects of leaving on unfavorable terms would principally affect the UK (and those having an economic interest in, or connected to, the UK). However, given the size and global significance of the UK's economy, uncertainty about whether it will secure an FTA by the end of the transition period, and thus uncertainty as to the substance of its future legal, political and economic relationships with Europe may continue to be a source of instability, produce currency fluctuations or have other adverse effects on international markets, international trade and other cross-border cooperation arrangements.

The ongoing process in which the UK withdraws from the EU could therefore adversely affect a Fund, the performance of its Investments and its ability to fulfil its investment objectives (especially if its Investments include, or expose it to, businesses that have relied on access to the single market or whose value is affected adversely by the UK's future relationship with the EU). The decision of the United Kingdom to leave, and its eventual withdrawal from, the European Union could also have a destabilizing effect if other member states were to consider the option of leaving the European Union. For these reasons, the decision of the United Kingdom to leave, and its eventual withdrawal from, the European Union could have adverse consequences on the Funds, the performance of their investments and their ability to fulfil their investment objectives, in a variety of ways, not all of which are currently readily apparent. The Funds may invest in portfolio investments the issuers of which have significant operations and/or assets in the United Kingdom. Such issuers could be adversely impacted by any new legal, tax and regulatory environment, whether by increased costs or impediments to the implementation of their business plan. The uncertainty resulting from any such developments, or the possibility of such developments, would also be likely to cause significant market disruption in the European Union and the United Kingdom and more broadly across the global economy, as well as introduce further legal, tax and regulatory uncertainty in the European Union and the United Kingdom.

Item 9: Disciplinary Information

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

Item 10: Other Financial Industry Activities and Affiliations

The Firm is affiliated with Riverwood Capital L.P., Riverwood Capital II L.P., Riverwood Capital III L.P., Riverwood Capital Latam L.P., and Riverwood Capital IV L.P., which each serve as a general partner of a fund (or funds) advised by the Firm. While these general partner entities are not separately registered as investment advisers with the SEC, the general partner entities are deemed registered in reliance on the Form ADV filing made by the Firm, based on SEC staff guidance. In addition, employees and persons acting on behalf of each general partner of the Funds are subject to the Firm's supervision and control. Thus, the general partner entities and all of their employees and the persons acting on its behalf are "persons associated with" the registered investment adviser and the information in this Brochure regarding the advisory services provided by the "Firm" applies to and includes the general partner entities.

Neither the Firm nor any management person is registered, or has an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither the Firm nor any management person is registered, or has an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of any of the foregoing entities.

The Firm does not recommend or select other investment advisers for clients.

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

1. Code of Ethics and Personal Trading

As an investment adviser, the Firm stands in a position of trust and confidence with respect to our clients. The Firm has a fiduciary duty to place the interests of the Funds before our own interests and before the interests of our employees. All of the Firm's personnel must put the interests of the Funds before their own personal interests and must act honestly and fairly in dealings with clients. All of the Firm's personnel must also comply with all federal and other applicable securities laws. The Firm has developed a compliance program to establish these rules of conduct for our personnel.

As part of our compliance program, the Firm has adopted a personal trading policy requiring all personnel to disclose all holdings in "Reportable Securities" as defined by the Advisers Act, in personal trading accounts and certain personal securities transactions in a timely manner. The Firm also maintains a "restricted list" of companies about which a determination has been made that it is prudent to restrict trading activity by the Firm and/or our personnel. An employee may not trade securities of a company included on the restricted list without first obtaining pre-approval from the Firm's Chief Compliance Officer. Additionally, employees may not make an investment in a private security without pre-approval from the Chief Compliance Officer. Factors to be taken into account in such prior approval include, among other considerations, whether the investment opportunity is appropriate for the Fund(s) and whether it should be considered on behalf of the Fund(s).

The Firm has also adopted policies regarding the control of non-public information, outside business activities, political contributions and gifts and entertainment. The Firm's compliance program is designed to promote the ethical behavior of all of the Firm's personnel and to ensure compliance with applicable regulation and best practices. The Firm will provide a copy of our Code of Ethics to any investor or prospective investor upon request.

