

Form ADV Part 2A: FIRM BROCHURE



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March 29, 2022

This brochure ("Brochure") provides information about the qualifications and business practices of Linden Manager LLC d/b/a Linden Capital Partners and Linden LLC (referred to herein as "Adviser", the "Firm" or "Linden"). If you have any questions about the contents of this Brochure, please contact us at (312) 506-5600. 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.

Linden is a registered investment adviser. Registration of an investment adviser with the SEC does not imply any level of skill or training.

Additional information about Linden also is available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Since Linden’s last Brochure filed on April 22, 2021, the Firm has closed on a new private fund complex, Linden Capital Partners V LP and Linden Capital Partners V-A, LP.

In addition, Linden routinely makes changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry and Firm practices. In this year’s filing, the following Items have been updated, in addition to certain immaterial changes and/or conforming changes related to the following:

- Item 4: updated to reflect regulatory assets under management as of December 31, 2021;
- Item 5: updated to reflect fees and expenses associated with the new fund; and
- Item 8: updated to reflect additional risk factors and potential conflicts of interest in conjunction with the new fund.

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Item 4 – Advisory Business

Firm Description

Founded in 2004, Linden Manager LLC d/b/a Linden Capital Partners and Linden LLC, together with its fund general partner entities, is a Chicago-based private equity firm focused on investing in and operating middle market healthcare businesses. A dedicated healthcare adviser, Linden Manager LLC (referred to herein as “Adviser”, the “Firm” or “Linden”) makes investments across two strategies: private equity buyout, which invests in middle market healthcare businesses and structured capital, which invests in senior equity and junior debt securities typically issued by established middle market healthcare businesses.

Linden serves as the investment manager for, and provides discretionary investment advisory services to, private funds, including (i) private equity funds, which includes an overage Fund that invests alongside Linden Capital Partners V LP and Linden Capital Partners V-A LP (the “Co-Investment Fund” and together with the private equity funds, the “PE Funds”, unless the context otherwise requires); (ii) a structured capital fund (the “SCF”); (iii) single purpose vehicles formed to invest alongside a Fund in a single portfolio company (the “SPVs”); and (v) an executive fund (the “Executive Fund” and collectively with the PE Funds, SCF and the SPVs, the “Funds”). In addition, in certain circumstances, as more fully described in Item 7 below, the Firm also permits certain investors and third parties to co-invest directly into a portfolio company. Unlike the SPVs mentioned above, such direct co-invests are not considered Funds or clients of Linden.

Each Linden Fund is managed by a general partner (each, a “General Partner”) which has the authority to make investment decisions on behalf of such Funds. These General Partners are deemed registered under the Investment Advisers Act of 1940, as amended, (the “Advisers Act”) pursuant to Linden’s registration in accordance with SEC guidance. While the General Partners maintain ultimate authority over the respective Funds, Linden has been designated the role of investment manager of the Funds. For more information regarding the Funds and General Partners, please see Linden’s Form ADV Part 1, Schedule D, Section 7.A. and 7.(B).1.

Linden’s PE Funds focus on purchasing privately held businesses, non-core businesses of large corporations and publicly traded companies. Linden’s SCF focuses on investing in senior equity and junior debt securities typically in established middle market healthcare businesses controlled by private equity funds, owner-operators, or are publicly held. For privately-held portfolio opportunities in the equity space, the Firm looks for investments where it believes it is able to assist in the development of the organization by exploiting value creation opportunities and emphasizing human capital to support the organization’s strategic plans. Linden’s strategy includes a proprietary ownership and governance model known as the value creation program, which is adapted specifically for private companies and leverages the Firm’s highly experienced team of both investment professionals and experienced industry executives (“Operating Partners”) to identify value creation opportunities pre-closing and seek to implement these initiatives during Linden’s ownership period.

Linden provides investment advisory services as a private equity manager to its Funds. Linden's investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating and structuring the terms of investments, managing and monitoring investments and ultimately achieving dispositions of such investments. Each portfolio company has its own independent management team responsible for managing its day-to-day operations, although senior principals, other Adviser personnel, Operating Partners and/or third parties appointed by Linden generally serve on the boards of directors of the portfolio companies, including as an observer, or otherwise act to influence control over management of portfolio companies held by the Funds. In addition, for most PE Fund portfolio companies, Linden will more directly influence the day-to-day management of the portfolio company by recruiting and installing certain individuals in various leadership roles, such as chief executive officer, chief operating officer, chief financial officer or in other roles. Investments are made predominantly in nonpublic companies and across the capital structure, although investments in public companies are permitted in certain cases. On occasion, a Linden portfolio company has been purchased by a public company or gone public through a special purpose acquisition merger.

Linden does not tailor its advisory services to the individual needs of investors in its Funds; the Firm's investment advice and authority for each Fund is tailored to the investment objectives of that Fund. These Fund objectives are described in the private placement memorandum, limited partnership agreement, investment advisory agreements, subscription documents, side letters and other governing documents of the relevant Fund (collectively, "Governing Documents") and investors determine the suitability of an investment in a Fund based on, among other things, the Governing Documents. The Firm does not seek or require investor approval regarding each investment decision.

Fund investors generally cannot impose restrictions on investing in certain securities or types of securities. Investors in Funds participate in the overall investment program for the applicable Fund and generally cannot be excused from a particular investment except in certain circumstances pursuant to the terms of the applicable Governing Documents. In accordance with industry common practice, Linden has entered into side letters or similar agreements with certain investors that have the effect of establishing rights under, or altering or supplementing, a Fund's Governing Documents. Examples of side letter rights entered into include, but are not limited to, co-investment preferences, certain notification provisions, reporting requirements, tax related requirements, confidentiality, fees, use of alternative investment vehicles, excuse rights, distributions in kind, legal requirements and "most favored nations" provisions. These rights, benefits or privileges are not always made available to all investors, consistent with general market practice and the Governing Documents. Side letters are negotiated when the relevant investor's subscription documents are executed and, once invested in a Fund, investors generally cannot impose additional investment guidelines or restrictions on such Fund. There can be no assurance that the side letter rights granted to one or more investors will not in certain cases disadvantage other investors.

Linden does not participate in wrap fee programs.

As of the December 31, 2021, Linden managed approximately \$7.992 billion in regulatory assets under management, all of which are managed on a discretionary basis. Linden does not manage any assets on a non-discretionary basis.

Principal Owners/Ownership Structure

Linden Manager LLC is owned by Anthony Davis and Brian Miller. For more information about the owners and executive officers of Linden, please see Linden's Form ADV Part 1, Schedule A.

Item 5 – Fees and Compensation

Linden and its affiliated General Partners receive fees and compensation in exchange for advisory services provided to the Funds, including management fees, carried interest, additional compensation in connection with management services performed for the portfolio companies of the Funds and reimbursements from portfolio companies for certain expenses advanced on their behalf, in each case as applicable. The specific manner in which Linden or its related entities charge fees is established and described in greater detail in the Governing Documents of each Fund. Investors should refer to these Governing Documents for a complete understanding of how Linden is compensated for its advisory services. The information contained herein is a summary only and is qualified in its entirety by such documents.

Management Fees

Generally, on a semiannual (for the PE Funds) or quarterly (for the SCF) basis, the General Partners will charge the Funds a fee for managing the portfolio (the "Management Fee"). These and other fees (as described below) are ultimately paid either as a result of a capital call notice to investors, as a portfolio company expense, as a Fund expense or deducted from distributions to investors. Given the long-term nature of an investment in any private equity fund, there are substantial constraints on an investor's ability to withdraw and, therefore, it is rare for a Fund investor to fully withdraw from a Fund before the end of, as applicable, each semiannual or quarterly period. However, if this were to occur, generally through a private sale of a partnership interest, the Management Fee is treated as earned and is not refunded.

In general, each Fund pays Linden or an affiliate a Management Fee of up to 2% of non-affiliated investor committed or invested capital, depending on the life cycle of the Fund. For the PE Funds, Linden receives a Management Fee of 2% of non-affiliated investor commitments for the period of time during which each Fund is making new investments; thereafter, the Management Fee is equal to 2% of each non-affiliated investor's investment contributions (plus amounts borrowed in anticipation of additional investment contributions) with respect to investments that have not been disposed of or completely written off, in each case as subject to various other factors as detailed in the relevant Fund Governing Documents.

For the SCF, Linden receives a Management Fee of the greater of (A) 1.5% of aggregate non-affiliated investor investment contributions (plus amounts borrowed in anticipation of additional investment contributions) and (B) 1.5% of non-affiliated investor commitments until the earlier of the expiration of the investment period or until a successor fund is raised; thereafter the Management Fee is equal to the amount described in (A) above, in each case as subject to various other factors as detailed in the relevant Fund Governing Documents.

All Management Fees were negotiated with each Fund's investors during the fundraising period of the applicable Fund and are generally not subject to negotiation thereafter. Investors participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund, plus interest, as applicable. In the case where an investment has been completely written off or is no longer in the portfolio, the investment is not included in the invested capital fee base. Management Fees are no longer charged to Fund I or Fund II.

The General Partners are permitted, in their sole discretion or as directed in the Governing Documents, to reduce or waive all or a portion of the Management Fee. Management Fees can differ from one Fund to another as well as for investors in the same Fund. For example, investors in the SPVs, Executive Fund and Co-Investment Fund pay a reduced or no Management Fee. Further, Management Fees are generally waived for Linden employees (including employees investing through a General Partner) and can be waived for affiliates, Operating Partners and their respective families investing in a Fund (however such investors generally pay their pro rata share of certain Fund expenses).

As directed in each Funds' Governing Documents, the relevant General Partner will generally reduce a portion of any capital contributions it would otherwise be required to contribute in connection with waiving Management Fees. Certain waived portions of the Management Fee are treated by the Governing Documents as deemed capital contributions by the relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf, and operates to reduce the amount of capital the applicable General Partner would otherwise be required to contribute to the Fund. The Management Fee that would otherwise be paid by Fund investors in a given year is waived or reduced by an amount equal to the reduction in the General Partner's capital contribution. The investors of a Fund are generally required to make a pro rata contribution according to their respective commitments to fund any contribution that would otherwise be required of the relevant General Partner in connection with any such waiver and, as a result, the exercise of such waiver has the potential to result in an acceleration of investors' capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above.

Management Fees will generally be reduced by: (i) the amount of fees paid by such Fund to entities or persons acting as a placement agent in connection with the offer and sale of interests in such Fund; (ii) costs incurred by Linden in connection with the organization of such Fund that exceed a limit as specified in such Fund's Governing Documents; and (iii) if applicable, certain supplemental fees and

compensation with respect to portfolio investments for Related Services (as defined below), the amount of which are paid by the Funds (directly, or indirectly by the portfolio companies) and are determined by Linden subject to the terms set forth in each Fund's Governing Documents. All such supplemental fees received are offset in whole or in part, depending on the Fund, against the Management Fee by a pre-established sharing percentage that was negotiated between Linden and each Fund's investors, net of any unreimbursed expenses incurred in connection with such portfolio investment and any Management Fee waivers (described above).

Linden generally has discretion over whether to charge fees for Related Services to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party, although such fees are typically spelled out in agreements with each portfolio company that are agreed to by each party at the time of initial investment. On occasion, in certain circumstances (such as a portfolio company's liquidity needs or otherwise) Linden determines in its discretion, or based on a senior credit agreement in place with the portfolio company, to waive, defer or renegotiate, in whole or in part, the amount of supplemental fees received from a portfolio company. Linden makes such determinations on a case-by-case basis and reserves the right to take different actions (or no action) with respect to similarly-situated portfolio companies.

The following fees and expenses do not offset Management Fees, in each case as applicable: (i) any fees received by or on behalf of Operating Partners and Operations Group members; (ii) reimbursements from a portfolio company; (iii) fees and expenses borne by a Fund; (iv) broken deal expenses; or (v) any portfolio company directors' or board fees paid by a former portfolio company to a Linden employee (or former employee) who remains on the company's board of directors following the Fund's disposition of its investment in the company. Any fees for Related Services with respect to an investment or potential investment (including a transaction not consummated) are allocated to a Fund (and offset against the Management Fee as described above) only to the extent of the Fund's relative ownership (or anticipated ownership) of such investment or potential investment on a fully diluted basis, except as otherwise set forth in the Governing Documents. Accordingly, a Fund will, in most such cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such fees for Related Services and not the portion allocable to any other person that holds an economic interest in (or, in the case of a transaction not consummated, would have held an economic interest in) the applicable investment. Further, any such reduction of a Fund's Management Fee is only applicable to the extent a Management Fee is payable by a Fund currently or in the future. Thus, in the event a Fund does not pay a Management Fee or have an offset provision requiring the reduction of Management Fees, such as for Fund I, Fund II, the SPVs and the Executive Fund, Linden will retain the credited offset portion of fees received for Related Services allocable to these Funds without reduction.

To the extent that such an offset credit would reduce a Fund's Management Fee for a given semiannual or quarterly period below zero, the credit will be carried forward for future application against

Management Fees. The amount and manner of such reduction and use of Management Fee credits after dissolution is set forth in the relevant Governing Documents of the applicable Fund. For certain Funds, to the extent no future Management Fees are payable by such Funds, Linden is entitled under the terms of the Governing Documents for such Funds to retain the credited offset, and the amount of such credit over time has the potential to be substantial.

Fee Receipt Allocation

From time to time, Linden, a Fund or a portfolio company agrees to pay a transaction fee, equity grant or other fee to a third party, such as a consultant, advisor, Operating Partner, finder, placement agent, broker and/or investment banker. Similarly, on occasion certain members of a portfolio company management team or board receive additional cash and equity compensation, including bonus payments based on the applicable portfolio company meeting certain success hurdles or otherwise. Such compensation indirectly reduces the proceeds available for distribution to the relevant Fund at the time of such portfolio company's sale. None of these fees or compensation offset Management Fees payable by a Fund.

