

FORM ADV PART 2A



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**The Cassidy Building
407 Throckmorton Street, Suite 560
Fort Worth, Texas 76102
(817) 945-2400
www.vortus.com**

This brochure provides information about the qualifications and business practices of Vortus Investment Advisors, LLC (“Vortus” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at (817) 945-2400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Vortus Investment Advisors, LLC is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser provide you with information about which you determine to hire or retain an investment adviser.

Additional information about Vortus Investment Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

The brochure has been amended to update assets under management information in Item 4, and to make other minor edits as we deemed appropriate.

Pursuant to SEC Rules, the Adviser will deliver to each of its clients a summary of any material changes to this and subsequent brochures within 120 days of the close of the Adviser's fiscal year. The Adviser may also provide additional disclosures or other information about material changes as necessary.

A copy of this brochure may be requested by contacting Mr. Frank Lamsens, the Adviser's Chief Compliance Officer ("CCO") at (817) 945-2400 or flamsens@vortus.com.

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Item 4 - Advisory Business

- A. Vortus Investment Advisors, LLC, a Texas limited liability company, is a private equity firm located in Fort Worth, Texas. The Adviser provides investment advisory services to pooled investment vehicles (each a “Fund” and together the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Adviser was formed in 2012 by Jeffrey W. Miller and Brian C. Crumley (collectively, the “Principals”). The Funds are managed by the Principals, who have more than 45 years of complementary global energy experience across a wide range of financial disciplines supported by a foundation of technical and operational support. They have invested across various domestic regions and internationally. The Principals have deep energy experience in petroleum engineering, private equity operations/management, investment banking/M&A, capital markets, public equity and debt investing or restructuring.

- B. Investment advisory services include establishing each Fund’s investment objective and selecting portfolio investments according to each Fund’s specific investment strategy, as described in the applicable Fund’s governing documents (including confidential offering memoranda, as applicable) (the “Offering Documents”). The investment activity of the Adviser generally focuses on onshore E&P opportunities in the U.S. lower middle market. The Adviser seeks investment opportunities in which the Adviser can partner with owner/operators on specific assets with conservative capital structures that provide significant downside protection, enhanced visibility of investment performance and multiple exit options.

The Adviser provides investment advisory services to each of the Funds pursuant to separate advisory agreements. Investment advice is provided by Vortus directly to the Funds, subject to the direction and control of the affiliated general partner of such Fund.

Any restrictions on investments in certain types of securities are established by the general partner of the applicable Fund and are set forth in the Offering Documents for each respective Fund. Fund investors have imposed restrictions on the types of securities in which such Fund may invest, including being restricted from investing in securities of an issuer that (i) has its principal place of business outside the contiguous United States, (ii) is a publicly listed company (subject to the exceptions described in the Offering Documents) or (iii) is a commingled blind-pool investment fund that has not identified to its investors the specific transactions in which it proposes to invest prior to the time such investors commit to invest in such investment fund and that requires the payment of a management or similar fee or “carried interest” in respect of the investment fund’s invested capital or similar incentive fee to the manager or sponsor of such commingled investment fund (subject to the exceptions described in the Offering Documents).

Admission to the Funds managed by the Adviser is not open to the general public.

- C. While each of its Funds will follow the general strategy stated above, the Adviser tailors its advisory services based on the individual investment strategy of each Fund and the investment guidelines and restrictions stated in each Fund’s respective Offering Documents. The Adviser does not tailor its investment advisory services to individual limited partners in any of the Funds.
- D. The Adviser does not participate in wrap fee programs.

- E. As of the date of this brochure, the Adviser managed approximately \$807,065,975 in regulatory assets under management of client assets on a discretionary basis. The Adviser does not currently manage assets on a non-discretionary basis.

Item 5 - Fees and Compensation

- A. Below is a discussion of how the Adviser is compensated in connection with providing advisory services to the Funds. The Adviser may enter into different fee arrangements on a Fund by Fund basis.

The Adviser receives annual fees from the Funds generally up to 2% of capital commitments during the investment period (the “Management Fee”). However, the Management Fee may be reduced for certain investors in particular circumstances, as set forth in the Offering Documents for each respective Fund. This Management Fee is payable quarterly in advance by limited partners in the Funds. The Management Fee will cover all ordinary administrative and overhead expenses of the Adviser, including salaries, rent and office equipment. The precise amount of, and the manner and calculation of, the Management Fees for each Fund is governed and disclosed in the Offering Documents.

