



Form ADV Part 2A

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March 30, 2022

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This brochure provides information about the qualifications and business practices of Clearview Capital, L.P. If you have any questions about the contents of this brochure, please contact us at (203) 698-2777. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Clearview Capital, L.P. also is available on the SEC's website at www.advisorinfo.sec.gov.

Clearview Capital, L.P. is registered as an investment adviser with the SEC pursuant to the Investment Advisers Act of 1940, as amended (the "Advisers Act"). Recipients of this brochure should be aware that registration with the SEC does not in any way constitute an endorsement by the SEC of an investment adviser's skill or expertise. Further, registration does not imply or guarantee that a registered adviser has achieved a certain level of skill, competency, sophistication, expertise or training in providing advisory services to its clients.

ITEM 2. MATERIAL CHANGES

Pursuant to SEC Rules, we will ensure that you receive a summary of any material changes to this and subsequent brochures within 120 days of the close of our fiscal year. We may further provide other ongoing disclosure information about material changes as necessary.

We will provide you with a new brochure as necessary based on changes or new information, at any time, without charge.

Currently, our brochure may be requested by contacting Giovanni Cerra, Chief Compliance Officer, at (203) 698-2777 or jcerra@clearviewcap.com.

Below is a summary of material changes to our brochure dated March 30, 2022:

William F. Case, Jr. and Matthew W. Blevins were promoted to Managing Partner and joined James G. Andersen, Managing Partner and Co-Founder and Calvin Neider, Managing Partner and Co-Founder on the firm's Management Committee.

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ITEM 4. ADVISORY BUSINESS

James G. Andersen, Managing Partner and Co-Founder and Calvin Neider, Managing Partner and Co-Founder formed Clearview Capital, LLC as a Delaware limited liability company in 1999 and converted the organizational structure to a limited partnership, Clearview Capital, L.P. in June 2018 (“Clearview Capital,” “manager,” “us,” “we” and “our”) and since have served as the firm’s managing members or controlling partners. Messrs. Andersen and Neider met each other in 1996 and began working together at Capital Partners, Inc. in 1997, where they both ultimately served as Managing Directors.

Immediately after the founding of Clearview Capital by Messrs. Andersen and Neider, Harold F. “Pete” Doolittle joined the firm as a non-managing member. Mr. Doolittle had also previously served as a Managing Director at Capital Partners, Inc. with Messrs. Andersen and Neider. Mr. Doolittle retired on December 31, 2010 and at that time relinquished his ownership stake in Clearview Capital except for his ownership in two assets held by Clearview Capital which are unrelated to the advisory business of the firm. Mr. Doolittle maintains an economic interest in Clearview Capital’s affiliated entities.

In 2021, William F. Case, Jr. and Matthew W. Blevins were promoted to Managing Partner and joined Messrs. Andersen and Neider on the firm’s Management Committee (“Management Committee,” “Principals” and “our Principals”). Clearview Capital’s partnership interests are owned 40% each by Messrs. Andersen and Neider, and 10% each by Messrs. Case and Blevins.

Clearview Capital provides discretionary investment advice solely to private investment funds (our clients) that seek to generate capital appreciation primarily through private equity investments in portfolio companies that are generally profitable and have a history of revenue growth. Clearview Capital currently provides investment advice to the following seven funds:

1. Clearview Capital Fund II, L.P. (“Fund II”) (ten year term of existence commencing on the Final Closing Date of March 31, 2008, unless (i) the general partner in its reasonable discretion elects to extend such term for up to two consecutive one-year periods, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term for a third one-year period or (iii) earlier liquidation pursuant to Article VII of the partnership agreement);
2. Clearview Capital Fund II (Parallel), L.P. (“Fund II Parallel”) (ten year term of existence commencing on the Final Closing Date of March 31, 2008, unless (i) the general partner in its reasonable discretion elects to extend such term for up to two consecutive one-year periods, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term for a third one-year period or (iii) earlier liquidation pursuant to Article VII of the partnership agreement);
3. Clearview Capital Fund III, L.P. (“Fund III”) (ten year term of existence commencing on the Final Closing Date of June 14, 2013, unless (i) the general partner in its reasonable

discretion elects to extend such term for one additional year, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term two additional one-year periods or (iii) earlier liquidation pursuant to Article VII of the partnership agreement);

4. Clearview Capital Fund IV, L.P. (“Fund IV”) (ten year term of existence commencing on the first anniversary of the Initial Closing Date of June 29, 2018 unless (i) the general partner in its reasonable discretion elects to extend such term for one additional year, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term two additional one-year periods or (iii) earlier liquidation pursuant to Article IX of the partnership agreement);
5. Clearview Capital Fund IV-A, L.P. (“Fund IV-A”) (ten year term of existence commencing on the first anniversary of the Initial Closing Date of June 29, 2018 unless (i) the general partner in its reasonable discretion elects to extend such term for one additional year, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term two additional one-year periods or (iii) earlier liquidation pursuant to Article IX of the partnership agreement);
6. Clearview Capital Mezzanine Fund I, L.P. (“Mezzanine Fund I”) (ten year term of existence commencing on the first anniversary of the Initial Closing Date of June 29, 2018 unless (i) the general partner in its reasonable discretion elects to extend such term for one additional year, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term two additional one-year periods or (iii) earlier liquidation pursuant to Article IX of the partnership agreement); and
7. Clearview Capital Mezzanine Fund I-A, L.P. (“Mezzanine Fund I-A”) (ten year term of existence commencing on the first anniversary of the Initial Closing Date of June 29, 2018, unless (i) the general partner in its reasonable discretion elects to extend such term for one additional year, (ii) the general partner, with the consent of the Advisory Board, elects to extend such term two additional one-year periods or (iii) earlier liquidation pursuant to Article IX of the partnership agreement).

Fund II, Fund II Parallel, Fund III, Fund IV, Fund IV-A, Mezzanine Fund I and Mezzanine Fund I-A are referred to collectively as “our Funds” and individually as a “Fund.” Fund II, Fund II Parallel, Fund III, Fund IV and Fund IV-A are referred to collectively as “Equity Funds” and Mezzanine Fund I and Mezzanine Fund I-A are referred to collectively as “Mezzanine Funds”.

Each Fund is managed by a general partner (“General Partner”) and each General Partner is subject to the Advisers Act pursuant to Clearview Capital’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with Clearview Capital.

The investment management services that we provide to our Funds primarily consist of investigating, structuring and negotiating investments and dispositions, monitoring the

performance of investments and performing certain administrative services. These services are provided pursuant to an investment management agreement or the partnership agreement (and together with the private placement memorandum, the “Governing Documents”) with our Funds and as a result of a delegation of authority by the general partner or managing member (“Clearview Affiliate”) of each Fund. We provide tailored advice to each Fund that takes into account its investment objectives and the investment restrictions contained in the specific Fund’s Governing Documents and investment management agreements. The advisory services of Clearview Capital are described herein. Investors in the Funds (generally referred to herein as “investors” or “limited partners”) participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between Clearview Capital and any investor. The Funds or the General Partners have entered into side letters or other similar agreements (“Side Letters”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors. See Compensation Item 5. Portfolio Company Fees for other services Clearview Capital may provide.

Wrap Fee Program

Clearview Capital does not participate in wrap fee programs.

Assets Under Management

As set forth on Form ADV, Item 5, our Regulatory Assets Under Management totaled \$1,275,845,386 as of December 31, 2021. Such figure includes capital that may be called by our Funds from their limited partners and has not been reduced by any outstanding indebtedness of the Funds. We do not manage client assets on a non-discretionary basis.

ITEM 5. COMPENSATION

Management Fees

Our Funds generally pay us management fees in exchange for our investment management services which are provided for in their Governing Documents.

For Fund II and Fund II Parallel, we receive a management fee payable semi-annually, in advance, on or about January 1st and July 1st of each year. During the Funds' commitment period (i.e., the period of time during which the Funds generally draw upon the partners' capital commitments to the Funds (“capital commitments”) to make new investments), the management fee was computed at the annual rate of 2% of total capital commitments of the Funds. At the end of the commitment period, the management fee is computed at the annual rate of 2% of the cost basis of all investments in portfolio companies less the value of any investments that have been written down below their original cost basis, as stated on the balance sheet for the quarter ended prior to the date the semi-

annual payment is due, subject to certain conditions as more fully described in the Governing Documents. Clearview Capital generally receives monitoring and closing fees from portfolio companies, Portfolio Company Fees, as further discussed below. Any management fee due is reduced by 50% of the monitoring and closing fees received by Clearview Capital less any monitoring and closing fees attributable to the general partner's co-investment in the portfolio company. As an example, if Clearview Capital receives \$1,000 in monitoring fees from a portfolio company and the general partner's co-investment is 1.8%, management fees would be offset by \$491 ($\$1,000 \times 0.982 \times 0.50$). These fee offsets are applied to reduce the first management fee following the period they were incurred, unless the offset would reduce the management fee below zero, in which case it is carried forward. The management fee was also reduced 100% by the placement fees paid by the Funds, amortized over the original commitment period of the Funds.

For Fund III, we receive a management fee payable semi-annually, in advance, on or about January 1st and July 1st of each year. During the Fund's commitment period (i.e., the period of time during which the Fund generally draws upon the partners' capital commitments to the Fund to make new investments), the management fee was computed at the annual rate of 2% of total capital commitments of the Fund. At the end of the commitment period, the management fee is computed at the annual rate of 2% of the cost basis of all investments in portfolio companies less the value of any investments that have been written down below their original cost basis, as stated on the balance sheet for the quarter ended prior to the date the semi-annual payment is due, subject to certain conditions as more fully described in the Governing Documents. Any management fee due is reduced by 80% of the monitoring and closing fees received by Clearview Capital attributable to the Fund's pro rata investment in a portfolio company. As an example, if Clearview Capital receives \$1,000 in monitoring fees from a portfolio company and the Fund owns 70% of such company, management fees would be offset by \$560 ($\$1,000 \times 0.70 \times 0.80$). These fee offsets are applied to reduce the first management fee following the period they were incurred, unless the offset would reduce the management fee below zero, in which case it is carried forward. The management fee was also reduced 100% by any placement fees paid by the Fund, amortized throughout the commitment period of the Fund.