Fund Expenses

Each Fund bears certain other expenses as set forth in the relevant Governing Documents, which details a description of expenses for such Fund. While differences exist among Funds, the following is a description of expenses generally charged to each Fund. Generally, each Fund, to the extent not paid by portfolio companies, will also be responsible for certain costs, expenses, liabilities and obligations relating or attributable to such Fund's (and its subsidiaries' and intermediate entities'): (i) activities with respect to the sourcing, structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to periodicals or databases), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, or otherwise disposing of, as applicable, portfolio companies and a Funds' actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals (including Operating Partners) and any fees and expenses related to transactions offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful, and including expenses associated with attending industry conferences and meetings with industry executives and similar persons to the extent such conferences and meetings lead to the origination and sourcing of investment opportunities for a Fund; (ii) indebtedness of, or guarantees made, on behalf of a Fund (including any credit facility, letter of credit or similar credit support), including interest and fees with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v)

brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; (vi) legal, accounting, research, auditing, technology, administration (including fees and expenses associated with a Fund's third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, software, appraisals or pricing services), consulting (including consulting, retainer and/or finder's or success fees and other compensation paid to, and benefits or personal costs to or on behalf of, Operating Partners, consultants performing investment initiatives and other similar consultants), tax and other professional services; (vii) reverse breakup, termination and other similar fees; (viii) directors and officers liability, errors and omissions liability, crime coverage, cyber, fidelity bond and general partnership liability premiums and other insurance and regulatory expenses including any costs and expenses related to any retention or deductibles; (ix) filing, title, transfer, registration and other similar fees and expenses; (x) printing, communications, mailing and courier; (xi) the preparation, printing, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or any other administrative, compliance or regulatory filings or reports (including Form PF and any filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Funds or the investors; (xiii) any activities with respect to protecting the confidential or nonpublic nature of any information or data, including confidential information; (xiv) any reasonable out-of-pocket costs and expenses incurred by representatives of a General Partner, Fund advisory committee members, permitted observers and other persons in attending or otherwise participating in meetings of a Fund advisory committee; (xv) indemnification; (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement entered into in connection therewith; (xvii) any annual investor meeting or other periodic, if any, meetings of the investors and any other conference, meeting, webcast or video conference with any investor(s) (including travel, lodging, meals, entertainment, venue, set-up, preparation, room and board, honorarium, events or speakers and any other meeting or conference-related costs) and any periodic executive forum of portfolio company management and/or other persons, regardless of whether all of the individuals attending or otherwise participating in any such meeting are Fund investors or representatives thereof; (xviii) the Management Fee; (xix) any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense if it were incurred in connection with a Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to a Fund to the extent not paid by the investors investing in such entities; (xx) the termination, liquidation, winding up or dissolution of a Fund; (xxi) defaults by investors in the payment of any capital contributions; (xxii) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Fund, a parallel Fund, a General Partner, a parallel Fund General Partner,

an ultimate General Partner, the Adviser and any alternative investment vehicle of a Fund or a parallel Fund, including the preparation, distribution and implementation thereof; (xxiii) (A) complying with any law, policy or regulation related to the activities of a Fund (including regulatory expenses of a General Partner incurred in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations, in each case in connection with the operation of a Fund and legal fees and expenses) and/or (B) any litigation or governmental inquiry, investigation or proceeding involving a Fund, including the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the Governing Documents; (xxiv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian; (xxv) any taxes, fees and other governmental charges levied against a Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of a Fund (except to the extent that a Fund is reimbursed therefor by a reimbursing partner or such tax, fee or charge is treated as having been distributed to the investors) and any costs of or related to the tax representative; (xxvi) distributions to the investors and other expenses associated with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxvii) unreimbursed expenses and unpaid fees of the Operations Group or its members; (xxviii) compliance or regulatory matters related to a Fund; (xxix) the allocable share of the costs of hosting or attending training programs, meetings or other events for senior management of portfolio companies, as reasonably determined by Linden; (xxx) expenses related to hiring consultants or portfolio company headhunter fees, background checks or relocation expenses (to the extent not borne or reimbursed by a portfolio company or potential portfolio company); (xxxi) any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxii) any organizational expenses; (xxxiii) any placement fees; and (xxxiv) any other fees, costs, expenses, liabilities or obligations approved by a Fund's advisory committee; but not including (A) ordinary overhead and administrative expenses that are payable by a General Partner and/or the Adviser pursuant to each Fund's limited partnership agreement and (B) any expenses included as part of the definition of "Investment Contributions" as defined in each relevant Fund's limited partnership agreement.

Out-of-pocket expenses associated with completed transactions are typically reimbursed by a portfolio company. If such expenses are not reimbursed by a portfolio company, they are either billed directly to a Fund or capitalized as part of the acquisition price of a consummated transaction. Out-of-pocket expenses associated with unconsummated transactions ("broken deal expenses") are paid by the relevant Fund(s) selected as proposed investors in such transaction.

Expense Reimbursement

Certain expenses related to Linden's oversight of portfolio companies incurred on behalf of the Funds are reimbursed by a portfolio company pursuant to a management services agreement with the portfolio company. These expenses are paid by Linden and reimbursed by a portfolio company or

paid directly by a portfolio company. Such expenses can include, without limitation: (i) travel expenses, which often will include expenses for chartered (limited to first-class equivalent for Linden employees) or first-class travel and meals and entertainment expenses (such expenses including, as applicable, those relating to (a) the usage of premium black car and other car services, which from time to time include waiting time and (b) social and entertainment events, including closing dinners, provided that portfolio company management is present); (ii) expenses relating to training programs, meetings, conferences or other events (to the extent such programs, meetings or events are attended by portfolio company personnel); (iii) premium meals (including outside normal business hours); (iv) expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses); (v) indemnification expenses; (vi) corporate filings; (vii) certain legal expenses; (viii) similar out-of-pocket expenses; (ix) consulting fees; and (x) other miscellaneous expenses. In addition, to the extent a Fund or Linden initially bears the cost of certain fees or expenses but the benefit of the related services or expense is also received by another Fund, portfolio company or future fund or portfolio company, Linden will determine, subject to its ultimate discretion, whether to cause such other Fund or portfolio company to reimburse the initial Fund or Linden for such fees or expenses. Reimbursement by a portfolio company of out-of-pocket expenses incurred by Linden, a General Partner or their respective affiliates will not be offset against the Management Fee payable by the Funds.

Operations Group and Operating Partners

Linden has created an operations group (“Operations Group”) comprised of non-investment professionals employed or retained by Linden or an affiliate of Linden to provide services, including to provide human capital or similar services to the Funds, to the Adviser, a General Partner, a portfolio company or prospective portfolio company, or any affiliate of Linden. In particular, the Human Capital Group, a segment of the Operations Group, consists of individuals providing internal human capital resource functions for Linden, supporting diligence activities for new investments and providing human capital support and structure to Linden portfolio companies. Such human capital assistance includes recruitment, executive and organizational assessment, coaching and development, compensation, employee relations and onboarding. The areas that Linden has chosen to utilize the services of Operations Group members generally include those where it believes: (i) the fees, costs and other expenses of these services would be paid by a Fund or portfolio company if the services were provided by third-party service providers; (ii) it is in the Fund’s best interests to have in-house personnel perform such services; and/or (iii) that the costs of providing such services in-house are less than, or similar to, the amount that would be charged by a third party in an arm’s-length transaction. Any compensation, including fees, portfolio company incentive equity or other stock awards, and any reimbursement of certain travel and other costs, received by or on behalf of Operations Group members and/or Operating Partners that is attributable to a portfolio company or prospective portfolio company is generally paid by (or capitalized in the deal at closing, as applicable) a portfolio company or prospective portfolio company, typically in the case of a consummated transaction (which payments do not offset the Management Fee) or directly by the relevant Fund, typically in the case of an unconsummated transaction, if reimbursement by the portfolio company is

not permitted (as may be the case in an SCF investment) or if permitted in its Governing Documents. The determination of the appropriate form and amount of compensation for such services takes into account a variety of factors but will ultimately be at the discretion of Linden.

In addition, Linden has engaged several Operating Partners to research, identify and provide recommendations regarding target markets, market segments and companies for potential acquisition or investment. Operating Partners are not employees of Linden. Pursuant to written arrangements, Operating Partners are compensated through regular service payments paid by the relevant Fund or a portfolio company (as permitted in each such Fund's Governing Documents) and an additional fee paid upon the successful acquisition of a portfolio company sourced by such Operating Partner or in which they were an active advisor during diligence. Operating Partners are also entitled additional rights and compensation, including but not limited to, a discretionary bonus, a success fee (in the form of cash or equity) typically based on pre-determined formula, a finder's fee, equity allocations (including stock), options in a portfolio company, and co-investment rights (including in investments in which they are not involved). Certain of these fees payable to Operating Partners are associated with a particular transaction and will typically be included in the closing costs payable by the applicable portfolio company. Operating Partners receive payment from portfolio companies if they serve on such portfolio company's board of directors and for reimbursement of expenses incurred. In the event an Operating Partner is engaged directly by a portfolio company to provide work for a portfolio company in addition to board service, any such fees are paid by the portfolio company directly to the Operating Partner. Any compensation, including fees, incentive equity or other stock awards, and any reimbursement of certain travel and other costs, received by Operating Partners is generally paid by a portfolio company or prospective portfolio company, typically in the case of a consummated transaction (which payments do not offset the Management Fee) or directly by the relevant Fund, typically in the case of an unconsummated transaction or if permitted in its Governing Documents. The determination of the appropriate form and amount of compensation for such services takes into account a variety of factors but will ultimately be at the discretion of Linden and/or the portfolio company, as applicable. Some Operating Partners are also investors in the Linden Funds and participate as direct co-investors in certain portfolio companies.

None of these fees, bonuses, profits interests, other compensation or reimbursements received by the Operating Partners or by Linden on behalf of the Operations Group are offset against Management Fees.

Co-Investment Fees and Expenses

Co-investors pay direct expenses incurred by the co-investment vehicle and generally bear their pro rata portion of operating expenses related to the specific company they have invested in, but do not share in all of the expenses allocated to the Funds. Each co-investment agreement is negotiated with that co-investor and is not subject to review by Fund investors. Further, as a co-investment vehicle is not formed until an investment is consummated, co-investors generally do not pay for expenses related to investments that are not consummated, or "broken deal" expenses. Co-investors who

commit to a transaction after a Fund signs a definitive purchase agreement will lower the risk of broken deal or similar expenses incurred by such Fund (and indirectly, by such Fund's investors) in connection with such transaction based on the timing of when a co-investor becomes contractually obligated to invest. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such co-investor is expected to bear its share of such broken deal expenses (which will be recorded at such portfolio company).

Expense Allocation

At times, service providers perform services pertaining to multiple Funds or related entities. In such instances, Linden will allocate the total expense to multiple entities, including the Funds, using what it believes to be a fair and equitable allocation methodology in accordance with the relevant Governing Documents and its internal policies and procedures. Where one or more Funds to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable Governing Documents, the portion of the expense attributable to such Fund(s) will be borne by Linden.

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

A carried interest allocation ("Carried Interest") represents an adviser's compensation based on a percentage of net profits of the funds it manages. Each General Partner has entered into performance fee arrangements with their related Fund. If total proceeds from the sale of Fund investments exceed the sum of cash contributions made by such Fund's investors plus an 8% annually compounded preferred return on those cash contributions, the relevant Fund General Partner is allocated 20% of the profits. Calculated based on cumulative realized gains and income only, Carried Interest is allocated to a General Partner as portfolio holdings are liquidated or otherwise monetized and is subject to claw-backs to the extent Linden or its related entities are paid in excess of their entitled distribution. Each Fund's Carried Interest calculation is further described in the relevant Fund Governing Documents received by each investor prior to investment in such Fund.

Linden's Carried Interest allocations have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. Management Fees, Carried Interest allocations and other amounts payable to Linden and its related entities are determined at the time of the establishment of the relevant vehicle and are negotiated with participating investors prior to making their investment commitment. Once the relevant Fund has been established and commenced operations, such compensation and expenses are not modified without the consent of two-thirds of the non-affiliated investors of the relevant Fund. The General Partners are permitted to and have exempted certain investors in the Funds from payment of all or a portion of Carried Interest, including employees of Linden investing in the Funds either directly or through a General Partner and, in certain instances, Operating Partners.

The fact that a General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for a General Partner to make investments that are more speculative

than would be the case in the absence of such distributions. The Firm believes this incentive is sufficiently mitigated, however, because the General Partner has made what it believes is a substantial commitment to each Fund to invest its own capital alongside the investors, and would stand to lose the capital it has invested in each Fund. In addition, any losses a Fund sustains will reduce each General Partner's Carried Interest allocation, which is only earned after investors have received as distributions 100% of their capital contributions for each realized investment plus a preferred return. Further, Linden's ability to attract future investors is tied to the performance of its investments.

Linden manages multiple Funds at one time, many of which have similar investment strategies and are managed on a side-by-side basis. As a result, Linden and its related entities have a potential conflict of interest in: (i) allocating their time and activity among the multiple Funds; (ii) allocating investments among the multiple Funds; and (iii) effecting transactions among the multiple Funds, including ones in which Linden and/or the General Partners have a greater financial interest. Although Linden generally makes new investments for a Fund with the same investment objectives only after a predecessor Fund is substantially invested or committed as more fully described in the applicable Fund's Governing Documents, management of side-by-side Funds can create an incentive for Linden or its personnel to favor a Fund in which it and/or a General Partner have a greater financial interest. Linden believes such potential conflicts are sufficiently mitigated, however, because: (i) the applicable Governing Documents create limitations on the ability of Linden to establish new investment funds; (ii) the Funds are subject to certain contractual provisions requiring certain parallel funds to purchase and sell investments contemporaneously; and (iii) investment opportunities which satisfy the investment parameters of more than one Fund will be allocated in accordance with Linden's policies and procedures, applicable Governing Documents and taking into consideration certain factors, as determined in the relevant General Partner's sole discretion, which can include, but are not limited to: the amount of available capital commitments of the applicable Fund(s); anticipated future capital requirements of an investment opportunity; life-cycle of the applicable Fund(s); expected time to obtain liquidity; legal, tax and regulatory considerations; and any other factors deemed relevant by Linden. Linden's procedures are designed to ensure that all investment decisions are made in accordance with Linden's fiduciary duties to its Funds and without consideration of Linden's (or its affiliates' or employees') pecuniary interest. Should any investment allocation fall outside of these mitigants, the relevant Fund's advisory committee shall approve any such allocation. Linden will not allocate investment opportunities based in whole or in part on (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund. Investment allocation decisions are determined by the relevant Investment Committee.