In terms of performance-based fees, 20% of the Funds’ net investment proceeds are allocated to the capital account of an affiliate of the Adviser as “carried interest.” However, the carried interest may be reduced for certain investors in particular circumstances, as set forth in the Offering Documents for each respective Fund. Carried interest will be subject to certain adjustments and reserves as stated in more detail in each Fund’s Offering Documents.

- B. The Adviser and its affiliates directly deducts all applicable fees from the Funds’ assets. Management Fees are typically funded with capital contributions drawn for such purpose, but may also be funded with or withheld from proceeds from investments. Carried interest distributions generally will be distributed to the Adviser’s affiliate from time to time upon the disposition of investments by a Fund and are distributed to such affiliate in accordance with the terms of the Offering Documents.
- C. As stated above, the Management Fee will cover all ordinary administrative and overhead expenses, including salaries, rent and office equipment.

In connection with the portfolio investments of the Funds, various “transaction fees” may be paid to the Adviser by the target companies or other third parties. 100% of all “transaction fees” earned by the Adviser or its affiliates allocable to the respective Funds will be applied to reduce the respective calculated Management Fee. If multiple Funds participate in a portfolio investment from which the Adviser receives “transaction fees,” the Management Fees charged to the respective Funds will be offset on the basis of capital committed or to be committed by each Fund to such portfolio investment or proposed portfolio investment. Transaction fees include any fees received by the Adviser or its affiliates in connection with the consummation or disposition of an investment attributable to the Funds and/or any fees received from a portfolio company, such as monitoring fees commitment fees, investment banking fees, portfolio company management fees, directors’ fees and similar fees, but excluding any fees earned in respect of co-investment or similar vehicles. If the amount of the fees applied to reduce the Management Fees exceeds the amount of Management Fees due in any quarter, the Adviser shall continue to apply the remaining portion of such fees against the Management Fees for each succeeding quarter until the full amount of the fees have been so applied. If any excess fees remain at the termination or dissolution of the Funds, such excess shall be distributed pro rata to the limited partners (other than any limited partner that elects in writing upon or prior to admission not to receive such excess).

As set forth in detail in each Fund's limited partnership agreement, the Adviser and the Funds' general partners are entitled to be reimbursed for expenses that are required to be borne by each of the Funds and incurred in connection with operating such Fund. Those expenses generally include: (i) all fees, costs and expenses incurred in connection with the Funds' operations, including, without limitation, all expenses incurred with the investigation, purchase, holding, sale or proposed sale of any Funds' investments (whether or not consummated) including, without limitation, due diligence expenses, research expenses (including proprietary and third-party software development and licensing expenses), finders' fees, private placement fees, broken deal expenses in respect of the entirety of any unconsummated co-investment transactions, all travel-related expenses, and all unreimbursed third party out-of-pocket costs and expenses of custodians, paying agents, registrars, counsel, regulatory compliance consultants, independent accountants, administrators, and others, unless such costs or expenses are paid for by the proposed portfolio investment; (ii) all costs incurred in connection with the preparation of or relating to financial statements and reports, tax returns, Schedule K-1's (or similar schedules) and any other communications made to the partners; (iii) all costs related to litigation involving the Funds, directly or indirectly, including, without limitation, reasonable attorneys' fees incurred in connection therewith; (iv) all costs related to the Funds' indemnification or contribution obligations set forth in the partnership agreements; (v) Management Fees; (vi) placement fees (as described in the partnership agreements, including subject to offset as set forth in the partnership agreements); (vii) the costs of any litigation, director and officer liability or other insurance and indemnification or extraordinary expense or liability relating to the affairs of the funds or any related person (as defined in the partnership agreements); (viii) all costs and expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of the Funds; (ix) all costs and expenses incurred in connection with any valuation of the assets of the Funds; (x) reasonable costs and expenses incurred in connection with any meeting of the Funds or the limited partner advisory committees of any of the Funds held pursuant to the partnership agreements; (xi) any and all interest on, and fees and expenses arising out of, any Funds' borrowing or guarantee that is permitted under the partnership agreements; (xii) all extraordinary professional fees incurred in connection with the business or management of the Funds; (xiii) all expenses of liquidating the Funds; and (xiv) any taxes, fees or other governmental charges levied against the Funds or any subsidiary of the Funds and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds. Such costs will be borne by the Funds as described in their Offering Documents. The general partner or an affiliate will be responsible for all salaries, employee benefits, general office, overhead, general administrative and non-investment related travel expenses.