For Fund IV and Fund IV-A, we receive a management fee payable quarterly, in advance, on or about January 1st, April 1st, July 1st and October 1st of each year. During the Funds' commitment period (i.e., the period of time during which the Funds generally draw upon the partners' capital commitments to the Funds to make new investments), the management fee is computed at the annual rate of 2% of the aggregate capital commitments of non-affiliated partners and thereafter at 2% of invested capital with respect to investments that have not been disposed of or permanently written down, subject to certain conditions as more fully described in the Governing Documents. Any management fee due is reduced by 80% of the monitoring and closing fees (plus certain other fees less certain expenses as more fully described in the Governing Documents) received by Clearview Capital, or an affiliate, times the percentage of non-affiliated partners' capital commitments in the Funds and times the Funds' relative ownership of the investment attributable to the fees. As an example, if Clearview Capital receives \$1,000 in monitoring fees from a portfolio company and non-affiliated partners represent 98% of the Funds and the Funds own 70% of the investment, management fees would be offset by \$549 ($\$1,000 \times 0.98 \times 0.70 \times 0.80$). These

fee offsets are applied to reduce the first management fee following the period they were incurred, unless the offset would reduce the management fee below zero, in which case it is carried forward.

For Mezzanine Fund I and Mezzanine Fund I-A, we receive a management fee payable quarterly, in advance, on or about January 1st, April 1st, July 1st and October 1st of each year. The management fee is computed at the annual rate of 1.5% of total invested capital with respect to investments that have not been disposed less permanent write downs of investments that have not been disposed. Any management fee due is reduced by 80% of any monitoring and closing fees (and certain other fees as more fully described in the Governing Documents) received by Clearview Capital, or an affiliate, with respect to Mezzanine Fund investments times the percentage of non-affiliated partners in the Funds. As an example, if Clearview Capital receives \$1,000 in monitoring fees from a portfolio company and non-affiliated partners represent 98% of the Funds, management fees would be offset by \$784 ($\$1,000 \times 0.98 \times 0.80$). These fee offsets are applied to reduce the first management fee following the period they were incurred, unless the offset would reduce the management fee below zero, in which case it is carried forward.

The management fee expires upon the liquidation of the Funds. If a Fund were to terminate on a date other than a due date, any prepaid management fees would be refunded pro rata to the date of termination. As a general matter, management fees will be payable during term extensions unless otherwise agreed with investors.

An investor is generally not permitted to withdraw from the Funds prior to termination unless it is determined by Clearview Capital or a Clearview Affiliate, as appropriate, that continued participation of an investor (i) is likely to result in a violation of applicable law or rules or regulations of any governmental agency, commission or authority having jurisdiction over such Fund or (ii) will otherwise have a material adverse effect on the Fund or any of its portfolio company investments.

Portfolio Company Fees

To the extent specified in a Fund's Governing Documents, Clearview Capital or another Clearview Capital entity will be permitted to receive certain portfolio company fees and other amounts ("Portfolio Company Fees"), including a monitoring fee and a closing fee.

The monitoring fee that we expect to receive with respect to a portfolio company investment is negotiated with the portfolio company and is generally determined with reference to the portfolio company's annual EBITDA and payable quarterly.

The closing fee that we expect to receive in consideration for advisory services with respect to a portfolio company investment or portfolio company investment add-on acquisition is generally determined with reference to the enterprise value of the target at the time of acquisition and charged to the portfolio company at closing.

Both monitoring fees and closing fees are agreed to with the applicable portfolio companies at the closing of the Funds' investments in such portfolio companies.

Since Clearview Capital generally receives a fee from portfolio companies only during the period the Funds hold an interest in the portfolio company, there could be a conflict of interest over when the manager decides to liquidate the Funds' interests in a portfolio company. However, such fees and services are set forth in the Governing Documents and the Funds' financial statements, where applicable. Refer to Item 11 of this brochure for further discussion for the potential "Conflicts of Interest" associated with Portfolio Company Fees.

Reimbursed Expenses

Subject to the Governing Documents, Clearview Capital is permitted to be reimbursed by the Funds for expenses Clearview Capital incurs on behalf of a Fund and in connection with such Fund's operations. These expenses are billed to the Funds on a quarterly basis or as necessary.

Additional fees and expenses for which a Fund is responsible are described in the Governing Documents. Generally, each Fund pays all costs and expenses relating to its operations, including but not limited to: legal, auditing, consulting and accounting fees and expenses; expenses of meetings of its limited partner advisory committee and of limited partners; indemnification and insurance expenses; expenses associated with the acquisition, holding and disposition of its proposed or actual investments (including related due diligence expenses of our personnel); extraordinary expenses such as litigation; interest on and fees and expenses arising out of any permitted borrowing; expenses relating to unconsummated transactions; expenses of liquidating the Fund; and any taxes, fees or other governmental charges levied against the Fund and any expenses incurred in connection with any tax audit, investigation, settlement or review of the Fund. Due diligence costs for transactions proposed for but not consummated by the Fund are solely borne by Fund II, Fund II Parallel and Fund III and, if paid by the relevant Clearview Affiliate, shall be reimbursed by the Fund to the Clearview Affiliate. As such the Clearview Affiliate will pay a pro-rata portion of such costs only to the extent it has invested inside the Fund. For Fund IV and Fund IV-A, due diligence costs for transactions proposed for but not consummated are borne by Fund IV, Fund IV-A, the Clearview Affiliate co-investors and any other co-investors party to the transaction.

In the case of Fund II and Fund II Parallel and as required in each Fund's Governing Documents, expenses paid by one Fund but incurred on behalf of both Funds are re-allocated to each Fund pro rata at the end of the quarter in which the expenses were paid.

In the case of Fund IV and Fund IV-A and as required in each Fund's Governing Documents, expenses paid by one Fund but incurred on behalf of both Funds are re-allocated to each Fund pro rata at the end of the quarter in which the expenses were paid.

In the case of Mezzanine Fund I and Mezzanine Fund I-A and as required in each Fund's Governing Documents, expenses paid by one Fund but incurred on behalf of both Funds are re-allocated to each Fund pro rata at the end of the quarter in which the expenses were paid.

Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in Side Letters relating thereto. Additionally, subject to the Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests.

As described below, in certain circumstances, the relevant Clearview Affiliate is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to the Clearview Affiliate's related policies and practices and the Governing Documents and/or Side Letter(s). See Item 8. Methods of Analysis, Investment Strategies and Risk of Loss — "Allocation of Co-Investment Opportunities". Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of a Clearview Affiliate, ultimately is not consummated, all broken deal expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such broken deal expenses. To the extent the Fund makes use of a credit facility to invest in a portfolio company or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility.

Additional Compensation

Neither we nor any of our "supervised persons" accepts compensation for the sale of securities or other investment products.

ITEM 6. PERFORMANCE FEES AND SIDE-BY-SIDE MANAGEMENT

Performance Fees

Each Clearview Affiliate is generally entitled to a "carried interest" on the Fund's profits in accordance with the provisions of the Governing Documents. The "carried interest" is generally equal to a percentage of the investment proceeds distributable by the Fund in excess of the capital invested by the Fund's limited partners and their allocable share of fees and expenses, and is subject to a preferred return. The "carried interest" received by the Clearview Affiliate with respect to Fund II, Fund II Parallel and Fund III is 20% with the exception of investments made by an initial investor ("Initial Investor"), who is charged 15%. This arrangement has been disclosed to the Funds' investors. The "carried interest" received by the Clearview Affiliate with respect to Fund IV and Fund IV-A is 20% or 25% as more fully described in the Governing Documents. The "carried interest" received by the Clearview Affiliate with respect to Mezzanine Fund I and Mezzanine Fund I-A is 15%.

The Clearview Affiliate for each Fund receiving the “carried interest” is subject to a “clawback” of the “carried interest” previously received to the extent that the Clearview Affiliate has received cumulative distributions in excess of amounts otherwise distributable or anticipated to be distributed by the Fund as “carried interest,” applied on an aggregate basis covering all transactions of the applicable Fund. In no event will the Clearview Affiliate of a Fund be required to restore more than the cumulative distributions received by such Clearview Affiliate as “carried interest” determined on an after-tax basis.

Messrs. Andersen and Neider, and certain employees are invested in Fund II and Fund II Parallel through Clearview Capital GP, LLC, a Clearview Affiliate, and Clearview Capital GP, LLC receives a performance fee based on its investments.

Messrs. Andersen and Neider and certain employees are invested in Fund III through Clearview Capital GP III, LLC, a Clearview Affiliate, and Clearview Capital GP III, LLC receives a performance fee based on its investments.

Messrs. Andersen and Neider and certain employees are invested in the Fund IV and Fund IV-A through Clearview Capital Fund IV GP, L.P., a Clearview Affiliate, and Clearview Capital Fund IV GP, L.P. receives a performance fee based on its investments.

Messrs. Andersen and Neider and certain employees are invested in Mezzanine Fund I and Mezzanine Fund I-A through Clearview Capital Mezzanine Fund I GP, L.P., a Clearview Affiliate, and Clearview Capital Mezzanine Fund I GP, L.P. receives a performance fee based on its investments.

Refer to Item 11 of this brochure for further discussion for the potential “Conflicts of Interest” with respect to performance based fees.

Side-by-side Management

Clearview Capital does not simultaneously manage accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee.