Item 7 – Types of Clients

Linden provides portfolio management services to its private fund clients, the Funds, which are exempt from registration under the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder ("Investment Company Act"). The Funds limit their respective investors to those who are "accredited investors" as defined under Regulation D of the Securities Act of 1933 and "qualified purchasers" or "knowledgeable employees" each as defined in the Investment

Company Act. The Funds generally have a minimum investment amount of \$5.0 million for third-party investors, which has been reduced in the applicable General Partner's sole discretion. Investors in the Funds must meet certain suitability and net worth qualifications prior to making an investment in the Funds. The Funds are not registered or required to be registered under the Investment Company Act, are not made available to the general public, their securities are not registered or required to be registered under the Securities Act of 1933, and Fund interests are privately placed to qualified investors. Qualified investors include individuals or entities to which Fund interests are permitted to be sold, which generally includes (i) in the United States, people or organizations who meet certain net worth, income and/or financial sophistication requirements as described above or (ii) in other countries, as permitted by the relevant securities laws in such jurisdiction and in compliance with any foreign offering provisions applicable to Linden and/or the Funds.

Investors in the Funds include a broad range of U.S. and non-U.S. investors, including, among others, corporations, sovereign wealth funds, pension and profit-sharing plans, charitable institutions, foundations, endowments, municipalities, trust programs, foreign funds, fund of funds, high net worth individuals, and other U.S. and international institutions. In addition, employees, Operating Partners and other persons associated with Linden have made capital commitments to the Funds.

On occasion, Linden offers co-investment opportunities for certain investors to invest alongside a Fund in certain Fund portfolio companies. As referenced in Item 4 above, co-investments are typically structured as a direct investment by certain investors into a portfolio company or its holding or operating company or less frequently, have been structured as a SPV. When structured as a SPV, Linden considers the investment to be a Fund client, identifies the SPV in its Form ADV Part 1, Schedule D, Section 7.B.(1), obtains an audit for the SPV, reserves the ability to charge Management Fees or Carried Interest on such SPV, and includes the amount of assets of such SPV in the Firm's regulatory assets under management. In the case of direct co-investments, Linden does not consider the co-investment to be a Fund or a client, does not act as the investment manager to the co-investment portion of the investment, does not charge Management Fees or Carried Interest to the co-investment, does not have custody of the co-investment and does not include the amount of assets of the co-investment in the Firm's regulatory assets under management. In such direct co-investment opportunities, Linden will perform management, advisory and other services for the portfolio companies in which these co-investors invest, generally at no cost to such co-investors except portfolio fees and expenses (which such expenses are recorded at the portfolio company).

Opportunities to participate in co-investment transactions arise when Linden has the opportunity for an investment in an existing or prospective portfolio company and determines that (i) an investment requires additional capital, (ii) all or a portion of the applicable opportunity is not required to be offered to a Fund or (iii) the full investment opportunity is not appropriate for a Fund, whether due to concentration restrictions contained in the Fund's Governing Documents or otherwise.

Co-investment opportunities are made available to certain Fund investors and third parties, including without limitation, management or founders of the applicable portfolio company, strategic investors,

lenders, deal sources, other private equity or venture capital firms, Operating Partners and other persons or entities affiliated, associated or otherwise known to Linden. Such determinations are based on the provisions of the applicable Fund's Governing Documents, side letter agreements, agreements with lenders and such other factors as Linden considers in its sole discretion, including those specified from time to time in its policies and procedures on investment allocation and co-investment. Additionally, certain individuals who source transactions or provide financing to a transaction have in the past and are expected in the future to negotiate co-investment rights or co-investment priority rights as a component of their compensation or other arrangements with the relevant Fund(s). Subject to any restrictions contained in the Governing Documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general, no investor has a right to participate in any co-investment opportunity. In circumstances where Linden determines to offer a co-investment, the size of the investment opportunity otherwise available to Linden's Fund(s) has the potential to be less than it would otherwise have been without the inclusion of such co-investors. In addition, Linden's exercise of discretion in allocating co-investment opportunities often will not result in proportional allocations among such co-investors and such allocations can be more or less advantageous to some co-investors relative to other co-investors. However, based on the risk, industry, and expected future capital needs, among other factors, Linden will determine an appropriate initial funding level to be allocated to Linden's Fund(s) regardless of the size of co-investment.

Co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as a Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-investment vehicle (including a SPV) purchases a portion of an investment from a Fund after such Fund has consummated its investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-investment vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. The Funds also will bear the risk that any co-investors acquiring an interest in an investment after the closing of such investment may acquire such interest on terms that do not reflect the then-current value of such investment.

In the event Linden is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, a Fund may consequently hold a greater concentration and have greater exposure in the related investment opportunity than was originally intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto and would result in a greater concentration of risk as a result. To mitigate such risk, each investment is subject to concentration limits as described in the relevant Fund Governing Documents. Despite these concentration limits, it is possible an investment that is not syndicated to co-investors as originally anticipated could result in a significant impact to a Fund's overall investment returns.

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

Strategy

Linden typically invests in middle market healthcare businesses. These are privately held businesses, non-core operations of larger corporations and publicly traded companies where Linden is able to assist in the development of the organization by exploiting value creation opportunities and emphasizing human capital to support the organization's strategic plans. Linden accomplishes these objectives by using a team of both investment and operating professionals to identify value creation opportunities pre-closing and implement these initiatives during Linden's ownership period. The Firm seeks opportunities where it can implement its proprietary value creation program in partnership with company management.

Linden's strategy has eight key components: (1) team of investment professionals, Operating Partners and Operations Group members to assess and build value; (2) targeted healthcare industry focus; (3) generation of advantaged deals through industry, corporate, private equity seller, and investment banking intermediary relationship management; (4) for the PE Funds and certain SCF investments, proprietary post-investment value creation program incorporating financial, operating and strategic goals; (5) for the PE Funds and certain SCF investments, emphasis on human capital to build leading management teams and boards at portfolio companies then supporting those teams throughout the life of an investment; (6) investing in businesses to seek to drive future growth and value creation; (7) tested investment qualification process and transaction structures tailored to align incentives; and (8) exit planning integrated into the initial investment evaluation and as a formal part of ongoing portfolio company management throughout the life of an investment.

For the PE Funds, the Firm invests primarily in transactions where it can be the lead investor or otherwise have significant governance influence and does not invest in what it considers to be venture capital investments.

For the SCF, the Firm focuses on the same healthcare industry as the PE Funds; however, the SCF invests in a different class of securities than the PE Funds, which securities are expected to result in differences in the ability of Linden to exercise control over the portfolio companies. Notably, the SCF invests in senior equity and junior debt securities typically issued by established middle market healthcare businesses which securities are (i) senior in liquidation preference to a significant amount of the underlying issuer's enterprise value and (ii) structured with rights, controls and protective covenants that the Firm believes will further enhance the relative safety of the capital invested. Any diminution in enterprise value will be borne first by the common equity and junior preferred securities and is not expected to meaningfully impact the securities purchased by the SCF until the common and junior preferred equity is fully impaired. Linden expects the majority of the SCF portfolio will be comprised of companies sponsored by private equity funds, including Linden-sponsored companies, and/or companies owned by other sponsors where Linden has strong knowledge of the sub-sector or has previously performed significant due diligence on the business.

Team of Investment Professionals and Operating Partners to Assess and Build Value. The successful identification, evaluation, execution, management and exit of private equity investments requires a team with a broad set of skills. An important element of Linden's strategy is the application of operating and technical expertise to all facets of private equity investing. Linden combines (i) a long record of investing in middle market private equity transactions; (ii) healthcare domain experience, including a broad network of relationships with companies and executives; (iii) operating experience; and (iv) buyout investing, structuring and financing experience.

In addition to its well-developed transaction capabilities, Linden combines operating expertise to its transaction teams with its Operating Partners and Operations Group. Linden continues to refine and expand its Operations Group strategy through its in-house Human Capital team.

Targeted Industry Focus on Healthcare. Linden is exclusively focused on the large, growing and often technically complex field of healthcare, which Linden believes produces a competitive advantage for the Firm in identifying, managing and exiting its investments. Linden's healthcare strategy covers a broadly defined target market, ranging from human healthcare services to medical products and technology to distribution.

Generation of Advantaged Deals through Industry and Corporate Relationship Management. Linden's sourcing strategy is aimed at creating advantaged investment opportunities where Linden is a partner of choice for the seller. Each of Linden's investments have been made through an opportunity in which Linden believes the Firm had created a competitive advantage at the outset.

Linden believes the team has built a strong reputation with external constituencies in the healthcare industry, and is known as a sophisticated, creative and experienced investment partner.

PE Funds' Proprietary Post-Investment Value Creation Program Incorporating Financial, Operating and Strategic Goals. A core component of the PE Funds' strategy is the development, implementation and execution of its value creation program for all PE Fund investments. This process is a private company governance model which is designed to create an independent company that is a professionally managed organization.

During the due diligence process, Linden's principals, Operating Partners and Operations Group members identify specific areas it believes will create value and then prioritize those objectives in a formal value creation program. To the extent it is able, Linden begins working with management of the portfolio company to oversee the value creation program prepared during the due diligence process. During the ownership period, Linden actively and rigorously monitors its predetermined priorities of the value creation program.

Emphasis on Human Capital Initiatives via Proprietary Human Capital Team. Linden's in-house Human Capital team helps assess management teams, top-grades the executive teams and board members at portfolio companies, and then supports those teams with ongoing training and development throughout the life of an investment.

Risk Factors

No investment is free of risk. Current and prospective Linden investors are cautioned that investments in securities involve risk of loss, including the possibility of a complete loss of the amount invested, and that they should be prepared to bear these risks. Although the following risk factors generally apply to the various Linden Funds, investors should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Different or new risks not addressed below can arise in the future and, therefore, the following list is not intended to be exhaustive. All investors should be aware of certain risk factors, which include, but are not limited to:

Risks Applicable to all Funds

Investments in Private Companies. The Funds' investment portfolios consist primarily of securities and/or other interests issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments generally are illiquid and involve a high degree of business and financial risk, which can result in substantial loss. In particular, these risks could arise from changes in the financial condition or prospects of the companies in which the investments are made, changes in national or international economic and market conditions and changes in laws, regulations, fiscal policies or political conditions of countries in which investments are made, including the risks of war, revolutions and the effects of terrorist attacks. The possibility of partial or total loss of capital will exist and investors should not invest unless they can readily bear the consequences of such loss.

Concentration of Investments; Lack of Diversification. The Funds will participate in a limited number of investments and intend to make most of its investments in one industry or one industry segment or within a short period of time and, as a consequence, the performance of a few holdings or of a particular industry is likely to substantially affect such investment portfolio's aggregate return.

The Co-Investment Fund expects to participate in a limited number of investments (*i.e.*, a subset of the investments made by the Funds) and similarly expects to make most of those investments in one industry or one industry segment or within a short period of time, and, as a consequence, the performance of a few holdings or of a particular industry is likely to substantially affect their aggregate return. As the Co-Investment Fund is expected to be more concentrated than the Funds, the performance of a particular portfolio company will likely have a greater effect on the Co-Investment Fund's performance than it will in the Funds.

Public Health Emergencies; COVID-19. The novel coronavirus pandemic ("COVID-19") has already caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 has significantly diminished global economic

production and activity of all kinds and has contributed to volatility in all financial markets. Among other things, these unprecedented developments have resulted in unpredictable fluctuations in demand across most categories of consumers and businesses, dislocation in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment. The ultimate impact of COVID-19 — and the resulting precipitous and near-simultaneous decline in economic and commercial activity across several of the world's largest economies— on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained, it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior. To the extent conditions worsen, Linden expects the effects of COVID-19 can have a further material adverse impact on the overall economic and commercial conditions, all of which could severely impact the future performance of the investments described herein. Because Linden specializes in companies in the healthcare industry, Linden's portfolio companies may experience outsized impacts as a result of COVID-19 (*e.g.*, PPE manufacturers and testing companies have seen expansive growth while in person dental and elective procedures have experienced sharp contractions).

General Risks of Investments in Healthcare Companies. While investments in healthcare companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial or total loss. Healthcare companies at times face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which the Funds invest could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. The Funds' portfolio companies could operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources.

Healthcare Reforms. Healthcare reform continues to be a significant factor in the profitability of companies in which the Funds invest. The efforts to reform the healthcare delivery system in the United States and Europe have resulted in increased pressure on healthcare providers and other participants in the healthcare industry to reduce costs. These forces place constraints on the levels of overall pricing, and thus could have material adverse effect on profit margins for the companies in which the Funds invest.

Healthcare Regulation and Reimbursement. Various segments of the healthcare industry are (or could become) (i) highly regulated at both the federal and state levels in the United States and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While the Funds intend to make investments in companies that comply with relevant laws and regulations, certain aspects of their operations are not necessarily subject to judicial or regulatory interpretation. An adverse review or determination by any one of such authorities, or an adverse change in the regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a Fund invests. Recent legislative changes, including the passage of the U.S. Patient Protection and Affordable Care Act, have had, and will likely continue to have, a significant impact on the healthcare industry. In addition, various legislative proposals related to the healthcare industry are introduced from time to time at the U.S. federal and state level, and any such proposals, if adopted, could have a significant impact on the healthcare industry and/or on companies in which the Funds invest.

Patents. Certain healthcare and healthcare related companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies often market substantially similar “generic” products that are typically sold at a lower price than the patented product, causing the original developer of the product to lose market share and/or reduce the price charged for the product, resulting in lower profits for the original developer. As a result, the expiration of patents can adversely affect the profitability of these companies.

Product Liability. The testing, manufacturing, marketing and sale of many of the products and technologies developed by healthcare companies inherently expose these companies to potential product liability risks. Many healthcare companies obtain limited product liability insurance and, furthermore, there can be no assurance that a healthcare company will be able to maintain its product liability insurance on reasonable terms or that any product liability insurance obtained will provide adequate coverage against potential liabilities.

Public Company Holdings. On occasion a Fund’s investment portfolio will contain securities issued by publicly held companies. Such investments can subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations

against such companies' executives and board members, including the principals, and increased costs associated with each of the aforementioned risks.