Each Fund bears the expenses of the organization of such Fund as well as the offering of interests (including legal and accounting fees, printing costs, travel, "blue sky" filing fees and expenses and out-of-pocket expenses). Such expenses will generally be capped pursuant to the respective Offering Documents. The Adviser may engage authorized dealers, placement agents or independent third-parties for services provided in connection with the solicitation of subscriptions. Any solicitation fee paid to such third parties will be borne, directly or indirectly, by the Adviser or its affiliates. Limited partners will not be responsible for any such fees in connection with the solicitation of subscriptions, although each Fund will typically reimburse out-of-pocket expenses associated with solicitation activities to the extent set forth in the Offering Documents.

For more detailed information and a complete description regarding each Fund's fees and expenses please refer to the applicable Fund's Offering Documents.

- D. Management Fees are payable quarterly in advance. The Adviser will refund any pre-paid Management Fee by a Fund if the advisory contract with such Fund is terminated before the end of the billing period. Management Fee refunds are calculated on a pro-rata basis to the limited partners.
- E. Neither the Adviser nor any of its supervised persons receives any compensation from the sale of securities or other investment products.

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

As noted in Item 5.A., affiliates of the Adviser may receive performance-based compensation from each Fund.

Performance-based fees or compensation, in general, may create an incentive for the Adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee paying funds over other funds in the allocation of investment opportunities. To the extent that any such conflict were to arise, in order to address such conflict(s), the Adviser has implemented policies and procedures to ensure that all of the Funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

Item 7 - Types of Clients

Currently, the Adviser provides investment advisory services solely with respect to affiliated private pooled investment vehicles on a discretionary basis.

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

- A. The Adviser believes that the domestic onshore upstream industry is capital constrained and the lower middle market appears less competitive since many have vacated this segment, creating an abundance of unconventional and neglected conventional E&P investment targets. Vortus was established to address this niche by partnering with owner/operators to provide development capital on a specific identified asset (as well as potentially finance add-on acquisitions).

The Adviser believes significant investment opportunity exists due to the refinement which led to increased capital intensity of horizontal drilling completion technologies. These new completion technologies are enabling the development of previously uneconomic reserves. This increased capital intensity and the relative lack of sources of capital in the lower middle market to develop such reserves is the driver for Vortus' capital to be deployed to increase production and cashflow and to develop and derisk the asset prior to a future monetization. As a result, abundant unconventional and neglected conventional E&P investment opportunities exist in the lower middle market.

The Adviser will target investments to invest in the U.S. onshore upstream energy sector, focusing on lower middle market transactions. These transactions will typically be privately negotiated unconventional and in certain instances conventional oil and natural gas investments in the form of development and acquisition capital. The Adviser seeks to partner with owner/operators on specific assets with conservative capital structures that provide significant downside protection, enhanced visibility of investment performance and multiple exit options.

The Adviser will endeavor to identify potential targets with: (i) undervalued assets; (ii) the need for growth capital for development; or (iii) substantial capital constraints. The characteristics of the targeted assets are expected to include: (i) significant redevelopment opportunities and/or drilling commitments; (ii) the need for a partner to augment technical, operational and/or financial capabilities; (iii) capital and/or operating constraints with current providers; (iv) inability to access capital markets; and (v) normal cyclicity.

The Adviser's investment process is focused on efficiency and effectiveness in each phase of execution. They believe that their broad financial, operating and technical experience and diverse network will create advantages throughout the investment process. The Principals have demonstrated their ability to directly source, analyze, structure, execute and generate value through proactive involvement with portfolio companies.

The Adviser seeks to maintain the discipline through its process that has driven the Principals' success in the past across multiple energy cycles. This includes: (i) conducting fundamental analysis to identify undervalued and/or under-exploited assets; (ii) focusing on low cost operations; (iii) assessing underlying technical risk; (iv) partnering with strong management teams while ensuring an alignment of financial interests with Vortus; (v) emphasizing the growth of portfolio companies through the effective reinvestment of cash flow and prudent management of leverage; and (vi) managing toward a successful exit.