2. Participation or Interest in Client Transactions

The Funds are typically structured as limited partnerships where an affiliate of the Firm serves as the general partner and makes a capital commitment to the Fund. Typically, the general partner's capital commitment is not subject to management fees or carried interest. While an affiliated general partner has a financial interest in a Fund, the Firm believes that their interests are aligned with those of the Fund's investors because the general partner makes capital contributions and receives distributions from the Fund at the same time and pro rata in proportion to its percentage interest in such investment alongside the other investors. The Funds only allow the general partner to receive carried interest distributions after investors have received a return meeting certain pre-agreed hurdles, as more fully described in the relevant Fund's governing document. Accordingly, the Firm believes that neither we, nor our affiliates, have a conflict of interest with respect to these arrangements.

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must

make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction.

The Firm and its affiliates generally do not engage in transactions between their proprietary accounts and Fund accounts. If the Firm, in the future, were to seek to engage in a principal transaction, we would comply with any applicable requirements of the Advisers Act as they relate to principal transactions, as well as any additional requirements set forth in the Funds' governing documents.

From time to time, the Firm may consider a transaction whereby a Fund seeks to invest in a portfolio company in which one or more members of the Firm have a pre-existing personal investment. This is permitted under the Funds' governing documents and the Firm manages this conflict of interest by either disclosing or obtaining consent from the Fund's limited partner advisory board to the extent required by the Fund's governing documents before proceeding with such transaction.

Section 206 under the Advisers Act also regulates cross transactions effected by an investment adviser among its clients. Very generally, if an investment adviser proposes to act on both sides of a client transaction (referred to as a "cross transaction" or an "agency cross transaction"), the adviser must make certain disclosures to the clients and obtain the clients' consent to the transaction.

The Funds also generally do not engage in transactions among one another. If the Firm, in the future, were to seek to cause the Funds to engage in an agency cross transaction, for example, by causing a fund to purchase investments from another fund, or causing a fund to sell investments to another fund, we would comply with any applicable requirements of the Advisers Act as they relate to cross transactions, as well as any additional requirements set forth in the Funds' governing documents. Such transactions can create perceived and potential 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 Firm might have an incentive to act in favor of one fund at the expense of another.

When a fund is fundraising, and makes an investment prior to its final closing or the final closing of a parallel fund or sidecar fund, such investments may be initially warehoused by one or more funds until a final allocation can be determined. Following the final closing of the funds, the allocation of such investments is rebalanced among the participating funds in accordance with the Firm's allocation policy. This is permitted under the Funds' governing documents and the Firm does not receive any special or one-time fee or other compensation when rebalancing such investments among Funds.

3. Other Conflicts of Interest and Disclosures

Allocation of Investment Opportunities

The Firm may encounter situations where an investment opportunity falls within the investment objective of more than one Fund and must determine how to allocate such opportunity among the Funds and when applicable, co-investors. The Firm generally allocates investment opportunities to Funds on a basis that we reasonably determine in good faith to be fair and

reasonable, taking into account a number of factors, including but not limited to, the nature of the investment focus of each Fund, the relative amounts of capital available for investment, the size and stage of the investment, and any requirements contained in the governing documents of such Funds. With respect to funds and their respective parallel funds, investment opportunities are typically allocated on a pro rata basis in accordance with their capital commitments, subject to the terms of their governing documents and other contract restrictions. In the case of a fund and a sidecar fund, investment opportunities are typically allocated in accordance with the terms of their governing documents.

Subject to the governing documents of the Funds, the Firm has in the past, and may in the future, offer co-investment opportunities to certain persons, including investors and other third parties. The governing documents of a Fund provide the general partner with the sole and absolute discretion regarding offering such opportunities. The general partner of a Fund may present co-investment opportunities to certain limited partners and other third-party potential co-investors at any time and with respect to any particular co-investment opportunity, at different times. Generally, the governing documents of a Fund provide the general partner with sole and absolute discretion regarding offering such opportunities. In addition, certain Firm employees and their affiliates may co-invest with a fund. Investing in a fund does not give limited partners any rights, entitles or priority to co-investment opportunities. The performance of co-investments is not aggregated with that of a fund, including for purposes of determining the general partner's carried interest or management fees under the governing documents of the applicable fund except as provided therein.