Material Non-Public Information. From time to time, it is possible that Linden, its employees and/or any of their respective affiliates will come into possession of confidential or material, non-public information concerning specific companies ("MNPI"), including as a result of certain Linden personnel serving on the boards of directors of portfolio companies, whether private companies, public companies or special purpose acquisition companies. As a consequence of Linden's inability to use MNPI for investment purposes under applicable securities laws and/or internal policies, it is possible that a Fund's investment flexibility will be constrained. For example, a Fund can be restricted from buying or selling an investment which, if MNPI had not been known, otherwise may have been undertaken. Each of Linden, the General Partners and the Funds anticipates that, to minimize the impact of such restrictions, there could be circumstances where it will elect to not receive MNPI in certain situations in which such an election is available.

Leveraged Investments; Borrowing. The Funds are permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company. Leverage generally magnifies both the Funds' opportunities for gain and its risk of loss from a particular investment, and the magnification of the risk of loss can be substantial. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which are often impacted by regulatory restrictions and guidelines, and which are difficult to accurately forecast, and at times it will potentially be difficult to obtain or maintain the desired degree of leverage. The availability of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) can restrict or otherwise discourage lending that results in companies carrying large amounts of debt.

The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and will, in some cases, impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of the Funds' investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates (which in recent years have been at or near historic lows) and could accelerate and magnify declines in the value of the Funds' investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, the Funds will potentially suffer a partial or total loss of invested capital in the portfolio company, which would likely adversely affect the returns of the Fund. Additionally, lenders would typically have a claim that has priority over any claim by the Funds to the assets of such portfolio company in an insolvency event or proceeding. Should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund is less likely to achieve an exit multiple or enterprise valuation consistent with its forecasts. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness

or maintain a desired or optimal amount of financial leverage, a Fund can hold a larger than expected equity investment in such portfolio company and could realize lower than expected returns from such portfolio company which would adversely affect the applicable Fund's ability to generate attractive returns for such Fund. Any failure by lenders to provide previously committed financing could also expose a Fund to potential claims by sellers of businesses which such Fund was contracted to purchase. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

The Funds are also permitted to borrow money or guarantee indebtedness (such as a guarantee of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that the Funds would be compensated for providing such guarantee or exposure to such liability. Any use of leverage by the Funds also will result in interest expense and other costs to the Funds that could exceed, or otherwise carry the potential to not be covered by, distributions made to the Funds or appreciation of their investments. The Funds are permitted to incur leverage on a joint and several basis and, in connection with incurring such indebtedness, Linden reserves the right, in its sole discretion, to cause a Fund to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. However, it is possible that, if and when a Fund were to seek to enforce any such right, any such entity could default on its obligation and/or such right could otherwise be unenforceable. In addition, to the extent a Fund incurs leverage (or provides any guarantee), such amounts can be secured by the commitments of the investors and other assets of the applicable Fund. The inability of a Fund to repay any leverage secured by the commitments of the investors could enable a lender to issue a capital call on behalf of Linden.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Documents, in which case the investments would be treated as a permanent investment of the applicable Fund. As a result, such Fund's portfolio could become more concentrated with respect to such investment than initially expected.

Use of Credit Facility. The Funds are permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate commitments available to be called. The Funds' use of such facilities will be determined by Linden, and the performance of the Funds can sometimes be impacted by how Linden causes the Funds to utilize such facilities. Although the use of such a facility will potentially increase a Fund's ability to swiftly invest capital, it also will cause such Fund to incur interest expense and other costs and subject investors to certain risks. Moreover, any investor claim against a Fund would likely be subordinate to such Fund's obligations to a subscription line's creditors. Fund-level borrowing will result in incremental expenses that will be borne by the investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription

line's interest rate is based in part on the creditworthiness of the investors and the terms of the Governing Documents, it can be higher than the interest rate an investor could obtain individually. Conflicts of interest have the potential to arise in that the use of such facilities generally will delay the need for investors to make certain contributions to a Fund, which generally would enhance such Fund's internal rate of return calculations and thereby benefit the marketing efforts of Linden and its affiliates. To the extent a particular investor's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases such Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses. Such co-investors nevertheless stand to receive the benefit of the use of the subscription line. Neither the Funds nor investors generally will be compensated for providing the relevant guarantee(s) but will generally be reimbursed for the related costs and expenses associated with the use of the line.

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

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows Linden to fund investments and pay a Fund's expenses without calling capital, potentially for extended periods of time. To the extent provided in the Governing Documents, any such borrowing is permitted to remain outstanding for such time as Linden deems appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that decrease net returns of a Fund. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had Linden called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the investors to meet the accumulated, larger capital calls at the same time.

Transactions with Fund Investors: On occasion, Linden enters into transactions (such as co-investment opportunities or directed debt purchases) with certain Fund investors such as, for example, investors who are also business partners, such as insurance agents, investment banks, broker-dealers, legal counsel or others who provide services (including mezzanine and/or other lending arrangements) to the Firm, Funds and portfolio companies. Linden pursues debt financing on terms it believes are advantageous for a Fund when weighing all the factors relevant to the transaction, including the

prevailing financing rates and any original issue discount, scope of positive and negative debt financing covenants, prior experience with the applicable counterparty, and such counterparty's execution capability, reputation and expertise within the industry. On such occasions, the Firm receives competitive bids from other debt providers and ensures that the transaction is in the portfolio company's best interest. Notwithstanding the foregoing, Linden is subject to potential conflicts of interest when determining such terms because it is possible that the Firm will benefit from retaining such investors' investment in the Funds.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of the Funds, including decisions with respect to structuring, negotiating and purchasing, financing and eventually divesting investments on behalf of the Funds, will be vested with such Fund's General Partner. Consequently, a Fund's future profitability and investment performance will depend largely upon the business and investment acumen of Linden and the principals of Linden. The loss or reduction of service of one or more of the principals has the potential to have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the principals currently, and expect in the future to, manage or advise other investments and/or investment funds besides the Funds and the principals expect that they will need to devote substantial amounts of their time to the investment activities of such other investments and/or Funds, which will pose potential conflicts of interest in the allocation of the time of the principals. Investors generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of the Funds will depend on the actions of Linden and the General Partners. In addition, certain changes in Linden and the General Partners or circumstances relating to the Firm or the General Partners can have an adverse effect on the Funds or one or more of its portfolio companies including potential acceleration of debt facilities.

The success of many of the Funds' portfolio companies is heavily dependent on the management of such companies. Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Additionally, Linden will generally establish the capital structure of companies in which the Funds invest on the basis of financial projections for such companies, which will contain significant judgment and input from the portfolio company management team. Although Linden will be responsible for monitoring the performance of each portfolio investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the existing management team, or any successor, will be able or willing to successfully operate a company in accordance with each Fund's objectives. Portfolio companies generally need to attract, retain and develop executives and members of their management teams. The market for executive talent can be extremely competitive. There can be no assurance that the management team of a portfolio company on the date a portfolio investment is made will remain the same or continue to be affiliated with the company throughout the period the portfolio company is held by a Fund. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the Funds could be adversely affected thereby.

Conflicting Investor Interest. Investors are expected, from time to time, to have conflicting investment, tax and other interests with respect to their investments in the Funds, including conflicts relating to the structuring and timing of investment acquisitions and dispositions. As a consequence, potential conflicts of interest will arise in connection with decisions made by Linden regarding an investment that will potentially be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Firm generally will consider the investment and tax and other relevant objectives of each Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Funds' activities, including the ability of the Funds to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

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

Director Liability. Linden typically seeks to obtain the right to appoint one or more representatives, including as an observer, to the board of directors (or similar governing body) of the companies in which it invests (each, a "Board Representative"). In those instances where a Fund is not the sole shareholder of the applicable portfolio company, a Board Representative can, at times, have duties to persons and/or entities other than such Fund. Serving on the board of directors (or similar governing body) of a portfolio company will expose a Board Representative, and ultimately the Funds, to potential liability. It is assumed that all portfolio companies will obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain has the potential to be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

Fund Advisory Committees. The General Partner of each Fund will appoint one or more investor representatives to each Fund's advisory committee which has the ability to review and waive compliance with certain provisions of the relevant Governing Documents, including resolving potential conflicts of interest situations, and whose approval is required or can be requested in certain circumstances, including certain approvals or consents required by the Advisers Act. The Governing Documents provide that to the fullest extent permitted by applicable law, none of the Fund advisory committee members in respect of the activities of the respective Fund advisory committee shall owe any fiduciary duties to the Funds or any other investors. In addition, representatives of the Fund advisory committees can have various business and other relationships with Linden and their partners, employees and affiliates. These relationships have the potential to influence their decisions as members of a Fund advisory committee. To the extent that an investor is not directly represented by a member of the advisory committee, such investor will have no influence over matters submitted to the advisory committee for review or approval. On any issue involving actual conflicts of interest, Linden will be guided by its good faith discretion.

In addition, members of one Fund's advisory committee can, and in some cases will, also be a member of another Fund's advisory committee. In such instances, a conflict of interest could be deemed to exist if an advisory committee is requested to provide consent with respect to transactions which involve a conflict of interest between two or more Funds on which such advisory committee members serve, and such members would be unlikely to recuse themselves from any such vote.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which the Funds invest, including various segments of the healthcare industry, are (or have the potential to become): (i) highly regulated at both the federal and state levels in the U.S. and internationally; and (ii) subject to frequent regulatory change. Certain segments are highly dependent upon various government (or private) reimbursement programs. While the Funds intend to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries, including in particular the healthcare industry, are complex, can be ambiguous or can lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Funds invest. By way of example, the healthcare industry has been, and will likely continue to be, significantly impacted by recent legislative changes, and various U.S. federal, state or local or non-U.S. legislative proposals related to such industry are introduced from time to time, which, if adopted, have the potential to significantly impact such industry in general and/or companies in which the Funds invest.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence can be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence can lead to or extend a localized or global economic downturn. Furthermore, such uncertainty is generally compounded by local, regional

or global health crises including, but not limited to, the rapid and/or pandemic spread of novel viruses (e.g., SARS, MERS, COVID-19 and/or other similar epidemics). Such health crises could exacerbate the political, social and economic risks previously mentioned, and result in significant breakdowns, delays and other disruptions to important global, local and regional supply chains, with potential corresponding results on the operating performance of affected portfolio companies. The United States has experienced social and political unrest and polarization recently, which has further intensified as a result of the COVID-19 related economic shutdowns and civil unrest following protests against police brutality. A climate of uncertainty and unrest has the ability to reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. Such climate can potentially hinder the Funds and their portfolio companies and prospective portfolio companies from operating in the ordinary course of business. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn would typically be expected to have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This can slow the rate of future investments by the Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn can have an adverse effect upon the Funds' portfolio companies.

General Economic and Market Conditions. The private equity industry generally and the success of the Funds' investment activities specifically will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by Linden. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) can have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally reduce the availability of attractive investment opportunities for the Funds and can affect a Fund's ability to make investments. Instability in the securities markets and economic conditions (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) generally also increase the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the Funds' portfolio companies. A Funds' performance can be affected by deterioration in the capital markets and by market events which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates can adversely affect the value of investments in portfolio companies and the Funds' performance. Volatility and illiquidity in the financial sector can have an adverse effect on the ability of the Funds to sell and/or partially dispose of their portfolio company investments. Such adverse effects can at times include the requirement of a Fund to pay break-up, topping, termination or other fees and expenses in the event such Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that Linden believes

reflect the fair value of such investments. The impact of market and other economic events can also affect the Funds' ability to obtain funding to support its investment objective.

Environmental, Social and Governance Matters. Linden recognizes that, for many investors, environmental, social or governance ("ESG") concerns and the societal impact of their portfolios is an important consideration which cannot be viewed in isolation from overall investment performance. Therefore, the Firm will take certain ESG considerations into account in its investment decision process (including the decision to buy, sell or hold an investment) and will, in appropriate circumstances, incorporate similar considerations into the Firm's ongoing management decisions with respect to certain portfolio companies. Such considerations can, in the discretion of the Firm, include (but are not limited to) those described by the United Nations Principles for Responsible Investment ("UN PRI") and the American Investment Council Guidelines for Responsible Investing ("AIC Guidelines"). However, ESG is only one of the many factors Linden will consider in making investment decisions, and unless otherwise required pursuant to a Fund's Governing Documents, the weight placed on any such ESG considerations will be in Linden's sole and absolute discretion. Further, applying ESG standards to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Linden or any judgment exercised by Linden will reflect the beliefs or values of any particular investor or group of investors. Finally, an assessment of ESG factors is not necessarily determinative and Linden's investment decisions will always be subject to being made in a manner that is consistent with the Firm's fiduciary duty to act in the best interests of the Fund's investors.

To the extent that Linden engages with companies on ESG-related practices and potential enhancements thereto, there can be no guarantee that (i) such engagements will achieve either or both of the desired financial and social impact or results and/or (ii) the market or other stakeholders (community members, portfolio company employees, customers, etc.) will view any such changes as desirable (either socially or to a Fund's financial health).

There is a risk that the Funds will underperform other funds that do not take ESG-related factors into account or conversely, could underperform specialized funds that are largely or exclusively focused on sustainable investing principles.

Uncertainty of Projections. Projected operating results of a company in which the Funds invest normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by Linden in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values. There can be no assurance that the results set forth in the projections will be attained, and actual results can be significantly different from the projections.

Risks in Effecting Operating Improvements. In many cases, the success of the Funds' investment strategies will depend, in part, on the ability of the Funds to 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. In addition, executing operational improvements will potentially divert the attention of key personnel and disrupt normal business. There can be no assurance that the Funds will be able to successfully identify and implement such improvements or that any such successfully implemented improvements will result in a return on invested capital with respect to such portfolio company.

Risks Relating to Due Diligence of and Conduct at Portfolio Companies; Expedited Transactions. Before making investments, Linden will conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence generally entails evaluation of important and complex business, financial, tax, accounting, technical, environmental, regulatory and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties will often be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto and Linden shall generally rely on the advice received from such third parties. Investment analyses and decisions by Linden will often be undertaken on an expedited basis in order for the Funds to take advantage of investment opportunities and/or consummate investments. In such cases, the information available to Linden at the time of an investment decision has the potential to be limited, and Linden could potentially not have access to the detailed information necessary for a full evaluation of the investment opportunity. The due diligence investigation carried out with respect to any investment opportunity will not reveal or highlight all relevant facts that could be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in an investment being successful or even ensure a return on invested capital.