Debt Financing of Portfolio Companies

Clearview Capital will generally arrange for senior and/or mezzanine financing from various counterparties for the Funds’ portfolio companies. Clearview Capital does not consider senior and mezzanine financing to be a commodity. As such, although financing rates are a consideration in selecting a counterparty, the rate is not determinative and need not be the lowest available, as many other factors are also important and relevant in determining whether Clearview Capital has selected the best counterparty for its clients under the circumstances. Clearview Capital seeks to obtain such financing based on the following factors: 1) responsiveness of the debt provider, including availability to meet with all parties to the loan on short notice, 2) ability to move quickly and

maximize the chances a transaction will close, 3) the reputation of the counterparty, 4) the expectation that the counterparty will accommodate any special needs of the portfolio company or Clearview Capital and its willingness to negotiate terms, 5) the flexibility the counterparty has shown or can be expected to show in the event of a refinancing or restructuring, 6) the counterparty's knowledge and experience with lower middle market companies, 7) the counterparty's relevant industry or operational experience, and 8) the competitiveness of the financing terms.

Financing may be obtained from those limited partners in a Clearview Capital fund or from co-investors in other portfolio companies, who meet the requirements listed above. However, an expectation that a counterparty will invest in a future Clearview Capital fund may not be taken into account when determining who shall act as counterparty to a portfolio company.

ITEM 7. TYPES OF CLIENTS

Our Funds are either Delaware Limited Partnerships or Delaware Limited Liability Companies. They are not registered under the Securities Act of 1933, as amended, (the "Securities Act") or the Investment Company Act of 1940, as amended, (the "Investment Company Act"), pursuant to either Section 3(c)(1) or Section 3(c)(7) of the Investment Company Act. The investors in our Funds consist of institutional investors and high net worth individuals. We require that each investor in a Fund be an "accredited investor" as defined in Regulation D of the Securities Act. For our Section 3(c)(7) Funds, the investors are "qualified purchasers", within the meaning of Section 2(a)(51)(A) of the Investment Company Act. We generally require that each investor in a Fund that is a U.S. resident be a "qualified client" within the meaning of Rule 205-3 of the Advisers Act.

Investors are generally required to commit at least \$1,000,000 to invest in our Funds, subject to the right of the Fund's general partner to waive the minimum investment amount.

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

Investment Strategies and Methods of Analysis **Equity Funds**

Clearview Capital generally seeks investment opportunities for our Fund clients in companies with EBITDA between \$4 million and \$20 million and revenues less than \$100 million, where we can play a role in enhancing the target company's value by implementing strategic and operational improvements to the target company. These improvements could include evaluating and executing add-on acquisitions, and designing and supporting the implementation of value-added strategies,

such as internal capital investment, geographic expansion, product line extension and management team enhancement.

Clearview Capital seeks to invest in companies it believes have a history of profitable growth, a defensible competitive position, good prospects for continued growth and unexploited potential. The companies Clearview Capital invests in generally have the ability to respond quickly if conditions deteriorate and enjoy strong positions relative to competition. In addition, to reduce the risk of leverage Clearview Capital structures its debt facilities to accommodate unexpected declines in performance by restricting initial leverage to a level that Clearview Capital deems acceptable, by having a revolving line of credit with ample open availability at closing and by substituting some senior debt with higher interest, but non-amortizing, subordinated debt which reduces the cash flow demands on the portfolio company. Clearview Capital's strategy is to create a diversified portfolio of leveraged investments where liability is limited to each individual investment while the upside is uncapped. This diversification of investments is created to reduce the overall risk of loss to an equity investor in the Fund. We generally seek investments that we believe are at appropriate valuations, are in businesses which have identifiable and sustainable value propositions, and for which there exists a vision for achieving free cash flow for debt reduction, earnings growth and organizational improvement. Furthermore, we seek investment opportunities for which exit alternatives exist for the realization of value created. We primarily focus on investments in North America through our strategic alliances.

In screening potential investment opportunities, we seek to implement a due diligence process that is aimed at assessing and quantifying the opportunities for, and challenges to, value creation faced by such potential portfolio companies. Such process typically involves research of a prospective portfolio company's markets served, competitive position, capabilities, customer relationships, environment, potential for future growth and ultimate realization of value, but may vary depending on the facts and circumstances relating to the particular investment opportunity, including the type of information available to us. Our efforts are typically augmented by outside industry advisors, accountants, lawyers and other relevant experts that we determine are necessary.

In executing investments, we seek to invest at attractive valuation levels, maintain price discipline and differentiate between market overreactions or cyclical valuation peaks and long-term sustainable valuations. In particular, we seek to implement capital structures that support value-creation strategies and future growth, with a preference for entirely private capital structures while avoiding excessive leverage. We also work closely with management of our portfolio companies to assess whether strategic acquisitions, internal capital investments, geographic expansion or product line extensions provide a clear strategy for creating long-term value.

Post-investment, we monitor portfolio companies closely, regularly speaking to and meeting with management and receiving periodic performance reports. Furthermore, our personnel always serve on the boards of directors of our Funds' portfolio companies. This regular contact is intended to permit us to assess opportunities for portfolio company growth, identify the optimal realization point and find suitable exits.

Mezzanine Funds

In all cases, 51% of the mezzanine financing in any Fund III, Fund IV or Fund IV-A transaction that employs mezzanine financing will be provided by one or more third-party Independent Investors who will have sole responsibility and discretion for negotiating the terms and structure of the mezzanine debt and associated equity co-investment investments in Fund III, Fund IV and Fund IV-A transactions that employ mezzanine financing. The Mezzanine Funds will co-invest, as a silent partner, in 49% of the mezzanine financing in each of those transactions.

General Risk Factors

Investing involves a risk of loss which an investor in a Fund should be prepared to bear. The discussion below of risks associated with an investment in our Funds does not purport to be an exhaustive list of all such risks. Please see the confidential offering memoranda of our Funds for a more detailed discussion of risks.

Dynamic Investment Strategy. While the Clearview Affiliates generally intend to seek attractive returns for the Funds primarily through the investment strategy and methods described in the Governing Documents, the Clearview Affiliates are permitted to pursue additional investment strategies and/or modify or depart from their initial investment strategy, investment process and investment techniques as they determine appropriate. Subject to the Governing Documents, each Clearview Affiliate is permitted to pursue investments outside of the industries and sectors in which the Principals previously made investments or have internal operational experience.

Legal, Tax and Regulatory Risks. Legal, tax and regulatory changes could occur that may adversely affect a Fund, its portfolio companies or its investors. For example, from time to time the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. To the extent that there is increased regulation, whether foreseeable today or not, it may place limitations and restrictions on the way that our Funds are permitted to operate or the way in which we and our affiliates are permitted to manage Funds, or increase our costs or the Funds' cost of operations, and this may impact negatively on returns to investors.

Risk of Loss of Capital. Investment in securities involves the risk of loss of capital. Investors that cannot bear the loss of their entire investment in one of our private investment funds should not make such an investment. While we believe that our investment processes, strategy and research techniques mitigate the investment risk through a careful selection of investment opportunities, no guarantee or representation is made that we will achieve a Fund's investment objectives in any individual portfolio company investment. We also seek to limit potential losses by structuring each investment separately and generally restricting the total investment in each portfolio company to a maximum of 20% of total Fund capital.

No Market for Fund Interests; Restriction on Transfer and Withdrawal. The interests in our Funds have not been registered under the Securities Act or the securities laws of any state or other jurisdiction, and cannot be resold unless they are subsequently registered under the Securities Act of 1933 and other applicable securities laws or an exemption from registration is available. It is not contemplated that the registration of the interests in our Funds under the Securities Act or other securities law will ever be effected. There will be no market for the interests. In addition, interests are not transferable except with the consent of the general partner or manager of the Fund, as the case may be, which may be withheld in its sole discretion. Investors may not withdraw capital from the Funds. Consequently, investors may not be able to liquidate their interests prior to the end of the Fund's term and must be prepared to bear the risks of owning Fund interests for an extended period of time.

Reliance on Clearview Affiliate or Manager. Investors will have no opportunity to control the day-to-day operations of the Funds, including investment and disposition decisions. In order to safeguard their limited liability for the liabilities and obligations of the Funds, investors must rely entirely on the general partner or manager, as the case may be, to conduct and manage the affairs of the Funds. The loss of the services of one or more of the Principals could have an adverse impact on the Funds' ability to realize their investment objectives. There can be no assurance that each of the Principals will continue to be affiliated with the Funds throughout their anticipated terms. In addition, past performance is not indicative of future results and there can be no assurance that the Funds will achieve results comparable to those of prior portfolio company investments managed by firm.

Illiquid and Long-Term Investments; Lack of Transferability. Although our Funds' investments may generate current income, the return of capital and the realization of gains, if any, from such investments is expected to occur upon their disposition. Such investments are typically held for a number of years before they are sold. Furthermore, it is unlikely that there will be a public market for such investments and their securities generally may not be sold publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases, the sale of such investments may be prohibited or limited by contract for a period of time, and as a result, we may not be permitted to sell such investments at a time we might otherwise desire to do so.

Financial Market Fluctuations. General fluctuations in the market prices of securities may affect the value of investments held by our Funds. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public and private high-yield debt market or otherwise.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing on attractive private equity investments is highly competitive and involves a high degree of uncertainty. There can be no assurance that we will be able to identify and complete investments that satisfy our Funds' investment objective, or realize the value of their portfolio investments, or that we will be able to fully invest their commitments.

Limited Number of Investments. Our Funds may participate in a limited number of investments and, as a consequence, the aggregate return of our Funds may be substantially and adversely affected by the unfavorable performance of a single investment.

Indemnification. The Clearview Affiliate and the manager, and the members, partners, shareholders, directors, officers, employees, agents and affiliates of each of them will be entitled to indemnification from the Funds. Such liability may be material. The assets of the Funds will be available to satisfy these indemnification obligations, and investors may be required to return distributions to satisfy such obligations. Such obligations will survive the dissolution of the Funds.