There may be circumstances where an amount that would have otherwise been invested by a fund is instead offered to co-investors (e.g., due to a determination by the general partner of a fund that allocating such portion to co-investors is in the fund's best interests, for instance in order to increase diversification), which may include, without limitation our funds, accounts or vehicles, certain of the Firm's employees and their affiliates or third-parties and there is no guarantee for any limited partner that it will be offered any co-investment opportunities. As a general matter, the general partner of a Fund, in determining the allocation of discretionary co-investment opportunities, generally expects to take into account various facts and circumstances deemed relevant by the general partner of such Funds. Such factors are likely to include, among others, whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, whether a potential co-investor has a history of participating in co-investment opportunities with the Firm, the size of the potential co-investor's interest to be held in the underlying portfolio company as a result of the fund's investment (which is likely to be based on the size of the potential co-investor's capital commitment and/or investment in the fund), the timing of the co-investor's commitment to the fund, the existence of accounts or vehicles formed to co-invest in investments across all or a portion of the Firm's platform (whether or not formed in connection with the admission of a limited partner to the fund), whether the potential co-investor has demonstrated a long-term and/or continuing commitment to the potential success of the Firm, the fund or other funds or co-investments, the overall size of a co-investor's commitments to the Firm's Funds, vehicles and accounts, the expected amount of negotiations required in connection with such co-investor's commitment and such other factors that the Firm deems relevant under the circumstances. Prospective investors in a Fund should also note that,

except as may be otherwise agreed in advance with a limited partner of a Fund, limited partners of a Fund are not required to participate in co-investments offered by the general partner of the Fund. The allocation of co-investment opportunities will in many or all cases involve a benefit to the Firm including, without limitation, carried interest or management fees from the co-investment opportunity or capital commitments to a Fund. Co-investors, including without limitation Firm-related funds, accounts or vehicles formed to invest in co-investment opportunities alongside a Fund, may purchase their interests in a portfolio company at the same time as such fund or may purchase their interests from such fund after such has consummated its investment in such portfolio company (also known as a post-closing sell down or transfer). The Firm may charge (or may decide not to charge) a co-investor interest costs for the time period between the closing of a fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor. In addition, co-investors, including without limitation our funds, accounts or vehicles formed to invest in co-investment opportunities alongside a Fund, generally will not share in broken deal expenses (all of which may be borne by the fund, even if a portion of such investment would have been or was offered for co-investment).

Allocation of Personnel

The general partner of a Fund and its affiliates will devote such time as necessary to conduct the business and operational affairs of such Fund in an appropriate manner and as provided by the governing documents of such Fund. Firm personnel will work on other projects, including other Firm sponsored funds or vehicles as provided herein and in the governing documents of such fund. Such personnel may also serve as members of the boards of directors of various entities other than portfolio companies. Conflicts may arise as a result of such other activities. The possibility exists that such entities could engage in transactions that would be suitable for a Fund, but in which such Fund might be unable to invest.

Transactions between Investors and Portfolio Companies

The Firm has, from time to time, facilitated introductions between prospective or actual investors and our portfolio companies, to create business opportunities between the investors and portfolio companies if the Firm believes that one may be in need of services of the kind provided by the other. The Firm does not receive any referral or success fee for facilitating such introductions.

Arrangements Between Portfolio Companies and/or between Portfolio Companies and the Firm or its Members

Certain portfolio companies are or will be counterparties or participants in agreements, transactions or other arrangements with other portfolio companies of the same Fund or other Funds. The Firm has, from time to time, facilitated introductions between portfolio companies, to create business opportunities between them if the Firm believes that one may be in need of services of the kind provided by the other. The Firm does not receive any referral or success fee for facilitating such introductions.

The Firm or our employees and affiliates have had, from time to time, agreements, transactions or other arrangements with the Firm's portfolio companies which may not have been entered

into but for the portfolio company's association with the Firm. These arrangements can involve commissions, services, discounts and/or other remuneration that may, directly or indirectly, inure to the benefit of the Firm or our employees and affiliates, or to certain Funds and/or their respective portfolio companies. For example, the Firm has in the past and may in the future utilize a product of a portfolio company for the benefit of the Firm or the Funds, and receive a discount for such product. While these discounts could reduce the revenue received by the portfolio company, such discounts are not expected to be material and are given by a portfolio company after the investment decision with respect to such company has been made and not while the Firm is evaluating a prospective investment in such portfolio company.