Valuation of Assets: Generally, Linden will determine the value of all the Funds' investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of the Funds' investments because, among other things, the securities of portfolio companies held by the Funds generally will be illiquid and not quoted on any exchange. Linden will determine the value of all the Funds' investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that Linden will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of Linden with respect to an investment will represent the value realized by the Funds on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by Linden can cause it to ineffectively manage the Funds' investment portfolios and risks, and can potentially also affect the diversification and management of the Funds' portfolios of investments.

There is not expected to be an actively traded market for most of the securities owned by the Funds. When estimating fair value, Linden will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values can differ from values that would have been determined had an active market existed for such securities and can differ from the prices at which such securities are ultimately sold. The exercise of discretion in valuation by Linden can give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of Carried Interest and the calculation of Management Fees. Generally, there will be no retroactive adjustment in the valuation of any investment, the offering price at which interests in a Fund were purchased by investors or by a Fund, as applicable, or the fees and/or performance-based compensation paid to the Firm to the extent any valuation proves to not accurately reflect the realizable value of an investment.

In addition, the Firm regularly reports to Fund investors, prospective investors and the investor community more generally, metrics of each Fund's performance, such as rates of return and multiples-of-money, whose calculation depends on the value of the Funds' investments, including unrealized investments. These reports are an indication of the overall performance of a Fund and are important to the Firm's efforts to attract investors to the Firm and any current or future Fund. An objective of Linden's valuation methodologies and procedures is to eliminate any influence these incentives have on fair value determinations.

Cybersecurity Breaches and Identity Theft. The Funds' and their portfolio companies' information and technology systems can be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company can be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In addition, in the event that such a cyber-attack (*e.g.*, an attack initiated by an e-mail phishing or spear phishing scam) or other unauthorized access is directed at Linden or one of its service providers holding its financial or investor data, Linden, its affiliates or the Funds would potentially also be at risk of loss, despite efforts to prevent and mitigate such risks. Although Linden intends to implement various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Linden, the Funds and/or a portfolio company could incur specific time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause

significant interruptions in Linden's, the Funds' and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Linden's, the Funds' and/or a portfolio company's reputation, subject any such entity and its respective affiliates to legal claims or otherwise affect their business and financial performance.

Operations Group. As described in Item 5, Linden has retained, on behalf of the Funds and/or the portfolio companies, as applicable, an Operations Group, which in some cases are affiliates of the General Partner, employees of such affiliates, portfolio companies of the Funds, third-party consultants (including individual Operations Group members, consultants and external executives). The Operations Group members often provide services to, or in connection with, the Funds in relation to its activities, or to one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Although Linden intends to retain Operations Group members with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors can result in limited or no cost savings from such retention. In addition, Linden intends to retain only such Operations Group members which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or able to provide such services at lesser cost.

Use of Expert Networks and Data Analytics. In connection with the evaluation of potential investment opportunities, Linden on occasion engages expert networks and/or makes use of data analytics, including data provided by third-party vendors. Linden seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented policies and procedures to mitigate the risk that the use of expert networks or data analytics results in the receipt of confidential information by investment professionals.

Co-Investments. In Funds in which Linden is actively making new platform investments, Linden has in the past and will in the future, in its sole discretion, provide co-investment opportunities to one or more investors and/or other persons, in each case on terms to be determined by Linden in its sole discretion. Conflicts of interest will arise in the allocation of such co-investment opportunities. There can be no guarantee that the allocation of co-investment opportunities, which are permitted be made to one or more persons for any number of reasons as determined by Linden in its sole discretion, will be in the best interests of the Funds or any individual investor. In exercising its sole discretion in connection with such co-investment opportunities, including with respect to allocating a particular investment to and among potential co-investors and determining the terms thereof, Linden will consider some or all of a wide range of factors (some or all of which have the potential to benefit Linden or its affiliates) Furthermore, Linden reserves the right to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the

relevant transactions, such as a co-sponsor. Additionally, from time to time, certain service providers (e.g., lenders) are expected to seek to negotiate co-investment rights as a component of their compensation or in exchange for granting better terms to Linden, a Fund or a portfolio company in connection with the services provided. Co-investment opportunities typically will be offered to some and not to other investors. Linden's allocation of co-investment opportunities generally will not result in allocations that are proportional to the amounts committed, if any, by the relevant potential co-investors to a Linden Fund or any other co-investment vehicle, and such allocations generally will be more or less advantageous to some persons or entities than to others.

The Funds are permitted to co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-venturer or partner will at any time have economic or business interests or goals that are inconsistent with those of the Funds, or be in a position to take action contrary to the investment objectives of the Funds. In addition, the Funds will, in certain circumstances, be liable for actions of its third-party co-venturer or partner. There can be no assurance that the Funds' return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction. Co-investment terms vary with older Funds that are no longer making new platform investments.

Agreements with Certain Investors. The Funds and/or the General Partner expect to enter into one or more side letters or other similar agreement with certain investors in connection with such investor's admission to a Fund without the approval of any other investor, which can and oftentimes does, have the effect of establishing different or preferential rights or terms under, altering or supplementing the terms of, or confirming the interpretation of a Fund's Governing Documents with respect to such investor in a manner more favorable to such investor than those applicable to other investors, and such rights could be significant. Such rights, terms or confirmations in any such side letter or other similar agreement generally can include (i) excuse, exclusion or withdrawal rights applicable to particular investments or investors (which could increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, certain investments); (ii) reporting obligations of the General Partner; (iii) waiver of certain confidentiality obligations; (iv) consent of the General Partner to certain transfers by such investor; (v) different fee structures (including discounted or rebated compensation terms) or (vi) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of such investor. As a consequence of one or more investors being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating investors could be adversely affected in a material manner by the unfavorable performance of particular investments. Except where required by the Governing Documents, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against the General Partner, the Funds or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters.

Recycling; Reinvestment. Linden generally has the right to recall certain capital returned or distributed to the investors. Accordingly, during the term of the Funds, an investor could be required to make capital contributions in excess of its commitment (subject to certain limitations), and to the extent such recalled or retained amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.

Fees and Expenses. The Funds will pay and bear all expenses related to their operations, including Management Fees and the costs of acquiring, holding, monitoring, maintaining and disposing of portfolio companies, including investment banking fees and consulting fees, whether or not a Fund makes any profits. While it is difficult to predict the future expenses of the Funds, such expenses are expected to be substantial and can surpass a Fund's operating income. The amount of these Fund expenses will reduce the actual returns realized by investors on their respective investments in such Fund (and can sometimes reduce the amount of capital available to be deployed by the Funds for investments). Fund expenses include recurring and regular items, as well as extraordinary expenses for which it at times can be hard to budget or forecast. As a result, the amount of the Fund expenses ultimately called or called at any one time could possibly exceed expectations.

Additional Risks Specific to the SCF

Risk Related to Lack of Control. As a non-controlling Limited Partner, the strategic direction, management, refinancing, and timing of an eventual exit in the SCT will be driven by the controlling shareholder, being either Linden's PE Funds, other financial sponsors or founder-owners. However, SCF will also use its relationship with the controlling shareholder, and leverage Linden's wider reputation, healthcare experience, Operating Partner, executive and advisory network to influence the controlling shareholder around important strategic and financial decisions. In addition, SCF will enjoy certain contractual protections including early redemption repayment provisions, maturity dates, customary minority protections such as anti-dilution, anti-layering, limitations on debt incurrence, restrictions on absolute amount of debt or leverage ratios, and drag and tag rights, while also having minority governance rights around a minimum of one board observer seat (when available), certain information rights and participation on board calls. In certain situations, SCF also expects to obtain liquidity rights either in the event of default of any covenants or after some pre-agreed timeframe or circumstance.

Credit Risks of Investments in Debt Instruments. A portion of the SCF's investment portfolio is expected to consist of debt investments. Credit portfolios are subject to credit risk, which is the likelihood that a company will default in the payment of principal and/or interest on its obligations, among other covenants and requirements. Financial strength and solvency of a company are key factors influencing credit risk. Companies face intense competition, changing business and economic conditions or other developments that adversely affect their performance and increase credit risk. In addition, subordination, lack of or inadequacy of collateral or credit enhancement for a debt instrument can affect its credit risk. Credit risk will change over the life of an investment. In addition, companies will typically contest enforcement of foreclosure or other remedies, seek bankruptcy protection against

such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations. If any of the above occurs, the SCF's ability to make anticipated distributions to investors would likely be delayed or otherwise adversely affected.

Prepayment of Investments. SCF's investment portfolio is expected to consist of junior debt and senior preferred equity securities. These securities are generally pre-payable in whole or in part at any time, after an initial 'no call' period, at the option of the obligor at par plus accrued and unpaid interest thereon, and occasionally plus a prepayment premium. Prepayments are caused by a variety of factors which are often difficult to predict. Consequently, there exists a risk that securities purchased at a price greater than par can experience a capital loss as a result of such a prepayment. When credit and financing market conditions become more attractive to obligors, the rate of prepayment of the SCF's assets would be expected to increase as obligors refinance to take advantage of such improved conditions, which will likely negatively impact the Funds. Any such prepayment of senior preferred equity securities in a flow-through portfolio company will likely result in blocker-level taxes incurred by the investors in the 'A-Fund'. Additionally, the SCF will in some cases be unable to reinvest any prepaid security into other similarly situated investment opportunities or at all.

Risk of Borrower Default. A portion of the SCF's investment portfolio is expected to consist of debt investments. The return of principal of the SCF's loans will depend in large part on the creditworthiness and financial strength of the borrowers of such loans, all or a portion of which borrowers will in some cases not be cash flow positive and/or have generated substantial revenue at the time of the SCF's investment therein. Linden intends to monitor on an ongoing basis the creditworthiness of borrowers of loans in which the SCF will invest. If there is a default by the borrower under any of the SCF's loans, Linden will under most circumstances have contractual remedies pursuant to the loan agreements, potentially including the sale of collateral. However, exercising such contractual rights will generally involve delays or costs, and any available collateral can prove to be unsaleable or saleable only at a price less than the loan amount, which would result in a loss to the SCF. A default by the borrower under any of the SCF's loans will likely result in the SCF being unable to liquidate such loans prior to the termination of the SCF (including in connection with any necessary restructuring of such loans). As a result, upon the termination of the SCF, the investors therein would receive in-kind distributions in respect of such loans and would be unable to protect their interests effectively.

Usury Limitations: Interest charged on loans owned by the Funds is subject to state usury laws imposing maximum interest rates and penalties for violation, including restitution of excess interest and unenforceability of debt.

Cross Collateralization. The SCF engages in financings where several investments are cross-collateralized, thereby subjecting multiple investments to the risk of loss. As a result, the SCF has the potential to lose its interests in performing investments in the event such investments are cross-collateralized with poorly performing or non-performing investments. For example, investments can

be cross-collateralized with other tranches of indebtedness incurred by the same obligor and cross-collateralized with indebtedness issued by more than one obligor. Cross-collateralization arrangements involving more than one obligor can, in some instances, be challenged as fraudulent conveyances by creditors of the related obligor in an action brought outside a bankruptcy case or, if the obligor were to become a debtor in a bankruptcy case, by the obligor's representative (or the obligor as debtor-in-possession), U.S. trustee or creditors' committee. A lien granted by the obligor can be voided if a court were to determine that (i) the obligor was insolvent when it granted the lien securing the loan, was rendered insolvent by the granting of the lien, was left with inadequate capital when it allowed its properties to be encumbered by a lien securing the loan, or was not able to pay its debts as they became due, and (ii) the obligor did not receive fair consideration or reasonably equivalent value when it allowed its properties to be encumbered by a lien securing the loan. Among other things, a legal challenge to the granting of the liens focuses on the benefits realized by the related obligor from the applicable loan proceeds, as well as the overall cross-collateralization. If a court were to conclude that the granting of the liens to cross-collateralize a loan was a voidable fraudulent conveyance, such court can: (i) subordinate all or part of the pertinent loan to existing or future indebtedness of that obligor, (ii) recover payments made under that loan, or (iii) take other actions detrimental to the SCF, including, under certain circumstances, invalidating the loan or the SCF's interest in the collateral securing the cross-collateralized loan.

Original Issue Discount and PIK Interest. To the extent original issue discount ("OID") and payments in kind ("PIK") interest constitute a portion of the SCF's income, the SCF will be exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash representing such income. The SCF's investments customarily include instruments containing an original issue discount ("OID"), which can be contractual in nature, arise if the SCF receives warrants in connection with the making of a loan or possibly in other circumstances, and contractual PIK interest, which represents contractual interest added to a loan balance and due at the end of such loan's term. To the extent OID or PIK interest constitute a portion of the SCF's income, the SCF is exposed to typical risks associated with such income being required to be included in taxable and accounting income prior to receipt of cash. Such risks include:

1. The higher interest rates of OID and PIK instruments reflect the payment deferral and increased credit risk associated with these instruments, and OID and PIK instruments generally represent a significantly higher credit risk than coupon loans.
2. Even if the accounting conditions for income accrual are met, the borrower can still potentially default when the SCF's actual collection is supposed to occur at the maturity of the obligation.
3. OID and PIK instruments generally have unreliable valuations because their continuing accruals require continuing judgments about the collectability of the deferred payments and the value of any associated collateral. OID and PIK income also create uncertainty about the source of the SCF's cash distributions.
4. For accounting purposes, any distributions to investors representing OID and PIK income are not treated as coming from paid-in capital, even though the cash to pay them comes from capital contributions. As a result, despite the fact that a distribution representing OID and

PIK income could be paid out of capital contributions, the SCF is not required to give the investors notice of this fact by reporting it as a return of capital.

5. PIK interest has the effect of generating investment income at a compounding rate, thereby further increasing the Carried Interest payable to the General Partner. Similarly, all things being equal, the deferral associated with PIK interest also decreases the loan-to-value ratio at a compounding rate.

Participation on Creditors' Committees. While it is unlikely with respect to a portfolio company in which the SCF and another Linden Fund each hold interests, the SCF serves on committees formed by creditors ("Creditors' Committees") to negotiate with the equity owners and management of financially troubled companies that will, in some cases, be in bankruptcy. The SCF also seeks to negotiate directly with companies with respect to restructuring issues. Even if the SCF chooses to join a Creditors' Committee, there can be no assurance that the SCF would be successful in obtaining results favorable to it in such proceedings, and the SCF can incur significant legal fees and/or other expenses in attempting to do so, as Creditors' Committees generally consist of many participants, each of which attempts to obtain an outcome that is in its individual best interests. As a result of the SCF's service on such Creditors' Committees, the SCF is deemed to have duties to other creditors represented by the Creditors' Committees, which has the potential to thereby expose the SCF to liability to such other creditors who disagree with the SCF's actions.