Leveraged Investments. The Funds will generally invest in portfolio companies that incur indebtedness, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets have the potential to be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it could be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and has the potential to 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 our Funds' investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Fund's 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, a Fund could suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Furthermore, 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, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which the Funds will invest generally will not be rated by a credit rating agency.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that the Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by the Fund also generally will result in fees, interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments. A Fund is permitted to incur leverage on a joint and several basis with one or more other investment funds and entities managed by the Clearview Affiliate or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guarantees), such amounts are permitted to be secured by capital commitments made by the Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of the Fund.

Use of Credit Facility. Fund III, Fund IV, Fund IV-A and the Mezzanine Funds will be 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. Although the use of such a facility generally increases the Funds' ability to swiftly invest capital, it also will cause the Funds to incur interest expense. Conflicts of interest has the potential to arise in that the use of such facilities could, and likely would, delay the need for our investors to make certain contributions to the Funds, which have the potential to enhance the Funds' performance figures and thereby benefit the general partner and its affiliates.

Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a credit facility typically are secured by pledges of the relevant Clearview Affiliate's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a credit facility or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in additional partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a credit facility, an upfront fee for establishing a credit facility, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintenance, renegotiating or terminating the facility. Because a credit facility's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Governing Documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a credit facility is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the credit facility and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant Clearview Affiliate's ability to consent to the transfer of a limited partner's interest in the Fund or impose concentration or other limits on the Fund's investments, and/or financial or other covenants, that could affect the implementation of the Fund's investment strategy. In addition, in order to secure a credit facility, the relevant Clearview Affiliate may request certain financial information and other documentation

from limited partners to share with lenders. The Clearview Affiliate will have significant discretion in negotiating the terms of any credit facility and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a credit facility allows the Clearview Affiliate to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a credit facility could cause short-term liquidity concerns for limited partners that would not arise had the relevant Clearview Affiliate called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner 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 limited partner to meet the accumulated, larger capital calls at the same time. The Clearview Affiliate is authorized to use Fund-level borrowing to pay management fees and to reimburse Clearview Capital for expenses incurred on behalf of the Fund. A Fund is also permitted to utilize Fund-level borrowing when the Clearview Affiliate expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Concentration of Investments. The Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified. Because mezzanine investments have a lower target return profit than investments targeted by Equity Funds, the underperformance of one investment may disproportionately affect the overall performance of Mezzanine Funds.

Material Non-Public Information. As a result of the operations of Clearview Capital and its affiliates, Clearview Capital and the Clearview Affiliates frequently come into possession of confidential or material, non-public information. Therefore, Clearview Capital and the Clearview Affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by the Funds. Consequently, the Funds may be restricted from initiating a transaction or selling an investment which, if such information had not been known to them, may have been undertaken on account of applicable securities laws or Clearview Capital's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19 (as defined below), have and are resulting in market disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus (“COVID-19”). This outbreak has 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. In many jurisdictions, restrictive measures have been re-imposed to address subsequent waves of infection. 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 volatility in demand across most categories of consumers and businesses, volatility in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, increases in unemployment levels in the United States and several other countries, 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 any resulting decline in economic and commercial activity — 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 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 (including the effectiveness of vaccines and the implementation of vaccination programs) designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to “re-open,” 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.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’

and their portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds' ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the Clearview Affiliates and Clearview Capital may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

CFIUS and National Security Clearance Considerations. Certain investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS"), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments, or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund's performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. limited partners comprise a substantial percentage of a Fund. Under the Governing Documents, the relevant General Partner generally is authorized, although not required, to excuse or otherwise limit non-U.S. limited partners' ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow the Fund to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

Cybersecurity Risks. 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, Fund, General Partner, Clearview Capital or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, Clearview Capital, the Funds and/or portfolio companies may incur significant 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 Clearview Capital's, the Funds', portfolio companies' and/or service providers' operations, including the ability to make distributions to limited partners, 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). In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio company, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Clearview Capital or one of its service providers holding its financial or investor data, Clearview Capital, its affiliates or the Funds may also be at risk of loss.

Russia-Ukraine Conflict. There is currently an ongoing military conflict between Russia and the Ukraine which, in a relatively short period of time, has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise)

may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

Material Risk Factors particular to the Equity Funds

Portfolio Company Management Risks. It is common for the portfolio companies in which our Funds invest to rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the portfolio company's performance. While we monitor each portfolio company's management team, each such team will ultimately have day-to-day responsibility for the business of such portfolio company.

Control Position. The exercise of control over portfolio companies may expose our Funds to additional risks of liability for environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability that generally characterizes business operations may be ignored. While we intend to manage our Funds so as to minimize exposure to these risks, the possibility of successful claims cannot be precluded. Even when the Funds prevail in any claims for liability they may incur significant costs of defending against those claims.

Contingent Liabilities on Disposition of Illiquid Securities. In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of such company, and to indemnify the purchasers of such investment if those representations are inaccurate. We or our Clearview Affiliate, as the case may be, will establish reserves as appropriate to provide for such contingent liabilities. In the event that the amount of such contingent liabilities exceeds the reserves and other assets of the Funds, the investors may be required to repay to the Funds or to pay to creditors of the Funds distributions previously received by them.

Board Participation. Our Funds may be represented on the boards of directors of certain of their portfolio investments. Although such positions may be important to our investment strategy and may enhance our ability to manage the investment, they may also impair our ability to sell the investment when, and upon the terms, we may otherwise want. It may also subject us and our Funds to claims we would not otherwise be subject to, including claims of breach of duty of loyalty, securities claims and other director-related claims. In a typical situation, Clearview Capital believes that the interests of all parties are aligned since the success of the Fund, Clearview Capital and the portfolio company all depend upon the accretion of value at the portfolio company.

Risk Arising from Provision of Managerial Assistance. Clearview Capital intends for each Fund to structure its investments so that the Fund will be a "venture capital operating company" within the meaning of regulations promulgated under ERISA. This requires that the Fund obtain rights to participate substantially in and to influence substantially the conduct of the management of portfolio companies that comprise a majority of the Fund's investments. The Fund will typically

designate the Clearview Capital personnel to serve on the boards of directors of portfolio companies. The designation of directors and other measures contemplated could expose the assets of the Fund to claims by a portfolio company, its security holders and its creditors and/or indemnification obligations in connection therewith. While the manager intends to manage the Fund in a way that will minimize exposure to these risks, the possibility of successful claims cannot be fully precluded.

Risks In Effecting Operating Improvements. In many cases, the success of our Funds' strategies will depend, in part, on the ability of the Funds to restructure and effect improvements in the operation of a portfolio company. The activity of identifying and implementing potential operating improvements in a portfolio company entails a high degree of uncertainty. There can be no assurance that the Funds will be able to successfully identify and implement such improvements.

Material Risk Factors particular to the Mezzanine Funds

Leveraged Nature of Mezzanine Investments. The portfolio companies in which the Mezzanine Funds will invest may be highly leveraged, thereby increasing the degree of credit risk inherent in each investment. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to finance future operations and capital needs or to pay principal and interest on the Funds' investments when due. 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. The Funds' investments may be unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured and bear floating interest rates. In the event any portfolio company cannot generate adequate cash flow to meet debt service, the Funds may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect returns. Furthermore, the companies and securities in which the Funds will invest generally will not be rated by a credit rating agency.

Risks Related to Debt Investments. Our Funds are expected to make debt investments that may become non-performing in the future. In addition to the risks of borrower default, portfolio company assets may be mismanaged or otherwise may have declined in value and/or may in the future decline in value. Borrowers may contest enforcement of credit agreements or other remedies, seek bankruptcy protection against such enforcement, and/or bring claims for lender liability. Moreover, in certain situations, because the Funds, in the exercise of their remedies or rights under loan documents, may obtain contractual rights to participate in or to influence the management of borrowers, the likelihood is increased that a borrower may claim that the Funds interfered with the borrower's business, acted in bad faith in exercising its management rights or otherwise acted in a manner giving rise to a claim for lender liability. The exercise of remedies may not be led or controlled by the Funds, and may be led or controlled by a holder of a different class of securities which may be in conflict with the interests of the Funds. As a lender, the Funds may also be subject to penalties for violations of state usury limitations, which may result in penalties assessed against the Funds or other liability to the Funds.

The Funds' investments may be subject to early redemption features, refinancing options, prepayment options, or similar provisions that, in each case, could result in the issuer repaying the principal on an obligation held by the Funds earlier than expected. For example, it is common for second lien debt to be repaid prior to its maturity; thus, the actual duration of such investments is typically shorter than their stated final maturity calculated solely on the basis of the stated life and repayment schedule. Generally, voluntary prepayments are permitted and the timing of prepayments cannot be predicted with any accuracy. The degree to which issuers prepay debt, whether as a contractual requirement or at their election, may be affected by general business conditions, market interest rates, the issuer's financial condition, and competitive market conditions among lenders.

In addition, investments in debt may involve workout negotiations or restructuring. However, even if a restructuring were successfully accomplished, there are risks of a substantial reduction in the interest rate and/or a substantial write-down of the principal of such debt, each of which may also have adverse tax consequences.

Credit Risks of Investments in Debt Securities. The Funds are expected to make investments in debt securities. Debt portfolios are subject to credit risk, which is the likelihood that an issuer will default in the payment of principal and/or interest on an instrument, and interest rate risk, which is the risk associated with market changes in interest rates. Financial strength and solvency of an issuer are the primary factors influencing credit risk. Borrowers may face intense competition, changing business and economic conditions, or other developments that may adversely affect their performance and increase credit risk. In addition, subordination or lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an investment. In addition, borrowers may 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 debt obligations. If any of the above occurred, the Funds' investment in such financial assets could be adversely affected.