The Firm typically seeks representation on the board of directors (or similar managing body) of the Funds' portfolio companies in order to oversee the company's operational, strategic, financial and governance matters. To the extent that a Fund designates one or more members of the Firm to serve on a portfolio company's board of directors (or similar managing body) and such individual(s) receive fees for such board service, such fees are 100% offset against management fees paid by investors in such Fund. After a Fund's contractual right to designate a board member (or similar representative) is terminated (for example, in the case of an initial public offering), but before the Fund has fully exited its investment in the portfolio company, such individual typically continues to serve on the board (or similar managing body). Following a Fund's full disposition of its interest in a portfolio company, from time to time, such member(s) of the Firm may continue to remain on the company's board of directors (or similar managing body) in his or her own personal capacity, and any compensation received by such member of the Firm for board or similar service after the company ceases to be a portfolio company is no longer offset against management fees.

Compensation of Senior Advisors, Executive Advisors, and Other Consultants, Advisors and Service Providers

The Firm has created a group of Senior Advisors and Executive Advisors consisting of industry executives and leaders to provide advice and help drive scalability and growth for the Firm and our portfolio companies. Advisors in both groups are third-party consultants, and are not employees or affiliates of the Firm. Senior Advisors are compensated by the Firm. Executive Advisors may be compensated by the Firm, the Funds, or a portfolio company, depending on the nature of the service provided. When the consulting services of an Executive Advisor are provided for the benefit of the Firm, then the associated fees and expenses of such services are borne by the Firm. When the consulting services of an Executive Advisor are provided to a Fund (for example, deal due diligence or other investment-related work), then the associated fees and expenses will be charged to the Fund. A portfolio company may also directly engage a Senior Advisor, Executive Advisor, or other third-party industry executive, advisor, consultant, or other subject matter expert who has been identified or referred by the Firm, for operationally-focused consulting services. The fees and expenses for such services would be borne by the portfolio company. Compensation by a Fund or portfolio company may take the form of cash or grants of equity or other incentive compensation arrangements. Any such compensation amount received by a Senior Advisor, Executive Advisor, or other consultant referred by the Firm is not offset against management fees. For administrative convenience, the Firm may retain such consultants

and service providers for the benefit of a Fund and/or its portfolio companies and obtain reimbursement in whole or in part from such Fund and/or its portfolio companies, as applicable.

Some of these advisors may also be investors in one or more Funds managed by the Firm, or they may be executives of current or past portfolio companies.

Follow-on Investments

Investments to finance follow-on acquisitions have presented, and in the future are likely to present, conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company in which another Fund has previously invested and such determinations are made by the Firm in accordance with the Firm's allocation policy. In addition, as has happened in the past and could happen again in the future, a Fund may participate in releveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest often arise, including determinations of whether, to the extent existing investors are being cashed out, whether they are being cashed out at a price that is higher or lower than market value, and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms, or whether, if two Funds will be invested simultaneously, whether one Fund has structural priority over another in a manner that could cause the Firm to be conflicted. Follow-on opportunities where multiple Funds have invested (either at the same or different times) will be allocated in a manner consistent with the applicable governing documents of the Fund, relevant policies, and/or associated disclosures and such allocations are likely to present potential conflicts that could be resolved in a manner that does not favor one or multiple Funds.

Investments in which Funds Have Different Interests

The Funds may invest in a broad range of securities, instruments and obligations throughout the corporate capital structure. These investments include (but are not limited to) investments in common equity securities, preferred equity securities and corporate loans and debt obligations. Accordingly, certain Funds may invest in different parts of the capital structure of an issuer in which other Funds invest. Such investments may give rise to conflicts of interest, or perceived conflicts of interest, for the Firm. In the event that a conflict of interest arises, the Firm will attempt to resolve such conflict on a case by case basis and in the best interests of the parties involved, while maintaining our duty of fiduciary care to the relevant Funds. When the Firm deems it appropriate, conflicts of interest are disclosed to a Fund's limited partner advisory board for review and approval.