The General Partner or the principals, on behalf of the SCF, will, under certain circumstances, elect to serve on Creditors' Committees or other groups to ensure preservation or enhancement of the SCF's position and recovery as a creditor. A member of any such Creditors' Committee or group likely owes certain obligations generally to all parties similarly situated that the Creditors' Committee represents. If the General Partner concludes that its obligations owed to the other parties as a Creditors' Committee or group member conflict with its duties owed to the SCF, it will resign from that Creditors' Committee or group, and the SCF will not necessarily realize the benefits, if any, of the General Partner's service on the Creditors' Committee or group. Additionally, if the SCF is represented on a Creditors' Committee or group, it would be restricted or prohibited under applicable law from disposing of its investments in the subject company while it continues to be represented on such Creditors' Committee or group.

Non-Controlling Investments. The SCF holds meaningful minority stakes in privately held companies and in some cases can have limited minority protection rights. In addition, during the process of exiting investments, the SCF at times can hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that the SCF will on occasion hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where the SCF holds a minority stake, it can be more difficult for the SCF to liquidate its interests than it would be had it owned a controlling interest in such company. Even if the SCF has contractual rights to seek liquidity of the SCF's minority interests in such companies, there exists the possibility that it will be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the SCF, especially in cases

where the interests of the other investors in such company have different business and investment objectives and goals.

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

Conflicts of Interest

The material conflicts of interest that a Fund encounters include those discussed below and elsewhere in this Brochure. The following summary is not intended to be an exhaustive list of all conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact intensive and it is not possible to foresee every conflict of interest that will arise during a Fund's life. Investors should be aware that Linden, its personnel and its affiliates will likely in the future engage in further activities that can result in additional conflicts of interest not addressed below. There can be no assurance that Linden will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to the Funds. In particular, Linden expects in the future to identify additional conflicts of interest that currently are not apparent to the Firm or to the broader alternative investments industry, as well as conflicts of interest that arise or increase in materiality as the Firm develops new investment platforms or business lines and otherwise adapts to dynamic markets and an evolving regulatory environment. To the extent that Linden identifies conflicts of interest in the future, the Firm intends to, but is under no obligation to, disclose these conflicts and their implication to investors through a variety of channels, including in subsequent Brochures or in other written or oral communications to the advisory committees or to investors.

Time and Attention. Unless restricted by the Governing Documents, Linden personnel are permitted to serve on boards or act in other roles unaffiliated with Linden, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles, and no such compensation will offset or otherwise reduce the Management Fee.

Investment Allocation. Linden manages two strategies of Funds, the PE Funds and the SCF Fund. Linden will continue to manage and monitor future investment funds and investments. At such time as Linden is permitted to raise a successor investment fund, the principals will continue to manage the Funds' investments, but also likely will focus investment activities on other opportunities and areas

unrelated to the most recent Fund's investments. Certain investments will be allocated between the Funds and any successor or predecessor fund in a manner as set forth in the Governing Documents of that Fund.

Conflicts will arise when SCF is investing in a PE Fund. Two primary conflicts will exist: (i) pricing, including the incentive for Linden to underprice SCF's investment for the benefit of the common equity or the incentive for SCF to overprice its investment for the benefit of SCF; and (ii) misalignment of interests when more junior securities held by a PE Fund are impaired and the SCF security is not. In order to manage conflicts when SCF is investing in a transaction sponsored by a PE Fund, the relevant Governing Documents are expected to mandate that Linden use commercially reasonable efforts to ensure that a minimum of 25% of the applicable tranche of SCF's investment be acquired by one or more third parties ("Independent Investors", *i.e.*, independent institutional investors) or, if Linden has used commercially reasonable efforts to procure, but is unsuccessful in procuring, an Independent Investor to hold the minimum of 25% of SCF's investment, then if Linden nevertheless determines in good faith that the consummation of such investment is in the best interest of SCF, then Linden is permitted to consummate such investment, subject to the satisfaction of either one of the following conditions: (a) the material terms and conditions of the investment are approved in advance by the SCF advisory committee or (b) the material terms and conditions of the investment are approved in advance by a majority in interest of SCF's investors (and investors of any parallel investment funds). With respect to the foregoing, if an Independent Investor is procured, such investor must agree to the price and the other material terms and conditions of such investment and must possess certain voting rights with respect to the material terms and conditions of such investment (including with respect to amendments or modifications to the material terms and conditions of such investment). There can also be no assurance that the involvement of an Independent Investor will necessarily resolve all conflicts of interest in favor of SCF, particularly those conflicts that may be experienced by Linden, its affiliates and their investment professionals and other personnel in connection with the investment decisions of the applicable PE Fund. Specifically, such conflicts can arise in connection with investment decisions for which controlling voting rights, with respect to material terms and conditions of such investment, afforded to such Independent Investor are not relevant (*e.g.*, a disposition decision for which the Independent Investor has no vote). Also, Independent Investors are expected to have their own interests to serve, which interests can be more or less aligned with those of SCF depending in part on whether such Independent Investor is also a limited partner of SCF (which may not always be the case).

In addition, in circumstances when SCF invests in a Linden-sponsored portfolio company, Linden will be subject to conflicts of interest in determining the terms of SCF's debt instrument and in managing both Funds' investments in such portfolio company on a going forward basis. Because of the different legal rights associated with equity and debt investments, Linden faces a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, both Funds. For example, questions can arise as to whether payment obligations and covenants should be enforced, modified or waived or whether debt investments should be refinanced or restructured. In troubled situations, certain decisions, including whether to enforce claims, whether to advocate or initiate a restructuring

or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring, are expected to raise conflicts of interest with respect to SCF, whose interests are likely to diverge from the PE Funds in such situations. For example, SCF could be more senior or more junior to a PE Fund in the capital structure of the portfolio company, which could mean that in a workout or other distressed scenario SCF can be adverse to a PE Fund and might recover all, part or none of its investment while a PE Fund recovers more or less. Conflicts can also arise between SCF and the PE Funds in negotiating the price of the debt securities or interests, the characterization of such debt securities or interests, the terms of inter-creditor agreements, the interest rate or stated dividend yield of such securities or interests, the nature of the covenants running in favor of lenders and the other terms and conditions of investment or in addressing subsequent amendments or waivers. There can also be conflicts as a PE Fund desires optimal flexibility to grow the portfolio company, while SCF and the other debt investors want to place tighter restrictions on the type and the amounts of permitted investments and acquisitions. While not required, Linden is permitted to seek the approval or recommendation of a Fund advisory committee if a known or potential conflict of interest arises between the Funds.

Over time, certain investment opportunities suitable for a Fund are likely also to be suitable for other investment funds sponsored by the Firm or its affiliates. In determining which Funds should participate in such investment opportunities, subject to the Governing Documents, Linden is subject to potential conflicts of interest among the investors in the Funds. To determine whether a Fund will participate in the relevant investment opportunity, Linden generally assesses whether an investment opportunity is appropriate for each relevant Fund based on the terms of such Fund's Governing Documents, as well as factors including but not limited to: each Fund's investment restrictions and objectives (including those set forth in the relevant Fund's Governing Documents, where applicable), strategy, risk profile, time horizon, life-cycle, tax considerations, applicable legal and regulatory restrictions and structure. The SCF is expected to invest together with the PE Funds in the manner set forth in the relevant Governing Documents and the General Partner's allocation policy. Linden will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with its obligations and take into consideration factors such as those set forth above. In the event that the available amount of an investment opportunity in which a Fund will invest exceeds an amount appropriate for the Fund, such excess can also be offered to one or more potential investors.

Linden's allocation of investment opportunities among a Fund often will not be proportional. Therefore, such allocations have the potential to be more advantageous to one Fund relative to another Fund. While Linden will allocate investment opportunities in a way that it believes in good faith is fair and equitable to each Fund, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which Linden would be subject did not exist.

Additionally, conflicts of interest can arise if the Funds make an investment in a portfolio company in conjunction with an investment made by another Fund sponsored by Linden or an affiliate. For

instance, it is possible that a Fund will not necessarily invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other investment fund. This is likely to result in differences in price, investment terms, leverage and associated costs between a Fund and any other investing Fund or affiliate. There can be no assurance that a Fund and any other investing Fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that the return on the applicable Fund's investments will be the same as the returns obtained by other Linden Funds participating in a given transaction. If additional capital is necessary for the portfolio company as a result of financial or other difficulties, or to finance growth or other opportunities, a Fund can, but is not obligated to, provide such additional capital, and a Fund or its General Partner, as applicable, generally will supply such additional capital in such amounts, if any, as determined in the sole discretion of the Linden, subject to the terms of the relevant Governing Documents. Given the nature of the relevant conflicts, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to each Fund.

Such conflicts will be exacerbated when the Funds invest in different levels of the capital structure of the applicable portfolio company. For example, the SCF is expected to hold primarily senior equity and junior debt securities of a portfolio company while the PE Funds will hold more junior securities of the same portfolio company. Questions can in some cases arise subsequently as to whether payment obligations and covenants, if present, should be enforced, modified or waived, or whether senior equity and junior debt securities should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring are likely to raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. Because of the different legal rights associated with different tranches of the capital structure of the same portfolio company, Linden will face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of the Funds (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If the SCF enters into any indebtedness with a PE Fund on a joint and several basis, Linden is generally expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement.

For example, in the event a portfolio company enters bankruptcy, it is possible that it will be in the best interest of the Fund which holds senior equity and/or junior debt securities to aggressively pursue the company's assets to fully satisfy the company's obligations and/or indebtedness to the Fund. As a result, the other Fund holding more junior securities of the same portfolio company might not have access to sufficient assets of the company to completely satisfy its bankruptcy claim against the company and will potentially suffer a loss. Because of the potential harm to such Fund's holdings, however, in some cases, Linden (including Linden investment professionals and other personnel) could be disinclined to pursue the company's assets (or to pursue them as aggressively as might otherwise be the case) as a result of their conflicting interests in such other Linden Funds. Conversely, the foregoing entities or persons will, under certain circumstances, be incentivized to make riskier or more speculative investment decisions on behalf of the applicable Fund with the hopes of extracting

value from junior securities that are otherwise significantly impaired, to the detriment of the holdings of the Fund. Other conflicts can arise in cases where a Linden Fund desires optimal flexibility to grow a portfolio company, while the SCF and the other debt investors will potentially want to place tighter restrictions on the type and the amounts of such portfolio company's permitted investments and acquisitions.

If a Fund enters into any indebtedness with another Linden Fund on a joint and several basis, Linden is expected to enter into one or more agreements that provide the Funds with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, Linden expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances the Fund are expected to be prohibited from exercising (or Linden can deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of the Funds could be subject to creditor claims regarding subordination of interests. Linden intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness.

Investor Transfer of Interest. In certain cases, Linden will have an opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interest in a Fund. In the case of ordinary transfers, Linden will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors. On occasion, a Fund's General Partner and individual members of a Fund's General Partner have purchased the interest of an investor.

Certain Risks and Conflicts of Interest Related to Public Company Holdings. As described in Item 4 above, on occasion a Fund holds an interest in a public company. Such situations generally arise due to either: (i) taking a portfolio company public (either through: (a) a traditional securities registration and offering process or (b) sponsoring or merging with a special purpose acquisition company (a "SPAC"); (ii) the acquisition of a portfolio company by a public company; or (iii) the acquisition of public company securities within the permitted authority of the Firm under the relevant Governing Documents).

The acquisition and/or holding of public company securities creates certain risks and conflicts of interest that differ in type or degree from those involved with investments in privately held companies, including but not limited to: (i) volatility in the valuation of investments (which will be dictated based on market volatility, the public markets and the investment decisions of people and entities unaffiliated with the Firm); (ii) the ability to dispose of interests in such investment (and the price effected for a disposition), including the fact that such dispositions will likely be effected at a different price or valuation than it would have been when such company was private; (iii) increased exposure of the

Firm or its personnel to MNPI regarding such company (or its competitors, suppliers or others) which can in turn limit the ability of Linden to be able to purchase (or dispose) of securities of such companies which if it had otherwise been inclined to do so, has the potential to have resulted in the applicable Fund avoiding losses or losing out on potential gains; (iv) the allocation of time and resources of the Firm and/or its personnel; (v) service by Linden personnel on the boards of such companies (including, if applicable, compensation of such board members and fiduciary obligations to shareholders other than the Fund and approval of board compensation from such public company to Linden); (vi) disclosure of Fund interests in such public company including the imposition of new, more frequent and more detailed filing obligations; (vii) increased scrutiny (and “headline risk” associated with a SPAC investment); (viii) increased likelihood of shareholder litigation and insider trading allegations against such company, its executives and board members (which as noted above, can include members or representatives of Linden); and (ix) increased costs associated with any of the foregoing.

Allocation of Fees and Expenses. Linden is often faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to the Funds. Linden, in its sole discretion, will allocate fees and expenses in accordance with the Governing Documents and in a manner that it believes in good faith is fair and equitable to the Funds under the circumstances and considering such factors as it deems relevant. The allocations of such expenses will sometimes not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate pro rata based on number of funds or co-investors receiving related benefits or proportionately in accordance with asset size.

Linden and its affiliates will from time to time incur fees, costs and expenses, including in connection with transactions not consummated, on behalf of the Funds. To the extent practicable, any fees, costs and expenses that are incurred in connection with a consummated investment will be charged to the applicable portfolio company. To the extent such fees, costs and expenses are not charged to a portfolio company, they will be paid by each Fund that participated or was expected to participate in such investment. The Funds will typically bear a portion of any such fees, costs and expenses in proportion to the size of its actual or proposed investment, or in such other manner as Linden considers, in good faith, to be fair and equitable. There are occasions when one Fund (the “Payor Fund”) pays an expense common to multiple Funds (the “Allocated Funds”). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest. There are also occasions where the Firm or a Payor Fund pays an expense on behalf of a portfolio company. On such occasions, the portfolio company will reimburse the Firm or Payor Fund for the expense, without interest, and such reimbursement will not be subject to the fee offset provision.