THE INFORMATION INCLUDED IN THIS BROCHURE DOES NOT INCLUDE EVERY POTENTIAL RISK ASSOCIATED WITH EACH INVESTMENT STRATEGY OR SECURITY. INVESTORS AND PROSPECTIVE INVESTORS IN THE FUNDS ARE

URGED TO ASK QUESTIONS REGARDING RISK FACTORS APPLICABLE TO A PARTICULAR INVESTMENT STRATEGY OR SECURITY, READ ALL PRODUCT-SPECIFIC RISK DISCLOSURES (FOR EXAMPLE, EACH FUND'S OFFERING DOCUMENTS) AND DETERMINE WHETHER A PARTICULAR STRATEGY OR TYPE OF SECURITY IS SUITABLE FOR HIS/HER/ITS OWN ACCOUNT IN LIGHT OF HIS/HER/ITS CIRCUMSTANCES, INVESTMENT OBJECTIVES AND FINANCIAL SITUATION. INVESTING IN SECURITIES INVOLVES RISK OF LOSS THAT INVESTORS SHOULD BE PREPARED TO BEAR.

- B. The Adviser's investment strategy focuses on complex, undervalued onshore upstream transactions in the U.S. lower middle market which involve high degree of business and financial risk that can result in substantial losses and is suitable only for investors prepared to bear such risk. The risks factors below are not intended to be exhaustive. Prospective limited partners in a Fund should carefully review the risks described in the applicable Fund's Offering Documents.

Industry Concentration and Diversification. Since the Funds' investments will be concentrated within the energy industry, an investment in the Funds may be subject to greater market fluctuations than an investment in a portfolio of securities representing a broader range of industries. This concentration risk may be compounded to the extent the Funds concentrate investments in a particular geographic region, industry sector or type of security. In addition, the Funds may generally invest up to 20% of total capital commitments in a single portfolio investment (excluding bridge investments) at any time. As a consequence, the aggregate return on a limited partner's investment in the Funds may be substantially adversely affected by the unfavorable performance of even a single portfolio investment.

Illiquidity of Investments. The oil and gas investments to be made by the Funds are likely to be illiquid. Dispositions of such investments also may be subject to limitations on transfer or other restrictions that would interfere with the subsequent sale of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In addition, the Funds may invest in securities of privately held companies for which there is no public market. The Funds will generally not be able to sell these securities unless such securities are registered under applicable securities laws or unless an exemption from such registration requirements is available. In some cases, the Funds may be prohibited by contract from selling securities for a period of time. There is also the risk that the Funds will be unable to dispose of such securities at attractive prices or otherwise execute a successful exit strategy.

Availability of Investments. The Adviser may be unable to identify a sufficient number of attractive investment opportunities for the Funds to meet its investment objectives. In addition, the Adviser will be competing for investments against other groups, possibly including direct investment firms, merchant banks, and industrial groups. Other investors may make competing offers for investment opportunities that are identified, and even after an agreement in principle has been reached with the board of directors or owners of an acquisition target, consummating the transaction is subject to a number of uncertainties, many of which will not be foreseeable or within the control of the Adviser or the general partner. No assurance can be given that the Funds will be successful in obtaining suitable investments, or that if such investments are made, the objectives of the Funds will be achieved.

Liabilities Upon Disposition. In connection with the disposition of an investment, the Funds may be required to make representations about the business and financial affairs of an investment typical of those made in connection with the sale of any business or be responsible

for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchaser of such investment to the extent that any such representations or disclosure documents are determined to be inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the partners to the extent that the partners have received prior distributions from the Funds.