Interest Rate Risk. The Funds are subject to interest rate risks; changes in the prevailing market interest rates could negatively affect the value of the credit investments in the Funds' portfolio or the pricing of acquisitions. The ability of companies or businesses in which the Funds may invest to refinance debt instruments or repay debt obligations (including making payments to a Fund as a creditor with respect thereto) may depend on their ability to obtain financing, including by selling new securities or instruments in the high yield debt or bank financing markets, which at certain points have been extraordinarily difficult to access at favorable rates. Volatility and instability in the credit or securities markets may also increase the risks inherent in the Funds' investments. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities and other instruments) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate credit instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner, although generally to a lesser degree. Interest rate sensitivity is generally more pronounced and less predictable in

instruments with uncertain payment or prepayment schedules. The current consensus is that the U.S. Federal Reserve will continue to tighten the monetary supply and increase benchmark interest rates, which may have a negative impact on the price of debt instruments globally and could adversely affect the value of a Fund's investments. Additional factors that may affect market interest rates include inflation, slow or stagnant economic growth or recession, unemployment and instability in domestic and foreign financial markets. Clearview Affiliates generally expect that the Funds will periodically experience imbalances in its assets and liabilities as a result of changes in interest rates. In a changing interest rate environment, the Funds may not be able to manage this risk effectively. If a Fund is unable to manage interest rate risk effectively, a Fund's performance could be adversely affected. While a Fund may seek to do so, it is not required to hedge its interest rate risk.

Prepayment of Investments. While an investment may have a stated maturity, borrowers may prepay their debt obligations prior to such maturity. Early prepayment, particularly by good credits, reduces the Funds' opportunity to make long-term compounded returns. Later prepayment, particularly by weaker credits, can tie up the Funds' capital in investments which may have a greater risk of default. Either way, the shortening or lengthening of the holding period may prevent the Funds from realizing its projected returns.

Uncertain Exit Strategies. Although the Funds will often invest with the intention of holding a debt security to maturity or exit alongside the applicable Equity Fund, in some cases, the Independent Investor may determine it is advisable to exit a position earlier or, in other cases, the applicable Equity Fund may determine it is advisable to prepay, redeem or refinance the debt security earlier. However, due to the illiquid nature of some of the positions which a Fund could acquire, Clearview Affiliates are unable to predict with confidence what the exit strategy will ultimately be for any given position, or that one will definitely be available at an attractive price, or at all. Exit strategies which appear to be viable or profitable when an investment is initiated may be precluded or unprofitable by the time the investment is ready to be realized due to market, economic, legal, political, or other factors.

Nature of Mezzanine and Other Subordinated Investments. The Mezzanine Funds' investments are expected to consist mostly of debt and equity securities and/or other instruments, loans or interests in pools of securities and/or other instruments that are subordinated or may be subordinated in right of payment and ranked junior to other securities and/or instruments issued by, or loans made to, obligors. Mezzanine and other subordinated debt investments involve a high degree of risk with no certainty of any return of capital. Although subordinated debt generally is senior to common stock and other equity securities in the capital structure, it may be subordinated to large amounts of senior debt and are often unsecured.

The ability of the subordinated debt holders (including the Independent Investor) to influence a company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. A Fund may not be able to take the steps necessary to protect its investments in a timely manner or at all. Further, the unsecured debt in which a Fund may invest may not be protected by financial covenants or limitations upon

additional indebtedness, could have limited liquidity, and may not be rated by a credit rating agency.

Subordinated debt investments may increase a Fund's exposure to adverse economic factors such as significantly rising interest rates, severe downturns in the economy, or deterioration in the condition of the portfolio company on the subordinated debt investment. In the event that any portfolio company on a mezzanine loan or other subordinated debt investment is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness, the value of a Fund's investment in such loan could be significantly reduced or even eliminated.

Further, if a portfolio company becomes subject to insolvency proceedings in any jurisdiction, the rights of holders of mezzanine and subordinated debt may be adversely affected.

Investments in Convertible Debt. The Funds may make investments in convertible debt securities and/or other instruments. Such debt may be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. Moreover, such debt investments may not be protected by financial covenants or limitations upon additional indebtedness and there is no minimum credit rating for such debt investments. Other factors may materially and adversely affect the market price and yield of such debt investments, including investor demand, changes in the financial condition of the applicable issuer, government fiscal policy, and domestic or worldwide economic conditions.

Covenant-Lite Loans. There will likely be instances in which the Funds' investments do not require the maintenance of financial covenants ("Covenant-Lite Loans") in the related loan documentation. An investment in a Covenant-Lite Loan may potentially hinder the ability to re-price credit risk associated with a portfolio company's performance and reduce the creditors' ability to restructure a non-performing loan and mitigate potential loss. As a result, the Funds' exposure to losses may be increased, which could result in an adverse impact on the Funds' returns.

Warrants. The Funds may receive warrants, and in certain circumstances prior to exit, may choose to or be required to exercise such warrants in order to hold the underlying securities. The Funds will seek to negotiate "cashless" exercise for all warrants that it receives, whereby no investment will be required to convert; however, on occasion it may not be possible to negotiate such "cashless" exercise, and the Funds may be required to invest cash to convert warrants and hold underlying securities, which may subsequently lose some or all of their value.

Issuer Fraud; Breach of Covenant. The Funds will generally seek to obtain structural, covenant, and other contractual protections with respect to the terms of its investments as determined appropriate under the circumstances. There can be no assurance that such attempts to provide downside protection with respect to a Fund's investments will achieve their desired effect and potential investors should regard an investment in a Fund as being speculative and having a high degree of risk. Of paramount concern in investments in debt instruments is the possibility of material misrepresentation or omission on the part of the company. Such inaccuracy or incompleteness may adversely affect the valuation of the collateral underlying the debt or

enterprise value of the companies or may adversely affect the ability of the Funds to perfect or effectuate a lien on any collateral securing the debt. A Fund will rely upon the accuracy and completeness of representations made by companies to the extent reasonable when it makes its investment decisions, but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to a Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Risks Associated with Bankruptcy Cases. The Funds may invest in companies that may enter into, Chapter 11 bankruptcy or insolvency proceedings. The markets in bankruptcy claims are not generally regulated by U.S. federal securities laws or the SEC. Many of the events within bankruptcy or insolvency proceedings are adversarial and are often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that bankruptcy courts would decide favorably toward or consistent with the interests of the Funds. Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such if they are considered to have taken over management and/or functional operating control of a debtor.

A bankruptcy proceeding involving a portfolio company in which the Funds and an Equity Fund have investments could create conflicts of interest in which actions or decisions that may be beneficial to one party are adverse to another. While the Funds generally will be subject to the actions and decisions of the Independent Investor, there can be no assurance that such investor will act in the best interests of the Funds or that the relevant Equity Fund will not seek and receive benefits that may operate to the detriment of the Funds.

Time Required for Maturity of Investments. Certain investments may have maturities longer than the maturity of the Funds. Furthermore, the Funds may, in connection with collateral held by it, acquire non-marketable common or preferred equity securities and other illiquid assets with equity participation features, which, to the extent that they have value at all, will likely not have realizable value for a significant period of time. Accordingly, it is unlikely that significant distributions to investors will occur for a number of years from the date of the applicable capital contributions with respect to such investments, and certain investments may be disposed of upon dissolution of the Fund for less than their potential value.

Conflicts of Interests

Clearview Capital and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, management and other services to Funds and portfolio companies. Clearview Capital will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Clearview Capital and the Clearview Affiliates conducting their activities, the interests of a Fund likely will conflict with the interests of Clearview Capital, one or more other Funds, portfolio companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general

matter, Clearview Capital will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

Allocation of Principals' Time. During the investment period of a Fund, all appropriate investment opportunities will be pursued by the Principals through such Fund, subject to certain limited exceptions set forth in the Governing Documents. Without limitation, the Principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Clearview Capital personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. The Principals and Clearview Capital's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the investment period of a Fund, the Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments. To the extent an investment opportunity is received that is unsuitable for a Fund, in Clearview Capital's sole discretion, Clearview Capital and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Unless restricted by the Governing Documents, Clearview Capital personnel are permitted to serve on boards or act in other roles unaffiliated with Clearview Capital, 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.

Investments By Multiple Funds. Conflicts of interest can arise if a Fund makes an investment in a portfolio company in conjunction with an investment made by another Fund. For instance, a Fund has the potential to not 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 could result in differences in price, investment terms, leverage and associated costs between a Fund and any other Fund. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. There can be no assurance that the Funds will exit the investment at the same time or on the same terms, and there can be no assurance that any Fund's return on such an investment will be the same as the returns achieved by other Funds participating in the transactions. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to all Funds.

Clearview Equity Funds' Investments Alongside the Mezzanine Funds. Mezzanine Fund investments will primarily be made in or with the same portfolio companies or issuers as the Equity Funds, and the Mezzanine Funds generally will make such investments in substantially the same type of mezzanine securities acquired by, and made on substantially the same terms (including pricing) as have been accepted by, one or more third-party investors ("Independent Investors"), which Independent Investors are collectively acquiring at least 51% of the total issuance of mezzanine securities of a particular portfolio company in which the Equity Fund is investing, and will possess (collectively or through a representative) at least 51% of the control rights (including pursuant to voting agreements, negative covenants or similar provisions).

Notwithstanding the foregoing, if a Mezzanine Fund has made an initial investment in an Equity Fund portfolio company in the same class of securities as an Equity Fund, it generally exercises certain rights or options, such as preemptive rights, regardless of whether the relevant Independent Investor exercises its equivalent right. In addition, in the event that a follow-on investment opportunity arises in respect of a portfolio company in which both a Mezzanine Fund and an Equity Fund are invested, and the Independent Investor elects not to participate because, among other things, it does not have sufficient available funds to do so, the Mezzanine Fund will not be prohibited from participating in such follow-on opportunity so long as a separate Independent Investor agrees to invest in such follow-on investment opportunity and such investment by the Mezzanine Fund is made on substantially the same terms (including price) as have been accepted by such separate Independent Investor. Further, in the event that an Independent Investor elects to sell or otherwise transfer its interest to a separate Independent Investor, the Mezzanine Fund will have the right to either take such actions as are consistent with such Independent Investor or deem such person acquiring such interests as a replacement Independent Investor. The Equity Funds have the potential to accelerate terms or take actions with respect to portfolio companies that negatively impact the value or rights with respect to mezzanine securities held by the Mezzanine Fund.