A conflict of interest is likely to arise in Linden’s determination whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund operational expenses for which the Funds are responsible, or whether such expenses should be borne by Linden. The Funds will be reliant on the determinations of Linden in this regard. From time to time, it is possible that a subsequent review of allocations would result in an identification of expenses that

should have been allocated in a different manner, in which case measures would be undertaken to correct such circumstance, which will include, but are not limited to, a reversal of the original expense allocations, if possible, or such other equitable adjustment believed by Linden to be the most appropriate corrective measure.

Some expenses are incurred on behalf of one Fund which have the potential to benefit other Funds. For example, information Linden obtains in connection with a Fund's research, due diligence and investment activities will be valuable to other Funds. Additionally, tools and resources developed at Linden's expense will be the intellectual property of Linden and not the Fund.

Transactions Among Linden Funds. It is possible that a portion of a Fund's investments will be made in or with a portfolio company of another Fund. For example, Linden could determine that a Fund should invest in an existing portfolio company of another Fund. Any investment by a Fund in an entity in which another Fund has a pre-existing investment (or vice versa) can be viewed, especially in hindsight, to have been made based on a non-arms-length valuation. Similarly, a Fund can later invest in entities in which another Fund has invested, which can have an effect (either positive or negative) on the market value of such Fund's investments. Generally, except as provided in the relevant Governing Documents, such transactions would be subject to the approval of the relevant Fund advisory committee.

Linden reserves the right to make independent decisions regarding recommendations of when a Fund should purchase and sell investments. As a result, it is possible that a Fund will be purchasing an investment at a time when another Fund is selling the same or a similar investment, or vice versa. For example, Linden will, from time to time, consider and reject an investment opportunity on behalf of one Fund despite the fact that Linden or an affiliate can potentially subsequently determine to make an investment in the same company on behalf of another Fund. A conflict of interest arises because the latter Fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by Linden on behalf of the Fund that originally considered the investment. In such circumstances, the benefitting Fund(s) would generally not be required to reimburse the original Fund for some or all of the expenses incurred in connection with considering such investment, and any such allocation that is made will be done in good faith by Linden. Such allocation is likely to be highly subjective. There can be no assurance that the return on one Fund's investments will not be less than the returns obtained by other Funds participating in the investment.

In addition, Linden receives and generates various kinds of portfolio company data and other information, including information related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information will, in certain instances, include material nonpublic information received or generated in connection with efforts on behalf of one Fund's investment in a portfolio company or prospective investment. This information allows Linden to better anticipate macroeconomic and other trends and otherwise develop investment strategies. As a result, Linden often gains industry, sector and other general expertise and knowledge in connection with a portfolio company that will benefit others, as well as Linden and its affiliates,

whether or not such other companies are in the same or a different Fund. In such circumstances where the benefitting portfolio company is in another Fund, one Fund will have borne the cost for value that will benefit the other. It is possible that Linden will, in the future, enter into governance arrangements and confidentiality arrangements with portfolio companies, and will possibly also have access to other sources of information and research that would limit the internal distribution and use of such data. Linden has in the past used, and is likely in the future, in certain instances to use this information in a manner that would provide a material benefit to, or present a conflict of interest between, Linden, its affiliates, or to certain other Funds or investors without compensating or otherwise benefitting the portfolio company, Fund or Funds from which such information was obtained. In addition, Linden has an incentive to pursue investments in companies based on the data and information expected to be received or generated.

Portfolio Company Board Service. With few exceptions, the PE Funds make controlling or jointly-controlling investments in portfolio companies. As a result of these controlling interests, the General Partner typically has the right to appoint portfolio company board members (including current or former Linden personnel or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio company board members approve compensation and other amounts payable to Linden in connection with services provided by the Firm and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the limited partnership agreement's offset provision, are in addition to the Management Fee or Carried Interest. Linden's authority to appoint or influence the appointment of portfolio company board members who will, on occasion, be involved in approving certain compensation payable to the Firm subjects Linden and any such portfolio company board appointees to potential conflicts of interest. Serving in such capacity can give rise to conflicts to the extent that an employee's fiduciary duties to a portfolio company as a director conflicts with the interests of a Fund in general; however, as the Funds will generally be significant shareholders of such companies, it is expected that such interests will generally be aligned. Any fees earned for sitting on such portfolio company boards by employees (except for those fees paid to Operating Partners or members of the Operations Group) are offset against Management Fees in the same manner as Transaction and Monitoring Fees; such fees earned by third parties appointed by Linden (such as Operating Partners) are not offset against Management Fees.

Employees and Service Providers. Linden is permitted to employ or engage personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by the Funds or other Funds or investment vehicles advised by Linden or an affiliate; conversely, former personnel or executives of Linden often serve in significant management roles at portfolio companies or service providers recommended by Linden. Similarly, Linden and/or its personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, and their respective affiliates and personnel, including managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees and current and former portfolio company executives, as well as certain family members or close contacts of these

persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Linden and/or the Funds or other investment vehicles Linden or an affiliate advises. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through Linden entities) to Linden personnel and their estate planning vehicles. Linden will have a conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to a Fund or a portfolio company owned by the Funds if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds Linden advises, will provide Linden information about markets and industries in which Linden operates (or is contemplating operations) or will provide other services that are beneficial to Linden. Linden will have a conflict of interest in making such recommendations, in that it has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for the Funds and investment vehicles that Linden advises, while the products or services recommended will, in some cases, not necessarily be the best available to the portfolio companies held by the Funds.

Over the life of the Funds, Linden generally expects to exercise its discretion to recommend to the Funds or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) Linden (or an affiliate, which includes other portfolio companies of the Funds or other investment funds sponsored by Linden or an affiliate) and at rates determined or substantively influenced by Linden; (ii) an entity with which Linden or its affiliates or current or former members of their personnel has a relationship or from which such person derives a financial or other benefit; (iii) an investor or its affiliates; or (iv) a family member or close friend of Linden or another Linden affiliate. This subjects Linden to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance, Linden would have an incentive to recommend the related or other person or entity because of its financial or business interest. Additionally, there is a possibility that Linden, because of such incentive or for other reasons (including whether the use of such persons or entities has the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Linden or the Funds will in some cases favor such retention or continuation even if a better price and/or quality of service provider can be obtained from another person or entity). Due to these and other similar factors, Linden will not necessarily seek out the lowest cost options when incurring (or causing the Funds or their portfolio companies to incur) such expenses. Although Linden generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Linden has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or can provide such services at lesser cost. In the case of an engagement involving a family member or close friend of Linden or a Linden affiliate, Linden ensures (i) such family member or close friend is well qualified for the role and (ii) such engagement is performed for what it believes are below market rates.

Industry Relationships. As with many other private equity fund sponsors, as part of Linden’s business, the principals, Linden and its employees have developed relationships with (or are related to) third parties which have the potential to raise conflicts of interest. Such third parties include investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), co-investors, other fund sponsors, current and former directors, officers and employees of current and former portfolio companies and former employees and members of Linden. Certain of these third parties will, on occasion: (i) introduce investment opportunities to Linden; (ii) arrange for, or facilitate the financing of, the purchase or recapitalization of current and potential portfolio companies; (iii) introduce portfolio companies to potential acquisition or merger candidates; (iv) facilitate the disposition of portfolio companies; or (v) provide investment banking, consulting, legal or advisory services to Linden, the Funds, or portfolio companies. Such third parties also on occasion provide goods or services to or have business, personal, political, financial or other relationships with the principals. In addition, such third parties are sometimes investors in one or more Funds; co-invest in one or more portfolio companies; or provide other significant business or investment services to Linden, the Funds and/or their portfolio companies. Further, Linden employees on occasion invest in funds or investments offered by some of these third party fund sponsors, including those who are also Linden investors. Any such investments are passive in nature.

These relationships have the potential to influence Linden in deciding whether to select or recommend any such third party to perform services for the Funds or a portfolio company. The cost of any services provided by such third parties will generally be borne directly or indirectly by the Funds or its portfolio companies, as applicable.

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

Third-Party Involvement. Funds co-invest from time to time with third parties. These investments involve risks in connection with such third-party involvement, including the possibility that a third-party co-investor or co-venturer (i) has financial, legal or regulatory difficulties that negatively affect the investment, (ii) has economic or business interests or goals that are inconsistent with those of a Fund or (iii) is in a position to take (or block) action in a manner contrary to a Fund’s investment objectives. In addition, a Fund will in certain circumstances be liable for the actions of its third-party co-investors or co-venturers.

Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements. The Governing Documents of each Fund and related documents are detailed agreements that establish complex arrangements among Linden, the investors, the Fund, the General Partner and other entities and

individuals. Questions can arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, can be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times there will not be a provision directly applicable to the situation. While Linden will construe the relevant agreements in good faith and in a manner consistent with its legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations Linden adopts will not necessarily be, and need not be, the interpretations that are the most favorable to the Funds or their investors.

Conflicts Related to the Withholding of Certain Information. The Governing Documents of the Funds generally permit the applicable Fund's General Partner to withhold information from designated investors in such Fund under specified circumstances. For instance, information will at times be withheld from investors that are subject to Freedom of Information Act or similar requirements. The relevant General Partner could also from time to time elect to withhold certain information from investors for reasons relating to the General Partner's public reputation or overall business strategy, despite the potential benefits to such investors of receiving such information.

Continuation Funds or Transactions. Linden may from time to time in the future, establish other accounts for the purpose of purchasing one or more investments from a Fund and/or making one or more investments alongside a Fund in a transaction or a series of transactions (such transactions, "Continuation Fund"). The affiliated nature of these transactions and Linden's involvement with both the selling and purchasing entities give rise to conflicts of interests, and the relevant General Partner expects to seek the guidance and/or approval of an advisory committee as necessary or appropriate.

Given that Linden or its affiliates may charge Management Fees, Carried Interest or other compensation, including reimbursements for costs and expenses, in connection with any Continuation Fund (which it would not receive if an investment were sold to an unrelated third-party), a General Partner can potentially benefit to a greater extent in pursuing a Continuation Fund over other types of transactions when structuring a Fund's exit from any investment. In addition, Linden has an incentive to maximize the purchase price for an investment on behalf of the selling Fund which would benefit Linden by potentially making it more likely that Linden will earn Carried Interest (or will earn more Carried Interest) with respect to the selling Fund, to the detriment of a purchasing Fund.

Subject to applicable legal, tax, regulatory, accounting, political, national security or similar reasons, Linden expects to offer investors the right to participate in any such Continuation Fund related to a Fund investment *pro rata* based on their investment percentages with respect to the assets being sold or otherwise transferred to such Continuation Fund. It is possible that new investors will be subscribing for interests in the Continuation Fund ("New Investors") alongside investors that will be rolling their interests in the underlying investment(s) ("Rolling Limited Partners") and that New Investors may participate in any such Continuation Fund on terms that are more or less favorable than the terms offered to Rolling Limited Partners, resulting in additional conflicts of interest between

the interests of New Investors and Rolling Limited Partners. In addition, New Investors may participate on terms that could result in dilution of Rolling Limited Partners' indirect interests in the relevant underlying investments and could adversely affect returns to such Rolling Limited Partners. The amount and timing of returns to a Rolling Limited Partners from a Continuation Fund may not be the same as those for the New Investors, which may have preferred economics and may be paid in priority to returns to the Rolling Limited Partners.

Cross Fund Transactions. Linden effects cross transactions between the Funds as discussed further in Item 11 below. Such cross fund transactions create conflicts of interest because by not exposing such buy and sell transactions to market forces. It is possible that a Fund will not receive the best price possible or Linden will have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. In effecting a cross transaction, the Firm will seek to ensure that the purchase or sale is effected at a price that is comparable to what price could be obtained through an arm's-length transaction with a third party and that is otherwise fair to both parties, which in some cases can include receiving a fairness opinion, receiving a legal opinion, engaging a placement agent and/or investment banker, each as appropriate. The Firm will maintain documentation to memorialize the basis for determining fairness in pricing.

Employee Investors. It is expected that certain of Linden's employees and personnel will invest in a Fund directly or as part of a General Partner's commitment to a Fund. Subject to applicable law, the terms of an investment by an employee differ from, and are more favorable than, those of an investment by an external Fund investor. For example, employee investors generally will not be subject to a Management Fee and/or Carried Interest with respect to their investment, will often receive information regarding investments at different times than other investors and can benefit from different credit facility arrangements than a Fund.

Item 9 – Disciplinary Information

Like other registered investment advisers, Linden is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor's evaluation of Linden or the integrity of Linden's management. No events have occurred at Linden that are applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

As mentioned in Item 4 above, Linden is affiliated with the Fund General Partners. These General Partners are deemed registered with the SEC under the Advisers Act pursuant to Linden's registration. These General Partners operate as a single advisory business together with Linden and serve as General Partners of private investment funds, other pooled vehicles and share common owners, officers, partners, employees, Operating Partners, members of the Operations Group, consultants or persons occupying similar positions. These General Partner entities do not have employees of their own.

Linden has and will continue to develop relationships with professionals who provide services it does not provide, including: legal, accounting, fund administration, banking, investment banking, placement agent services, tax preparation, insurance brokerage and other services. Some of these professionals provide services to the principals, employees, the Funds or their portfolio companies. Additionally, some of these professionals are investors in Linden Funds, either personally or through their company.

From time to time, Linden receives training, information, promotional materials, meals, gifts, entertainment or other perquisites from vendors and others with whom it does business or to whom it makes referrals. However, at no time will the Firm accept any benefits, gifts, entertainment or other arrangements that are conditioned on directing individual Fund transactions to a specific security, product or provider. Similarly, Linden employees have in the past, and expect in the future, to speak at or attend conferences and programs for potential investors interested in investing in private funds and other industry events that are sponsored by various investment bankers, broker-dealers or others. Through such capital introduction and other industry events, prospective investors have the opportunity to meet with Linden. Neither Linden nor any Fund compensates these investment bankers, broker-dealers or others for investments ultimately made by prospective investors attending such events other than registration, sponsorship, membership or other similar fees paid to attend such events.

Linden does not recommend or select other investment advisers for the Funds.