Public Securities. The Funds are not generally anticipated to acquire or sell investments in publicly listed companies. However, the Advisor may invest or trade in publicly traded securities in circumstances where it would support the Funds' overall investment strategy or the securities held by the Funds become publicly traded. This activity is subject to the risks present in investing in public securities. In addition, in some cases it can be expected that the Funds will be limited in its ability to make investments, and to sell existing investments, in public securities because the Funds may have material, nonpublic information regarding the issuers of those securities or as a result of other Fund policies. Accordingly, there can be no assurance that the Funds will make investments in public securities or, if it does, as to the amount it will invest. In addition, in some cases, the Funds will be prohibited by contract from selling certain securities for a period of time, which will restrict their ability to exit the relevant investment and sometimes means that the Funds is unable to take advantage of favorable market prices when doing so. In view of such limitations on liquidity, which are illustrative and not exhaustive, the Funds will generally not be able to realize on an investment until the sale of such investment. Furthermore, such illiquidity sometimes continues even if the underlying portfolio companies or other relevant issuers obtain listings on securities exchanges. There can be no assurance that the Funds will be able to dispose of its investments at the price and at the time it wishes to do so, and investors should expect that they will likely not receive a return of their capital for a long period of time even if the investments of the Funds in which they are invested prove successful. Publicly traded securities are subject to economic, political, interest rate and other risks, any of which could result in an adverse change in the market price. The inability to sell securities in these circumstances could materially adversely affect the investment results of the Funds.

Expedited Transactions. Investment analyses and decisions by the general partner may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the general partner at the time an investment decision is made may be limited, and the general partner may not have access to detailed information regarding the investment property. Therefore, no assurance can be given that the general partner will have knowledge of all circumstances that may adversely affect an investment.

Follow-On Investments. The Funds may be called upon to provide follow-on funding for its portfolio companies or have the opportunity to increase its investment in such portfolio companies. There can be no assurance that the Funds will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by the Funds not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish the Funds' abilities to influence the portfolio company's future development.

In a multi-step acquisition, there can be no assurance that all of such required steps can be successfully consummated. This could possibly result in the Funds owning a significant oil and gas investment without having working control over the assets or access to its cash flow to service debt incurred in connection with the acquisition and without being able to dispose of such position at prices equal to or greater than its purchase price.

Third-Party Involvement. The Funds may co-invest through partnerships, joint operating agreements, joint ventures or other entities with third parties that may have economic or business interests or objectives that are different than or conflict with those of the Funds.

Leverage of Investments. The Funds may leverage their investments. In general, indebtedness may be incurred at the portfolio investment or portfolio company level.

Middle Market Companies. Investments in middle market companies such as those that the Funds intend to invest in, while often presenting greater opportunities for growth, may also entail larger risks than are customarily associated with investments in large companies. Small and medium-sized companies may have more limited product lines, markets and financial resources, and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in small- and medium-sized companies, could make it difficult for the Funds to react quickly to negative economic or political developments.

Bankruptcy of Portfolio Companies. The Funds may make investments in portfolio companies that may experience financial difficulties and become insolvent or file for bankruptcy protection. Various U.S. federal and state and non-U.S. laws in connection with such bankruptcy proceedings could operate to the detriment of the Funds. There is also a risk that a court may subordinate the Funds' investments to other creditors or require the Funds to return amounts previously paid to it by a portfolio company that became insolvent or files for bankruptcy, a risk that could increase if the Funds have management rights in such portfolio company.

Investments in Convertible or Other Debt and Preferred Stock. To permit effective and flexible structuring of the Funds' investments, the Funds may invest in convertible or other debt securities to the extent that the general partner believes such investments offer potential for capital appreciation and are otherwise consistent with the Funds' investment strategy of acquiring strong equity control positions in portfolio companies. There is no minimum credit standard that is a prerequisite to the Funds' investments in any security, and most debt securities and preferred stock that offer potential for capital appreciation are likely to be non-investment grade.

Risks Inherent in Joint Ventures and Partnerships. It is expected that some of the Funds' investments will be owned by joint ventures or partnerships between the Funds or a subsidiary or affiliate of the Funds and other third parties. The investment by the Funds in a joint venture may under certain circumstances involve risks not otherwise present. For example, there is a possibility that the Funds' co-venturer in an investment might become bankrupt, have economic or business interests or goals that are inconsistent with the business interests of the Funds, or be in a position to take action contrary to the instructions or requests of the Funds or contrary to its policies or objectives. In addition, the Funds may be liable for actions of its joint venture partners. While the general partner will review the qualifications and previous experience of joint venture partners, it does not expect to obtain financial information from, or to undertake private investigations with respect to, prospective joint venture partners. In addition, the Funds' ability to successfully enhance an investment, whether through operational improvements or

the application of derivative investments, could be limited with respect to projects not controlled by the Funds.