This situation will involve potential conflicts of interest. Any investment by the Mezzanine Funds in an entity in which an Equity Fund has a pre-existing investment (or vice versa) could be viewed, especially in hindsight, to have been made based on a non-arms-length valuation. Similarly, an Equity Fund could later invest in entities in which the Mezzanine Funds have invested, which has the potential to have an effect (either positive or negative) on the market price of the Mezzanine Funds' investments. In circumstances in which the Mezzanine Funds make an investment in an entity in which an Equity Fund has a pre-existing investment, such Equity Fund expects to make business decisions relating to such investment (such as, for example, financing or hedging interest rate, currency or credit risk) independently of the analogous decisions made with respect to such investment by the Mezzanine Funds. This has the potential to result in situations where the Mezzanine Funds choose not to hedge certain risks that an Equity Fund does hedge (or vice versa), or the possibility that the Mezzanine Funds are exposed to risks of financing (for example, possible margin calls) on an investment when an Equity Fund is not (or vice versa). Although we will employ procedures to address such conflicts, there can be no assurance that such conflicts will be resolved in a manner that is favorable to both the Mezzanine Funds and the Equity Funds.

Conflicts Associated with Investing in Different Levels of the Capital Structure. The Mezzanine Funds and the Equity Funds are likely to invest in different parts of the capital structure of the same portfolio company and will face conflicts of interests when doing so. For example, (i) an Equity Fund will hold equity securities while the Mezzanine Funds will generally hold loans and securities that, at the time of initial investment, have attributes such as liquidation or other preferences, interest, coupon, or other debt-like features, including, without limitation, instruments (which may be equivalent to securities held by an Equity Fund) issued in respect of warrants, conversion rights or other rights with respect to equity securities related to mezzanine investments and/or equity securities of the same portfolio company or (ii) the Mezzanine Funds may hold a certain class of debt instruments while an Equity Fund holds a different class of preferred or debt-like instruments of the same portfolio company. To the extent that the Mezzanine Funds invest in a debt instrument of a portfolio company in which an Equity Fund holds equity securities, we expect to be subject to conflicts of interest in participating in the negotiations regarding the terms of such debt instrument and in managing the Mezzanine Funds' and Equity Funds' investments in such portfolio company on a going-forward basis. Conflicts are expected to arise between the Mezzanine Funds and an Equity Fund in negotiating, generally along with the Independent Investor, as to the price of the debt securities or other instruments, the characterization of such debt securities or other instruments, the terms of inter-creditor agreements, the interest rate or stated dividend yield of such debt securities or other instruments, 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 an Equity Fund has the potential to desire optimal flexibility to grow the portfolio company, while the Independent Investor may want to place tighter restrictions on the type and the amounts of permitted investments and acquisitions. For example, in controlling a company, an Equity Fund could have an interest in pursuing an acquisition that would increase indebtedness, a divestiture of revenue-generating assets, or other similar transactions that could enhance the value of the equity investment with respect to such Equity Fund, but that would potentially also increase the risk of the Mezzanine Funds' debt investment in such company. Further, because of the different legal rights associated with debt and equity investments of the same portfolio company, Clearview Capital expects to face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, the Mezzanine Funds versus an Equity Fund. Questions are expected to arise as to whether payment obligations and covenants should be enforced, modified, or waived, or whether debt investments should be refinanced or restructured. In addition, the interests of a Mezzanine Fund and an Equity Fund have the potential to diverge significantly in the case of financial distress of the company. Moreover, if additional financing is necessary as a result of financial or other difficulties, it may not be in the best interests of a Mezzanine Fund to provide such additional financing. If an Equity Fund had the potential to incur a loss on its investment as a result of such difficulties, the Clearview Affiliate's ability to recommend actions in the best interests of such Equity Fund might be impaired. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring, are expected to raise conflicts of interest with respect to a Mezzanine Fund and an Equity Fund, whose interests are likely to diverge in such situations. For example, a Mezzanine Fund could be more senior or more junior to an Equity Fund in the capital structure of the portfolio company, which could mean that

in a workout or other distressed scenario a Mezzanine Fund could be adverse to such Equity Fund, and might recover all, part or none of its investment while such Equity Fund recovers more or less. We intend to ameliorate and/or manage such conflicts of interest to the extent possible by holding a minority of the mezzanine securities issued by a portfolio company in which an Equity Fund holds outstanding equity interests and allowing the Independent Investor(s) in such mezzanine securities to negotiate pricing and terms. In addition, we intend to manage the conflicts of interest in connection with a payment default by a portfolio company in which the Mezzanine Funds and an Equity Fund holds interests, following the payment default (and following the expiration of any applicable cure periods), by generally not having voting rights on behalf of the Mezzanine Funds or voting with the Independent Investor and/or the majority of the unaffiliated debtholders holding the same tranche, class, or other category of such defaulting debt investment in connection with any determination by such debtholders. This means the Mezzanine Funds may not vote or the portfolio company may not take the action that we believe to be optimal for the Mezzanine Funds. The Equity Funds generally will not be subject to the preferences of any other holder of the securities it holds, and therefore an Equity Fund can be expected to act exclusively in its own interests.

Allocation of Fund Expenses. The Clearview Affiliates are expected to be faced with a variety of potential conflicts of interest when they determine allocations of various fees and expenses to the Funds. The Clearview Affiliates, in their sole discretion, will allocate fees and expenses in accordance with the Governing Documents and in a manner that they believe in good faith is fair and equitable to the Funds under the circumstances and considering such factors as they deem relevant. There is a potential that the allocations of such expenses will 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.

Allocation of Co-Investment Opportunities. Clearview Capital from time to time enters into “co-investment arrangements” with independent investors and other third parties. Such co-investments generally are structured through investment vehicles or similar arrangements organized to facilitate such investments or for legal, tax, regulatory or other purposes. Co-investment opportunities generally arise when Clearview Capital, in the course of making an investment in a portfolio company on behalf of one of its advised Funds, identifies an opportunity that exceeds or is expected to exceed the Fund’s investment appetite in that investment or that could benefit from the involvement of co-investors. The top priority in such a co-investment offering will be to maximize the chance that the transaction will be closed by a Clearview Capital fund. Clearview Capital reserves the right to offer opportunities to make direct investments alongside a Clearview Capital fund to current or prospective investors, as well as to other third parties who have the ability to make an expedited investment decision in a manner that is beneficial to a Clearview Capital fund. In addition, Clearview Capital reserves the right to offer less substantial co-investment opportunities to deal finders who have sourced a portfolio company that has been or will be acquired by a Clearview Capital fund or another Clearview Capital portfolio company.

At the current time, Clearview Capital has Side Letters with certain Fund investors acknowledging their desire to participate in co-investment opportunities. In order to gauge investor appetite for specific co-investment opportunities, Clearview Capital will, at its sole discretion, notify existing and potential future investors, who have notified Clearview Capital of their interest in participating in co-investment opportunities, as well as third parties who Clearview Capital believes will be helpful in successful evaluation, closing and managing of the investment, of the opportunity to evaluate co-investments and will ask for an expression of interest. As provided in the Governing Documents, Clearview Capital has sole discretion over its offering of co-investment opportunities, including the discretion to offer co-investment opportunities solely to third parties, and reserves the right to consider some or all of a wide range of factors including, without limitation: relevant industry knowledge, prior co-investing experience, expressed interest in co-investment opportunities, speed and certainty of closing, prior, current and potential future commitment levels, and tax, regulatory and securities laws and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status). Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and because co-invest opportunities generally appeal to Fund investors and third parties, Clearview Capital expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund.

Although Clearview Capital reserves the right to do so, Clearview Capital does not currently provide any investment advisory services for a co-investor entity nor does Clearview Capital receive any management fees or “carried interest” for its efforts to source co-investment opportunities. Co-investors are responsible for conducting their own due diligence and making investment decisions, unless and until Clearview Capital accepts responsibility to act as an investment adviser to co-investment transactions.

A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments potentially involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take action contrary to the investment objectives of a Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund’s 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.

Clearview Affiliate or its related persons expect 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. Co-investment opportunities typically will be offered to some and not to other limited partners. When and to the extent that employees and related persons of a Clearview Affiliate make capital investments in or alongside a Fund, a Clearview Affiliate is subject to conflicting interests in connection with these investments. A Clearview Affiliate’s allocation of co-investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others.

To the extent that Clearview Capital receives monitoring, closing fees or certain other fees as more fully described in the Governing Documents with respect to a co-investor's pro rata investment in a portfolio company, the Fund's management fees will not be reduced by such pro-rata portion. See Item 5 Compensation.

Controlling Interests in Portfolio Companies. Certain Funds are permitted to make controlling investments in portfolio companies. Such controlling interests would typically result in a Clearview Affiliate having the right to appoint portfolio company board members (including current or former Clearview Affiliate 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 a Clearview Affiliate in connection with services provided by such Clearview Affiliate and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the offset provision in the Governing Documents, are in addition to the management fee or carried interest discussed herein. The Clearview Affiliate's authority to appoint or influence the appointment of portfolio company board members who have the potential to be involved in approving compensation payable to the Clearview Affiliate subjects such Clearview Affiliate and any such portfolio company board appointees to potential conflicts of interest.

Reimbursements By Portfolio Companies. A portfolio company could reimburse a Clearview Affiliate or service providers retained at a Clearview Affiliate's discretion for expenses (including, without limitation, travel expenses) incurred by Clearview Affiliate or such service providers in connection with the performance of services for such portfolio company. This subjects the Clearview Affiliate to conflicts of interest because a Fund generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Governing Documents and any internal reimbursement policies and practices, a Clearview Affiliate determines the amount of these reimbursements for such services in its own discretion.