Valuation Matters

The fair value of all investments or of property received in exchange for any investments will be determined by the general partner of a Fund in accordance with the applicable governing documents of such Fund. Accordingly, the carrying value of an investment may not reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. The valuation of investments will, under certain circumstances, affect the amount of management fees and/or carried interest payable to

the Firm. The valuation of investments may also affect the ability of the Firm to raise successor funds. As a result, there may be circumstances where the general partner of a Fund is incentivized to determine valuations that are higher than the actual fair value of investments. In the event that the valuation determined by the general partner is objected to by the applicable Fund's limited partners or such Fund's limited partner advisory committee, we will select a U.S. nationally recognized investment banking firm to provide a valuation.

Varying Interests Among Limited Partners

The investors in the Funds may have varying and at times conflicting investment, tax and other interests with respect to their investments in such Funds. The conflicting interests of individual investors may relate or arise from, among other things, the nature of investments made by the Funds, the structuring 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 general partner of a Fund, including with respect to the nature or structuring of investments that may be more beneficial for one investor, including such general partner, than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the general partners of the Funds will consider the investment and tax objectives of the Funds and its investors as a whole, not the investment, tax or other objectives of any investor individually. In addition, the interests held by a relatively small number of investors may be significantly larger than those held by other investors which could have a material impact on the outcome of matters requiring investor consent or approval.

Line of Credit

The Funds are typically parties to one or more subscription-based credit facilities. Borrowings by the Funds under such facilities will generally be secured by investors' capital commitments as well as by the Funds' assets, subject to certain limitations, and the terms of such facilities may provide that during the continuance of a default under such facilities, the interests and distributions of the Funds' investors may be subordinated to such facilities. Use of a subscription-based credit facility can cause a higher reported net internal rate of return for a Fund than if the facility had not been utilized, and as a result of this and other factors (including that the interest rate on such borrowings is typically less than the rate of the preferred return (if any) and that such preferred return (if any) does not accrue on such borrowings, and only accrues on capital contributions when made) may present conflicts of interest and the general partner of a Fund may make distributions prior to the repayment of outstanding borrowings. As a result, use of such facilities may reduce the preferred return (if any) received by investors in a Fund and provide the general partner of such Fund with an incentive to fund investments, fees, or expenses through borrowings, in lieu of, or to delay capital contributions. Subject to the limitations in the governing documents of a Fund, the use of a subscription-based credit facility by such Fund is within the applicable general partner's discretion.

In addition, the batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained,

potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender.

Additionally, certain of the Fund's investments may use back leverage in the future. Back leverage potentially enhances the return profile for an investment, but also increases the risk of the investment, including the risks associated with linked investments held through the same leverage facilities.

In addition, in the event that a portfolio company were to borrow funds directly through a fund facility, the applicable Funds may charge the portfolio company borrower higher interest rates than the interest rate the Funds pay pursuant to such financing facility, among other things, to help offset origination and other facility costs.

Side Letters

The Firm or the Funds have entered, and may in the future enter, into agreements, or "side letters", with certain investors whereby such investors may be subject to terms and conditions that are more advantageous than those set forth in the Fund's offering memorandum and limited partnership agreement (or other applicable governing documents). The modifications are solely at the discretion of the Firm and may, among other things, be based on the size of an investor's investment in a Fund. The Firm and the Funds generally have no obligation to disclose the details of these side letters to all the investors in the relevant fund.

Outside Business Activities and Relationships

The Firm's investment professionals may serve as a member of the board of directors (or similar managing body) of a company or participate in other business activities unrelated to the Firm. While such outside business activities must be disclosed to, and approved by, the Firm's Chief Compliance Officer in order to manage and avoid potential conflicts of interest, conflicts of interest may arise as a result of such activities from time to time. For example, a company unrelated to the Firm with which an investment professional is involved could engage in a transaction with a Fund's portfolio company or engage in a transaction that could be suitable for one of the Funds.

Intangible Benefits

The Firm and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund or portfolio company expenses may result in "miles" or "points" or credit in loyalty/status programs to the Firm and/or its personnel, and such benefits, rewards and/or amounts (whether or not de minimis or difficult to value), will exclusively benefit the Firm and/or such personnel even though the cost of the underlying service is being borne by the Funds, its investors and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies. In

addition, airline travel incurred as a Fund or portfolio company expense for our personnel travelling for appropriate fund-related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other fund-related matter) may benefit such Firm personnel to the extent the trip also serves a personal purpose.