Risk of Minority Positions. If, as part of its overall investment strategy, the Funds elect at any time to hold a minority position in one or more portfolio companies, it may not be able to exercise control over such companies. The directors or other control persons of these companies may not owe fiduciary duties to the Funds. Further, the directors or other control persons may have waived business opportunities that would otherwise be available to the companies.

Risks Associated with Non-U.S. Investments. The Funds may invest in businesses operating and/or organized outside of the United States. Such investments will involve risks not typically associated with investments in the securities of U.S. companies including, without limitation, risks relating to: (i) currency exchange matters and costs associated with conversion of investment principal and income from one currency into another, which may expose the Funds to potential losses arising from changes in foreign currency exchange rates; (ii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets and the absence of uniform accounting and financial reporting standards and disclosure requirements; (iii) certain economic and political risks, including potential restrictions on foreign investment and repatriation of capital and the risks of political, economic, or social instability; (iv) possible significant government approvals under corporate, securities, exchange control, non-U.S. investment, and other similar laws and regulations; (v) differences in financing and structuring alternatives and exit strategies from those commonly used in the United States; and (vi) the possible imposition of foreign taxes on income, gains, gross sales or disposition proceeds recognized with respect to such securities. The foregoing factors may increase transaction costs and adversely impact the value of the Funds' investments in non-U.S. portfolio companies.

Reliance on Management of Portfolio Companies. While it is the intent of the general partner to invest in companies with proven operating management in place, there can be no assurance that such management will be in place or, if in place, will continue to operate successfully. Although the Adviser will monitor the performance of each investment, the Funds will rely upon management to operate the portfolio companies on a day-to-day basis.

Regulatory Approvals. The Funds expect to invest in portfolio companies that require federal, state, local or non-U.S. approvals to acquire and operate their facilities. In addition, the Funds may require the consent or approval of applicable regulatory authorities in order to acquire or hold particular portfolio companies. A portfolio company could be materially adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in a portfolio company's customers or for other reasons. A portfolio company may not be able (i) to obtain all required regulatory approvals that it does not yet have or that it may require in the future; (ii) to obtain any necessary modifications to existing regulatory approvals; or (iii) to maintain required approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operations of the facility or sales to third parties or could result in additional costs to a portfolio company.

Risk of Bridge Financing. The Funds are permitted to make bridge investments, subject to

certain limitations. If the Funds make an investment in a single transaction with the intent of refinancing, redeeming, selling or otherwise discharging the portion of that investment consisting of bridge investments, there is a risk that the Funds will be unable to successfully complete such a refinancing, redemption, sale or other form of discharge. This could lead to the Funds having a long-term investment in a debt security or having more concentrated portfolios than anticipated.

General Economic Conditions. General economic conditions may affect the Funds' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the oil and gas markets may affect the value and number of investments made by the Funds or considered for prospective investment. Specifically, during the recent past, the global markets have been shaken with significant uncertainty. The longer-term impact is uncertain but could have a material effect on general economic conditions, consumer confidence and market liquidity. The Funds' investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer confidence would likely increase market volatility and reduce liquidity, either of which could have a material adverse effect on the performance of the Funds' investments. No assurances can be given as to the effect of these events on the Fund's investment objectives.

Assumption of Catastrophe Risks. The Funds may be subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Funds participate (or have a material effect on locations in which the Adviser operates) the risks of loss can be substantial and could have a material adverse effect on the Funds and the limited partner's investments therein.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, surfaced in Wuhan, China. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and "shelter-in-place" or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. The short-term and long-term impact of COVID-19 on the operations of the Adviser and the performance of the Funds is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact. These potential impacts, while uncertain, could adversely affect the performance of the Funds.