Industry Relationships. The Clearview Affiliates reserve the right to employ, from time to time, personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by the Funds or investment vehicles advised by a Clearview Affiliate; conversely, former personnel or executives of the Clearview Affiliates are expected, from time to time, to serve in significant management roles at portfolio companies or service providers recommended by the Clearview Affiliates. Similarly, the Clearview Affiliates and/or their personnel maintain relationships with (or could invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Clearview Affiliates, and/or the Funds. 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 Clearview Capital entities) to Clearview Capital personnel and their estate planning vehicles. The Clearview Affiliates expect to be subject to a conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to the

Funds 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, will provide the Clearview Affiliates information about markets and industries in which the Clearview Affiliates operate (or are contemplating operations) or will provide other services that are beneficial to the Clearview Affiliates. A Clearview Affiliate is expected to have a conflict of interest in making such recommendations, in that such Clearview Affiliate has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds.

Service Providers. Over the life of the Funds, each Clearview Affiliate generally expects to exercise its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) the Clearview Affiliate (or an affiliate, which has the potential to include other portfolio companies of the Funds) and at rates determined or substantively influenced by the Clearview Affiliate; (ii) an entity with which the Clearview Affiliate or its affiliates or current or former members of their personnel has a relationship or from which such person derive a financial or other benefit; or (iii) a limited partner of a Fund or its affiliates. This subjects the Clearview Affiliate 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, such Clearview Affiliate are expected to have an incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that the Clearview Affiliate, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Clearview Affiliate or the Funds), will favor such retention or continuation even if a better price and/or quality of service provider could be obtained from another person. Whether or not a Clearview Affiliate has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements.

Carried Interest. The fact that a Clearview Affiliate's carried interest is based on a percentage of net profits have the potential to create an incentive for Clearview Affiliate to cause a Fund to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case. In addition, because a Fund generally has a fixed investment period after which capital from limited partners generally will only be drawn down in limited circumstances, and because the management fee is, at certain times during the life of a Fund, calculated based upon the invested capital a Fund, the management fee structure has the potential to create an incentive for a Clearview Affiliate to deploy capital when it might not otherwise have done so.

Certain Consultants. The Clearview Affiliates expect to retain, on behalf of the Funds and/or the portfolio companies, as applicable, operating advisors and other consultants (the "Operating Advisors"), which, from time to time, are expected to be affiliates of the Clearview Affiliates,

employees of such affiliates, portfolio companies of the Funds, third party consultants (including individual Board of Operating Advisor members, consultants and external executives), “strategic partners,” “executive partners” or “senior advisors.” The Operating Advisors are expected to regularly provide services to, or in connection with, a Fund 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 (“Services”).

Pursuant to the Governing Documents, fees and expenses associated with the Services (collectively “Consulting Fees and Expenses”), will generally be paid and/or reimbursed by applicable portfolio companies and/or to the extent applicable, the Funds, and Consulting Fees and Expenses do not offset the management fee. Consulting Fees and Expenses are expected to include cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), transaction fees, a profits, participation or equity interests in a portfolio company or holding company, a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operating Advisors, which, from time to time, is expected to be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operating Advisors, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, from time to time, portfolio companies are expected to provide opportunities for the Operating Advisors to invest in such portfolio company and reimburse costs and expenses incurred by Operating Advisors. The Operating Advisors also may receive remuneration from the Clearview Affiliates and/or the Funds or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. To the extent that Operating Advisors are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of the Operating Advisor’s services at a time when fewer portfolio companies or Funds make use of such Operating Advisor. Operating Advisors are expected from time to time to include former employees of Clearview Capital or certain portfolio companies, and in some circumstances former Operating Advisors are expected to become Clearview Capital employees or employees of portfolio companies. Consequently, the determination of whether individuals are Operating Advisors is expected to vary and/or be revisited from time to time, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that Operating Advisors otherwise would be required to bear. Such investment opportunities, reimbursements and other compensation paid to the Operating Advisors will not offset the management fee. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund’s investment, and has the potential to result in economic effects greater than the original amount of compensation, and the relevant Fund typically will bear the costs of all Operating Advisor compensation as well as fees, costs and expenses of structuring Operating Advisor arrangements. The Operating Advisors may have a limited partnership or profit interest in a Fund, a Clearview Affiliate, or one or more of the Funds. Although each Clearview Affiliate intends to retain the Operating Advisors with a view to reducing costs to portfolio companies (and, ultimately, the Fund) and/or improving portfolio company

performance, a number of factors may result in limited or no cost savings from such retention. In addition, each Clearview Affiliate intends to retain only such Operating Advisors 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 could provide such services at lesser cost.

Other Investment Activities. Except to the extent prohibited by the Governing Documents, Clearview Capital and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles, accounts the investment or business strategy of which does not overlap with the Fund(s) and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the Governing Documents and anti-"assignment" provisions of the Advisers Act, Clearview Capital and its personnel are also permitted to offer, restructure and monetize interests in Clearview Capital.

Side Letters. Clearview Capital and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of Clearview Capital's compensation), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on the Fund's advisory committee, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, as well as economic procedural and other terms.

Clearview Capital is likely to have its own economic and/or other business incentives to provide certain terms to certain limited partners (e.g., based on commitment amount to a Fund or the timing thereof, the ability of a limited partner to provide sourcing or other services to Clearview Capital, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Clearview Capital, its affiliates and personnel, or the Funds. Further, Side Letters may also relate to strategic relationships under which an investor agrees to make Commitments to multiple Funds. Except where required by 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 a Fund, Clearview Capital, the relevant General Partner 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. Side Letters subject Clearview Capital to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory committee results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. As a consequence of one or more limited partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, the aggregate returns realized by participating or non-

participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments. Although Clearview Capital believes it to be unlikely, excuse rights requested or received by one or more limited partners (or such regulatory, tax or other factors applicable to such limited partners) representing a substantial percentage of a Fund have the potential to create significant variations in limited partner investment returns, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. A limited partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more limited partners' voting rights generally will increase the voting rights percentage of other limited partners in the relevant Fund. Further, limited partners with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, *e.g.*, based on tax savings or ownership of alternative investment vehicle, "blocker" or other structures used to facilitate their investments in, through or below a Fund.

ITEM 9. DISCIPLINARY INFORMATION

Clearview Capital is required to disclose all material facts regarding any legal or disciplinary events that would be material to your evaluation of Clearview Capital or the integrity of Clearview Capital's management.

Clearview Capital has no information to disclose in response to this item.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither we nor any of our Clearview Affiliates, listed below, is registered, nor do we have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

Neither we nor any of our Clearview Affiliates, listed below, is registered, nor do we have any application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor or an associated person of the foregoing entities.

Clearview Affiliates

Clearview Capital GP, LLC is the general partner of Fund II and Fund II Parallel.

Clearview Capital GP III, LLC is the general partner of Fund III.

Clearview Capital Fund IV GP, L.P. is the general partner of Fund IV and Fund IV-A.

Clearview Capital Mezzanine Fund I GP, L.P. is the general partner of Mezzanine Fund I and Mezzanine Fund I-A.

Each of the foregoing Clearview Affiliates is indirectly controlled by Messrs. Andersen and Neider.

See also Conflicts of Interest above in Item 8 and below in Item 11 below regarding Clearview Affiliates.

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

Code of Ethics and Trading Policy

Our Code of Ethics and Trading Policy is documented in our Compliance Manual (“Compliance Manual”), a copy of which (and any amendments) is provided to each employee. Each employee is required to certify that he or she has read, understands and agrees to comply with our Compliance Manual and the Code of Ethics and Trading Policy found therein. Furthermore, each employee is required to certify annually that he or she has complied with the Code of Ethics and Trading Policy. We will also provide updates and training as necessary and hold annual compliance training sessions, and attendance at such sessions is mandatory for all employees.

Our Compliance Manual, which includes a Code of Ethics and Trading Policy, requires, in short, that Clearview Capital and its employees will:

- Place the interests of the funds first;
- Avoid taking inappropriate advantage of Clearview Capital’s position;
- Keep information confidential;
- Comply with federal securities laws and all other laws and regulations applicable to Clearview Capital’s business;
- Conduct all personal securities transactions in compliance with the Code of Ethics and Trading Policy; and
- Report when in doubt about the propriety of any action or situation.

Our Compliance Manual also requires all of our Access Persons as such term is defined in Advisers Act Rule 204A-1 to notify us of all of their securities holdings annually and submit to us within 30 days after the end of each calendar quarter securities transaction reports identifying all securities purchased and sold. At least quarterly, our Chief Compliance Officer reviews securities transaction reports as well as brokerage and adviser statements to determine compliance with our reporting procedures. Furthermore, we require that each Access Person re-affirm the accuracy of his or her list of accounts on record with us at least annually.

Our Compliance Manual also provides for our Chief Compliance Officer to establish and maintain a restricted list of securities that are not to be traded, and requires that employees obtain approval from the Chief Compliance Officer before investing in any initial public offering of securities or in any private placement of securities.

A copy of our Compliance Manual and its Code of Ethics and Trading Policy will be provided to any client or prospective client upon request.

Conflicts of Interests

Participation or Interest in Client Transactions. As described in Items 5 and 6 above, we or a Clearview Affiliate are generally entitled to receive management fees and/or a carried interest from our Funds. Employees also make capital commitments to such Funds or co-invest with such Funds through affiliates as delimited in the Governing Documents. Furthermore, subject to the Governing Documents, we are permitted to receive fees from our Funds' portfolio companies for performing consulting and other services for such companies. Each of the foregoing is expected to represent a material financial interest in the portfolio company and/or its securities that we recommend to our client accounts.