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

Code of Ethics and Personal Trading

Pursuant to Rule 204A-1 of the Advisers Act, Linden has adopted a Code of Ethics for all employees describing its high standard of business conduct and its responsibilities to its Funds. Linden's Code of Ethics requires all supervised persons to place Fund interests ahead of the Firm's interests, to avoid taking advantage of his or her position and to maintain full compliance with the federal securities laws. All Linden supervised persons must acknowledge and agree to be bound by the terms of the Code of Ethics upon hire, annually and/or at such time the Code of Ethics is amended. Supervised persons who violate the Code of Ethics will be subject to remedial actions, including, but not limited to, censure, suspension or dismissal. Supervised persons are also required to promptly report any violations of the Code of Ethics of which they become aware.

The personal trading policy for all Linden supervised persons is set forth in Linden's Code of Ethics. Linden's personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by any supervised person and that supervised persons in no respect misappropriate any benefit properly belonging to a Fund. Linden's supervised persons and their covered family members are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding such securities or

communicating material nonpublic information about such securities to others. The Firm maintains a restricted list regarding issuers about whom it has material nonpublic information. The Code of Ethics establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. Under the Code of Ethics, Linden supervised persons are required to file certain periodic reports with the Chief Compliance Officer, as required by Rule 204A-1 under Advisers Act.

The principals and employees of Linden carry on investment activities for their own account and for family members, friends or others and may at times give advice and recommend securities which differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives are the same or similar. Some principals' private investments include passive investments in private healthcare related companies. It is possible that such companies will be used by a Linden portfolio company, although to date that has yet to occur. In addition, principals and employees have on occasion bought securities in transactions offered to but rejected by the Funds or that are outside the investment mandate of the Funds. All such employee private investments are subject to pre-approval and review by the Chief Compliance Officer.

Investors can request a copy of the Firm's Code of Ethics by contacting its Chief Compliance Officer, Doug VanDegrift, at (312) 506-5600.

Participation in Client Transactions

Section 206(3) of the Advisers Act generally prohibits investment advisers from engaging in principal, cross and agency cross transactions without the appropriate disclosure and consent. Linden will only enter into a principal, cross or agency cross transaction with the appropriate disclosure and consent.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account knowingly buys from or sells a security to an advisory client. This also applies to any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser). Cross trades between Funds can also be deemed to be principal transactions if the adviser (and/or its affiliates, owners or controlling persons) own, in the aggregate, 25% or more of either Fund. In the context of Linden's business, a principal transaction would most likely refer to the practice of the General Partners or its members warehousing an investment for the formation of a future fund or Linden or a Fund General Partner purchasing the interest of an existing investor.

Cross transactions occur when an adviser or affiliate arranges a transaction (*i.e.*, acts as broker) between two or more different funds or accounts that are managed by the same adviser or an affiliate. An adviser is not "acting as a broker" if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the asset) for effecting the transaction and therefore is not considered to be conducting a cross transaction under Section 206(3). In the context of Linden's business, a cross transaction would occur when selling a portfolio company, investment or other asset from one Fund to another. Agency cross transactions can arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer, which is not applicable to Linden.

In the event Linden were to recommend a principal transaction or cross transaction, it would only be after: (i) the Firm has determined the transaction to be in the best interest of participating clients; (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the relevant General Partner, advisory committee or investors, as appropriate; (iv) consent is obtained from the appropriate parties; and (v) the Firm ensures that best execution is achieved for the transaction.

Conflicts of Interest

The Governing Documents of each Fund include a description of what Linden believes to be the most significant conflicts of interest associated with an investment in that Fund. Some of these conflicts are summarized in Item 8 above.

Investors should note that there will be occasions when Linden and its affiliates encounter potential conflicts of interest in connection with a Fund. If any matter arises that Linden determines in its good faith constitutes an actual conflict of interest, Linden will take such actions as necessary or appropriate, within the context of such Fund's Governing Documents, to ameliorate the conflict.

Item 12 – Brokerage Practices

While Linden's investment focus is on securities transactions of private companies and take-private transactions of public companies, and generally purchases and sells such companies or otherwise invests in their securities through privately negotiated transactions, the Funds on occasion engage broker-dealers and investment bankers to perform various services for the Funds and portfolio companies. These services include, but are not limited to, assisting in the purchase or sale of a private portfolio company, assisting in the purchase or sale of shares of securities of a public portfolio company or purchasing or selling publicly traded securities. Linden has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker-dealer or investment banker, if any, to be used to effect transactions for the Funds. In executing transactions, Linden will seek best execution of the transaction. Best execution is a qualitative assessment that takes into account the full range and quality of a broker-dealer or investment banker's services and is satisfied by obtaining the most advantageous overall terms for the Fund(s) when weighing all factors relevant to the transaction. Best execution is therefore not necessarily determined by lowest possible commission rates.

Whether for private or public securities transactions, if the services of a broker-dealer or investment banker are needed, Linden selects a broker-dealer or investment banker based on Linden's best judgment regarding a variety of factors, including but not limited to: Linden's prior experience in working with the broker-dealer or investment banker; the broker-dealer or investment banker's execution capability, financial responsibility, reputation and expertise within the industry; the broker-dealer or investment banker's responsiveness to the Firm; the broker-dealer or investment banker's expertise in dealing with investments that are restrictive or illiquid in nature; the type and size of the

transaction involved; the value of any research services provided; and the commission rates, among other factors.

Although Linden generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker-dealer or investment banker can thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services. Linden believes the commissions or mark-ups charged are competitive with those that other broker-dealers or investment bankers charge.

The Firm does not receive any soft dollar benefits from a broker-dealer or other third party in connection with Fund securities transactions, does not receive investor referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event Linden were to aggregate the purchase or sale of securities for Fund accounts, it would do so in the discretion of the investment committee.

Item 13 – Review of Accounts

The investment portfolios of each Fund are generally private, illiquid and long-term in nature and accordingly Linden's review of them is not directed toward a short-term decision to dispose of securities. Linden closely monitors the portfolio companies of its Funds and maintains an ongoing oversight position in such portfolio companies. It is not uncommon for the relevant investment professionals for an investment to be in regular, as often as weekly, contact with the portfolio company's senior management team. A team of investment professionals at differing levels of seniority reviews each Fund's portfolios on an on-going basis. Moreover, partners of Linden monitor portfolio company performance through regular management meetings, as well as detailed reviews of specific portfolio companies that occur as needed. These reviews include, without limitation, sales trends, margins, profitability, debt to equity ratios, material business developments, competitive landscape and management. Linden PE Funds generally holds board seats or otherwise maintains control for every investment it makes. SCF expects to play an active role on the board of each of its portfolio companies either as a member or observer.

Doug VanDegrift, Chief Financial Officer and Chief Compliance Officer, reviews the accounts of each of the Funds on a quarterly basis. Mr. VanDegrift, in his role as Chief Financial Officer and Chief Compliance Officer, also reviews the Funds' accounts whenever a determination is made as to a distribution or a capital call.

Linden typically furnishes to investors on behalf of the Funds the following written reports: (i) unaudited financial statements for the first three quarters of each fiscal year within 45 days of each quarter's close; (ii) annual audited financial statements prepared in accordance with United States generally accepted accounting principles ("GAAP") as promulgated by the Financial Accounting

Stability Board (“FASB”), accompanied by a report of the independent certified public accountant, within 120 days of the fiscal year end (or earlier as agreed to in the relevant Governing Documents); (iii) quarterly individual statement of account; and (iv) quarterly unaudited reports providing a narrative summary of the status of each portfolio company held by a Fund. The Firm also has contact with investors (*e.g.*, personal visits, telephone, video conference and email) throughout the year as requested or conditions warrant.

Upon request, certain investors receive additional information and reporting that other investors do not receive. Further, in the course of conducting due diligence or otherwise, investors periodically request information pertaining to Linden’s investments. Linden responds to these requests, and in answering these requests provides information that is not always made available to other investors who have not requested such information. Additionally, as it pertains to existing investors, upon request or pursuant to contractual obligations (such as agreed to in a side letter), certain investors receive additional information and reporting that other investors do not receive. The fact that Linden provides such information upon request to one or more investors does not obligate Linden to affirmatively provide such information to all investors. As a result, certain investors will have more information about a Fund than other investors, and Linden has no duty, and does not intend, to ensure that all investors seek, obtain or possess the same information regarding a Fund and its investments and/or portfolio companies.

Item 14 – Client Referrals and Other Compensation

As described in Item 5 above, Linden receives out of pocket expense reimbursements and compensation in the form of fees for Related Services from the portfolio companies held by the Funds. These fees are paid pursuant to separate agreements entered into with the portfolio companies to provide certain services that Linden believes will ultimately enhance the value of the companies and benefit the Funds and their investors. Such fee arrangements can present potential conflicts of interest and provide Linden with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To help mitigate this potential conflict of interest, an allocable portion of such benefits received by Linden or its employees are offset in whole or in part, depending on the Fund, against the Management Fee paid by a Fund, except for any fees earned by Operating Partners or the Operations Group, as further described in Item 5 above and in detail in each Fund’s Governing Documents.

When raising capital for a new Fund, Linden typically engages the services of a registered broker-dealer to serve as placement agent for Fund units. Fees for the placement agent are structured based on the needs of a specific investment vehicle being raised but can be fixed, based on the amount raised or retainer. Placement agent fees are paid by the Funds and any such fees paid offset the Management Fee on a dollar-for-dollar basis, although, as further detailed in each Fund’s Governing Documents, related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, can be borne by the

relevant Fund as part of its organizational expenses. All placement agents engaged by Linden are registered broker-dealers.

Item 15 – Custody

The Advisers Act Rule 206(4)-2 (the “Custody Rule”) requires that pooled investment vehicles advised by Linden either undergo an annual audit pursuant to GAAP by an auditing firm registered with and subject to inspection by the Public Company Accounting Oversight Board (“PCAOB”) or be subject to a surprise custody examination, also by a PCAOB registered and inspected auditing firm. Linden is deemed to have custody of the Funds’ assets because the General Partners are not operationally independent from Linden: each Fund’s General Partner generally has full discretion and control over Fund investments and cash, including the ability to deduct fees from investor accounts. In order to comply with the Custody Rule, Linden has elected to undergo an annual GAAP financial statement audit by a PCAOB registered and inspected auditing firm for each of its Fund vehicles over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective investors within 120 days of the fiscal year end (or earlier as agreed to in the relevant Governing Documents). In addition, upon the final liquidation of a Fund, Linden will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all underlying investors promptly upon completion of the audit. Investors in the Funds should carefully review such financial statements.

Linden does not accept physical custody of any Fund assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Called capital is directly deposited or wired into each Fund’s custodial bank accounts and public securities are held with broker-dealers or transfer agents who act as custodians for such securities. Linden receives monthly or quarterly statements from all of its custodians on behalf of the Funds. For more information about Linden qualified custodians, please see Form ADV Part 1, Schedule D, Section 7.B.(1).

Item 16 – Investment Discretion

Linden and its General Partners have discretionary authority based on the Governing Documents of each Fund to buy and sell securities or other investments on behalf of the Funds and to determine the amount of such investments to be bought and sold. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to investors in the Funds individually. The terms upon which Linden serves as an investment manager of a Fund are established at the time each Fund is established and are set out in the Governing Documents of each Fund.

To become an investor in a Linden Fund, an investor must execute a subscription agreement and a limited partnership agreement with the Fund. Such documents generally contain a power of attorney that grants Linden or its General Partner certain powers related to the orderly administration of the affairs of the Funds. Once an investor executes these documents, with limited exceptions, such as

discussed elsewhere in this Brochure, Linden is not required to contact an investor prior to transacting any business.

Generally, Linden's only restrictions with respect to managing a Fund, such as the type of securities in which a Fund invests, will be contained in the relevant Fund's Governing Documents. However, an investor can seek to impose limitations on Linden's investment authority through a side letter agreement and Linden and/or the relevant General Partner can choose to accept reasonable limitations or restrictions at its discretion. Typically these side letter agreements do not impose a direct limitation on Linden's investment authority but rather allow the investor the right to not participate in a specific investment that meets the stated criteria. Linden's authority to trade securities can also be limited by certain federal securities and tax laws that require diversification of investments and favor the holding of investments once made. Such limitations will be evidenced in both the investor's limited partnership agreement with the Firm and in a side letter agreement that must be presented to Linden in writing and agreed to by Linden and such investor. In accordance with industry practice, certain other investors are provided with notice regarding such side letter agreements and are provided an opportunity to elect certain items contained in those side letter agreements, subject to the relevant Fund's Governing Documents, but are not given consent rights over such agreements.

Item 17 – Voting Client Securities

By virtue of the applicable Governing Documents, Linden has the authority to vote proxy statements on behalf of the Funds. The majority of "proxies" received by Linden, however, are written shareholder consents or similar instruments for private companies owned by the Funds. As such, Linden has adopted proxy voting policies and procedures pursuant to Advisers Act Rule 206(4)-6. Linden's proxy voting policy seeks to ensure that it votes proxies in the best interest of the Funds with a goal towards maximizing overall value. Linden generally believes its interests are aligned with those of the Funds' investors through the principals' beneficial ownership interests in the Funds. However, in the event that there is a conflict of interest in voting proxies, Linden's proxy voting policy provides that the Firm can address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory committee on the proposed proxy vote, or through other alternatives as set forth in Linden's proxy voting policy. Investors in the Funds cannot direct how Linden votes proxies or shareholder consents nor is Linden required to seek investor approval or direction when voting proxies or when giving consent on any matter requiring the consent of shareholders.

Firm principals and affiliated or unaffiliated third parties appointed by Linden (including Operating Partners) often sit on the boards of portfolio companies to which Linden provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. Linden does not consider service on portfolio company boards by the aforementioned persons or their receipt of nominal board fees, if any, to create a material conflict of interest in voting proxies with respect to such companies.

Linden will provide a copy of its proxy voting policy to any existing or prospective investor by contacting its Chief Compliance Officer, Doug VanDegrift, at (312) 506-5600. Investors can also

obtain information from the Firm, free of charge, about how Linden voted previous public proxies, if any.

Item 18 – Financial Information

Linden does not require or solicit prepayment of more than \$1,200 in fees per Fund six months or more in advance, has no financial commitment reasonably likely to impair its ability to meet contractual and fiduciary commitments to the Funds or investors and has not been the subject of a bankruptcy petition.