Nature of Energy Industry Risk. Investments in the energy sector may be subject to a variety of risks, not all of which can be foreseen or quantified. These risks may include but are not limited to: (i) the risk that the technology employed in an energy project will not be effective or efficient; (ii) uncertainty about the availability or efficacy of energy sales agreements or fuel supply agreements that may be entered into in connection with a project; (iii) risks of equipment failures, fuel interruptions, loss of sale and supply contracts or fuel contracts, decreases or escalations in power contract or fuel contract prices, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage, inability to obtain desirable amounts of insurance at economic rates, and other catastrophic events; (iv) risks that regulations affecting the energy industry will change in a manner detrimental to the industry; (v)

environmental liability risks related to energy properties and operations; (vi) uncertainty about the extent, quality, and availability of oil and natural gas; (vii) the risk that interest rates may increase, making it difficult or impossible to obtain project financing, or impairing the cash flow of leveraged projects; and (viii) the risk of changes in values of companies in the energy sector whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate significantly over a short period of time due to changes in international politics, energy conservation, the success of exploration projects, the tax and other regulatory policies of various governments and the economic growth of countries that are large consumers of energy, as well as other factors). The occurrence of events related to the foregoing may have a material adverse effect on the Partnership and its investments.

Fluctuation in Oil, Natural Gas Liquids and Natural Gas Prices. The revenues and profitability of certain of the portfolio companies in which the Funds invest are likely to be significantly affected by the future prices of and the demand for oil, natural gas liquids and natural gas, which are inherently uncertain. Investments in energy companies may have significant shortfalls in projected cash flow if prices decline from levels projected at the time the investment is made. Various factors beyond the control of the Funds will affect energy prices, including worldwide supplies, political instability or armed conflicts in oil, natural gas liquids and natural gas producing regions, the price of foreign imports, the level of consumer demand, the price and availability of alternative fuels, capacity constraints and changes in existing government regulation, taxation and price controls. Energy prices have fluctuated greatly during the past, and energy markets continue to be volatile.

Oil and Natural Gas Exploration and Development Risks. The Funds may invest in businesses that engage in oil and natural gas exploration and development, a speculative business involving a high degree of risk. Oil and natural gas drilling may involve unprofitable efforts, not only from dry holes, but also from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Acquiring, developing and exploring for oil and natural gas involves many risks. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow outs, equipment failures and other accidents in completing wells and otherwise, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, fires, spills and other environmental risks. In addition, in making these investments, the Funds must rely on estimates of oil and gas reserves. The process of estimating oil and gas reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each reservoir. As a result, these estimates are inherently imprecise.

Regulation of the Energy Industry. The energy industry is affected from time to time in varying degrees by political developments and a wide range of statutes, rules, orders and regulations. For example, energy exploration, production, operations and economics are or have been affected by price controls, taxes and other laws relating to the energy industry, by changes in these laws and by changes in administrative regulations. In addition, various laws and regulations relating to the protection of the environment may affect the operations and costs of the companies engaged in the energy industry. These laws and regulations may: (i) restrict the types, quantities and concentration of various substances that can be released into the environment; (ii) require reporting of the storage, use or release of certain chemicals and hazardous substances; (iii) require removal or cleanup of contamination under certain circumstances, which may require the expenditure of material amounts over a significant period of time; and (iv) impose substantial civil liabilities or criminal penalties. Moreover, there has been a trend in recent years toward stricter standards in environmental, health and

safety legislation and regulation, which could impact the success of companies in which the Funds invest.

Risks Related to Commodity Prices and Derivatives. The portfolio companies in which the Funds invest may use derivatives to reduce commodity price risk associated with their operations. The prices of commodities and related derivative instruments may be subject to periods of extreme volatility. Price movements in commodities and derivatives are influenced by many factors, including, without limitation, supply and demand relationships, fiscal, monetary and trade policies and political events. As a result, a portfolio company's use of derivative transactions may be affected by this volatility as well as by any market disruption and unanticipated changes in interest rates, securities prices or currency exchange rates, all of which may expose the portfolio company to the risk of material financial loss. In addition, the portfolio company will be at risk for the performance of the counterparty on the derivative transaction. In the event that the counterparty defaults, the cost of replacing the transaction or the counterparty could be significant. Derivative instruments may trade principally on markets organized outside the U.S. The markets for these instruments may be illiquid, highly volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable costs. For all the foregoing reasons, the use of derivatives and related techniques can expose the Funds' portfolio companies to significant risk of loss.

General Environmental Matters. Environmental laws, regulations and regulatory initiatives play a significant role in the energy industry and can have a substantial impact on investments in the industry. Required expenditures for environmental compliance have adversely impacted investment returns in many segments of the energy industry. Compliance with current or future environmental requirements does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, regulations and permit requirements. Past practices or future operations of portfolio companies could also result in material personal injury or property damage claims. Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership, such as the Funds, subject to environmental liability. However, a limited partner may reduce its risk of personal liability by avoiding activities with respect to the Funds' investments other than as specifically contemplated by the partnership agreement.