Item 12: Brokerage Practices

Due to the nature of the Firm's investment strategy, the Firm expects substantially all of the Funds' investments to be privately negotiated directly with its portfolio companies. As such, the Firm does not anticipate utilizing brokers or dealers regularly. Where the Firm determines to utilize a broker or a dealer to transact on behalf of a Fund, we shall evaluate such broker or dealer based on a range of factors, including without limitation commission price, willingness to commit capital and ability to execute the desired transaction.

The Firm does not receive client referrals from brokers-dealers, nor do we receive any "soft dollar" benefits. Additionally, the Firm does not have any directed brokerage practices.

Item 13: Review of Accounts

The Firm's investment professionals are responsible for reviewing Fund holdings on an ongoing basis to determine if there have been any significant changes to any investments. Each investment is monitored for major events or market shifts affecting the portfolio company or its exit options, and reviewed more formally at least annually. These reviews are prepared by the investment professionals and discussed with the Investment Committee and may include an examination of the original investment thesis, financial performance and forecasts, company management, strategy and competitive positioning, among other things.

Investors receive written quarterly reports related to their investment in a Fund. A typical report includes: a letter from the general partner and overview of the Fund's performance, a portfolio update, a schedule of investments and financial statements.

Item 14: Client Referrals and Other Compensation

No one other than clients provides economic benefits to the Firm for providing investment advice or other advisory services to clients.

The Firm has in the past, and may in the future receive certain fees from portfolio companies, such as, directors fees, in connection with activities performed on behalf of clients. Generally, 100% of such fees paid to the Firm or a member of the Firm, net of expenses related to the activities leading to the receipt of such fees, will reduce the management fee paid by investors.

The Firm does not compensate a third party for client referrals. However, the Firm may compensate a third-party placement agent for investor referrals. In such cases, investors are notified of the material facts of such solicitation arrangements, and any compensation paid by investors to the third-party placement agent reduce the investor's management fee by the same amount, unless prohibited by applicable law or regulation.

Item 15: Custody

The Firm is deemed to have custody of the Funds' assets because an affiliate serves as the general partner to the Funds. Fund assets are held in the name of the Fund, or in an account for the

benefit of the Fund, by an independent qualified custodian, as required by the SEC's custody rule, or fund assets are private, uncertificated securities recorded on the books and records of the issuer in the name of the Fund.

The Firm distributes quarterly reports to investors in the Funds and the Funds are audited annually. With respect to each Fund, a PCAOB-registered independent public accounting firm will audit such Fund's financial statements annually in accordance with U.S. generally accepted accounting principles, and the audited financial statements are distributed to the investors of the Fund within 120 days of the fiscal year end.

Item 16: Investment Discretion

The Firm typically has discretionary investment management authority for the Funds. While the general partner of a Fund is responsible for the management, policies and operations of the Fund, it grants authority to the Firm to make investment recommendations and monitor investments, as more fully described in the investment advisory agreement executed among the general partner, the Fund, investors and the Firm at the outset of the advisory relationship. In all cases, however, this discretion is to be exercised in a manner consistent with the investment strategy and objectives of the Fund. When making investment recommendations, the Firm observes the investment policies, limitations and restrictions that are applicable to the Fund's account.

Item 17: Voting Client Securities

The Firm has full authority to vote securities on behalf of the Funds. Due to the Firm's investment strategy and the nature of investments generally recommended by the Firm, we do not anticipate frequently holding public securities with voting authority on behalf of the Funds. However, if the Funds do hold public securities with voting authority, the Firm shall vote in the best interests of the Funds. The Firm expects to frequently take an active role in the management of our portfolio companies and therefore, will generally vote with management. In some instances, such as in the event of conflict of interests, the Firm may determine that it is in a Fund's best interest to abstain from voting.

Investors may obtain a copy of the Firm's proxy voting policy and/or a record of all proxy votes cast by a Fund at the direction of Riverwood by contacting Riverwood by email at investor_relations@rwcm.com or by telephone at (650) 618-7300.

Item 18: Financial Information

The Firm does not require or solicit prepayment of more than \$1,200 in fees per Fund, six months or more in advance. There is no financial condition that impairs the Firm's ability to meet contractual commitments to the Funds. The Firm 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.