As described in Item 5 above, the management fees that we receive from our Funds after the termination of their commitment periods are based on their "invested capital." To the extent that an investment is written-down to below cost, for purposes of calculating our management fee, the invested capital in such investment has the potential to be reduced by the amount that the investment has been written down and would result in our receiving a reduced management fee. As a result, this is expected to theoretically incentivize Clearview Capital to overvalue underperforming investments and could discourage a manager from assigning a valuation lower than cost. Clearview Capital understands that these situations have the potential to be perceived as creating a potential conflict. However, Clearview Capital strives always to act in the best interests of its clients and has mitigated this by having our valuations reviewed annually by our Funds' independent public auditors. Clearview Capital understands that the entitlement to performance fees by Clearview Affiliates are expected to be perceived to incentivize us to cause our Funds to make more speculative investments than would be the case in the absence of such performance fee arrangement. Clearview Capital however, believes that its long-term business health depends on always acting in the best interests of its investors. In addition, the significant capital commitments made by Clearview Capital management and other Clearview Capital personnel through Clearview Affiliates, which capital commitments are invested pro rata with the commitments of each Fund's limited partners, as well as the "clawback obligations" (as described in Item 6), serve to mitigate the effects of such possible conflict of interest.

Clearview Capital understands that our ability to receive fees (and related expense reimbursements) from our Funds' portfolio companies, for performing consulting and other services for such companies, has the potential to appear to represent a potential conflict of interest since we generally have substantial control or influence over such companies and the fees charged by us are expected to be seen as a reduction to the profits earned by such companies. However, this potential conflict of interest is mitigated by the fact that the amount of such fees are typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, as well as the fact that all such fees are disclosed to our Funds' investors. A portion of such fees offset management fees otherwise payable by our Funds (as described in Item 5 above).

Allocation of Investment Opportunities. In general, due to the sequential nature in which Funds are formed, Clearview Capital is actively pursuing new investment opportunities for a single Fund at any one time. As such, Clearview Capital does not generally allocate investment opportunities among its Funds. Fund Governing Documents set forth terms with respect to the allocation of investment opportunities and generally provide that, from the date of closing of a Fund until the expiration of its commitment period, all prospective investment opportunities (other than follow-on investments related to a predecessor Fund) that Clearview Capital identifies, which are within the scope of the Fund's investment objectives and are not in excess of a threshold amount specified in the Fund's Governing Documents, will be made available to that Fund before being offered to any other person.

Notwithstanding the foregoing, in the event Clearview Capital does allocate an investment opportunity among Funds, it will take into consideration factors including but not limited to: each Fund's investment restrictions and objectives (including those set forth in the relevant fund's partnership agreements, where applicable), strategy, capital structure, risk profile, time horizon, investment size, tax sensitivity, tolerance for turnover, asset composition, cash level (if any), applicable regulatory restrictions, life cycle and structure. A Fund is permitted to invest together with other Funds in the manner set forth in the relevant Governing Documents and the Clearview Affiliate's allocation policy. The Clearview Affiliate will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with the Clearview Affiliate's obligations and generally will 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 a Fund, such excess can also be offered to one or more potential investors. See Item 8. Methods of Analysis, Investment Strategies and Risk of Loss — "Allocation of Co-Investment Opportunities".

The Clearview Affiliates' allocation of investment opportunities among the Funds often will not always be proportional. Therefore, such allocations are expected to be more advantageous to a Fund relative to one or all of the other Funds, or vice versa. While the Clearview Affiliates will allocate investment opportunities in a way that they believe in good faith is fair and equitable to the Funds, 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 the Clearview Affiliates are expected to be subject did not exist.

Principal Transactions. We do not anticipate entering into principal transactions where we or any Clearview Affiliate purchases or sells any securities for our own accounts from or to the account of any Fund. In the event that we or any Clearview Affiliate does engage in a principal transaction, we will seek the approval of the applicable Fund's limited partner advisory committee in accordance with the terms of such Fund's Governing Documents and such transaction will be undertaken only in compliance with Section 206(3) under the Investment Advisers Act of 1940, as amended.

Agency Cross & Cross Transactions. Since neither we nor any Clearview Affiliate is registered as a broker-dealer, we do not engage in agency cross transactions. In the event that we cause Funds

to enter into a cross transaction, in which one Fund sells a security directly to another Fund managed by Clearview Capital, we will seek the approval of each Fund's limited partner or advisory committees in accordance with the terms of each Fund's Governing Documents.

Board of Operating Advisors. Clearview Capital has established a Board of Operating Advisors who, upon request, reviews and advises Clearview Capital on potential investment opportunities. Operating Advisors generally consist of individuals whose business experience is independent of our portfolio companies. However, from time to time, such Board of Operating Advisors come from management of portfolio companies currently or formerly owned by the Funds. Each Operating Advisor provides Clearview Capital with advice derived from experience within the middle market and industry sectors Clearview Capital values. Operating Advisors are paid a retainer fee by Clearview Capital who solely bears the cost for these services. However, in the case where an Operating Advisor is also appointed to the board of directors of a portfolio company, such individual is paid separate director's fees by the portfolio company and therefore indirectly by the Funds. It is the policy of Clearview Capital to negotiate the services of Operating Advisors independent of any future directorship considerations.

Clearview Information. In connection with its services to the Funds and their investments, Clearview Capital, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Clearview Capital's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Clearview Capital and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Clearview Information"). In many cases, Clearview Information will include tools, procedures and resources developed by Clearview Capital to organize or systematize Clearview Information for ongoing or future use. Although Clearview Capital expects its Funds and their portfolio companies generally to benefit from Clearview Capital's possession of Clearview Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio companies (or by Clearview Capital and its personnel) and not by the Fund or portfolio company from which Clearview Information was originally received. Clearview Information will be the sole intellectual property of Clearview Capital and solely for the use of Clearview Capital. Clearview Capital reserves the right to use, share, license, sell or monetize Clearview Information, without offset to Management Fees, and the relevant Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds or their respective investors; no such rewards will offset management fees.

Portfolio Company Fees. Since Clearview Capital is permitted to retain certain Portfolio Company Fees (as described under “Item 5. Compensation”) in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, Portfolio Company Fees are based on enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of Portfolio Company Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, Clearview Capital reserves the right to accrue, defer or forego payments of Portfolio Company Fees. In such cases, in accordance with the Governing Documents, investors will not receive the benefit of management fee offsets with respect to such amounts until they are actually received.

ITEM 12. BROKERAGE PRACTICES

We do not make regular use of brokers for the purposes of purchasing securities on behalf of the Funds because the securities that the Funds typically purchase are acquired in privately negotiated purchase and sale transactions. If and when we use a broker to sell securities, we will select the broker considering the range and quality of its brokerage services, its execution capability, commission rate, financial responsibility and responsiveness to us. We will negotiate the commission rates and other transaction costs relating to broker services.

We do not receive soft dollar benefits or client referrals from broker-dealers in connection with client transactions.

ITEM 13. REVIEW OF ACCOUNTS

We review all client accounts on a current basis and a formal review of a client’s accounts will be undertaken as necessary. Our Principals and Clearview Capital employees meet several times a month to review investments. Each Fund will be audited on a yearly basis by a firm of independent public accountants. We provide our Funds’ investors with (i) audited annual financial reports, (ii) unaudited quarterly financial reports, (iii) quarterly descriptive information for each of the applicable Fund’s portfolio companies, (iv) annual tax information for the completion of tax returns and, (v) additional detailed information during our Funds’ annual investor meetings.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

The payment of cash solicitations other than to broker-dealers in the form of placement agent fees is generally prohibited with respect to investments in private investment funds. If Clearview Capital should manage clients other than private investment funds, any cash payments to solicitors

will be made in accordance with Rule 206(4)-3 under the Investment Advisers Act of 1940, as amended.

Clearview Capital enters into arrangements with placement agents to solicit investors in existing or future clients. These arrangements generally are disclosed in the relevant Fund's Form D. Clearview Capital only engages placement agents who are registered or licensed in the appropriate capacity. As mentioned in Item 5, in the case where a Fund pays the placement agent fees, the management fee payable to Clearview Capital by a Fund is reduced 100% by any placement fees paid by the Fund, amortized throughout the original commitment period of the Fund.

ITEM 15. CUSTODY

Rule 206(4)-2 under the Advisers Act (the "Custody Rule") defines "custody" to include a situation in which an adviser or a related person holds, directly or indirectly, client funds or securities or has the authority to obtain possession of them, in connection with advisory services provided by the adviser. In the context of the management of private equity funds, the definition of custody specifically includes possession by an adviser or its related person of the kind of legal ownership or capacity to access funds and securities that is held by a general partner of a limited partnership or the managing member of a limited liability company.

As a result, for purposes of the Custody Rule, we are deemed to have "custody" of client assets, because either we or our Clearview Affiliates will occupy that kind of position of authority with respect to the Funds.

In accordance with Rule 206(4)-2, each Fund is audited annually by a PCAOB registered independent accounting firm. The audited financial statements are subsequently distributed to all investors within 120 days of year end.

ITEM 16. INVESTMENT DISCRETION

We have entered into an investment management agreement or equivalent with each Fund. Each such agreement, together with the management authority granted to each respective Clearview Affiliate and as described in the Fund's Governing Documents, provides us with full discretion to determine investments to be purchased and sold on behalf of the Fund and the terms of the related transactions. Limitations on our investment discretion are set forth in the Governing Documents of our Funds.

ITEM 17. VOTING CLIENT SECURITIES

While the securities evidencing the private equity investments made by our Funds are not typically the subject of proxies, there could be certain circumstances where we, having discretionary

authority over the accounts of our Funds, may be asked to vote the securities held by such Funds on restructuring or other corporate matters. If such an event, we would vote (or abstain from voting) all proxies or written consents in a prudent manner, considering the prevailing circumstances at such time, and in a manner consistent with our fiduciary duties to our clients.

A copy of our proxy voting policies and procedures will be provided to any client and prospective client upon request.

ITEM 18. FINANCIAL INFORMATION

We have no financial commitment that impairs our ability to meet contractual and fiduciary commitments to clients and we have not been the subject of a bankruptcy proceeding.

ITEM 19. REQUIREMENTS FOR STATE-REGISTERED ADVISERS

Not applicable.