Climate Change Regulation. Certain of the companies in which the Funds may invest are or may become subject to regulation regarding the emission of certain gases, commonly referred to as "greenhouse gases," that may be contributing to warming of the Earth's atmosphere. Methane, a primary component of natural gas, and carbon dioxide, a byproduct of the burning of natural gas, are examples of greenhouse gases. Countries around the world have already passed or may in the future pass legislation restricting the emission of greenhouse gases. For example, the U.S. Congress is actively considering legislation to reduce emissions of greenhouse gases. In addition, at least 17 states (and some Canadian provinces) have developed initiatives to regulate emissions of greenhouse gases, primarily through the planned development of greenhouse gas emission inventories or regional greenhouse gas cap and trade programs. Also, as a result of the U.S. Supreme Court's decision in *Massachusetts, et al. v. EPA*, the EPA may be required to regulate carbon dioxide and other greenhouse gas emissions from mobile sources (e.g., cars and trucks) even if Congress does not adopt new legislation specifically addressing emissions of greenhouse gases. The EPA has indicated that it will issue

a rulemaking notice to address carbon dioxide and other greenhouse gas emissions from vehicles and automobile fuels, although the date for issuance of this notice has not been finalized. The Court's holding in *Massachusetts* that greenhouse gases, including carbon dioxide, fall under the federal Clean Air Act's definition of "air pollutant" may also result in future regulation of carbon dioxide and other greenhouse gas emissions from stationary sources under certain Clean Air Act programs.

The EPA has proposed and finalized a number of rules requiring various industry sectors to track and report, and, in some cases, control greenhouse gas emissions. The EPA's Mandatory Reporting of Greenhouse Gases Rule was published in October 2009. This rule requires large sources and suppliers in the United States to track and report greenhouse gas emissions. In June 2010, the EPA's Greenhouse Gas Tailoring Rule became effective. For this rule to apply initially, the source must already be subject to the Clean Air Act Prevention of Significant Deterioration program or Title V permit program. On November 8, 2010, the EPA finalized a rule that sets forth reporting requirements for the petroleum and natural gas industry. Among other things, this final rule requires persons that hold state permits for onshore oil and gas exploration and production and that emit 25,000 metric tons or more of carbon dioxide equivalent per year to annually report carbon dioxide, methane and nitrous oxide combustion emissions from (1) stationary and portable equipment and (2) flaring. Under the final rule, businesses that we invest in may be required to include calculated emissions from our hydraulic fracturing equipment located on their well sites in their emission inventory.

The trajectory of future greenhouse regulations remains unsettled. In March 2014, the White House announced its intention to consider further regulation of methane emissions from the oil and gas sector. It is unclear whether Congress will take further action on greenhouse gases, for example, to further regulate greenhouse gas emissions or alternatively to statutorily limit the EPA's authority over greenhouse gases. Even without federal legislation or regulation of greenhouse gas emissions, states may pursue the issue either directly or indirectly. Restrictions on emissions of methane or carbon dioxide that may be imposed in various states could adversely affect the oil and natural gas industry and, therefore, could reduce the demand for products and services in that industry.

Passage of climate control legislation or other regulatory initiatives both internationally and domestically by Congress or various states in the U.S. or by the adoption of regulations by the EPA or analogous state agencies that regulate or restrict emissions of greenhouse gases including methane or carbon dioxide, in areas in which the Funds' portfolio companies conduct business could materially adversely affect those companies' costs of doing business and demand for their products and thus have a material adverse effect on the Funds or its investments.

Regulation of Hydraulic Fracturing. Hydraulic fracturing is an essential and common practice in the oil and gas industry used to stimulate production of natural gas and/or oil from dense subsurface rock formations. Hydraulic fracturing involves using water, sand, and certain chemicals to fracture the hydrocarbon-bearing rock formation to allow flow of hydrocarbons into the wellbore. The process is typically regulated by state oil and natural gas commissions; however, the EPA has asserted federal regulatory authority over certain hydraulic-fracturing activities involving diesel under the Safe Drinking Water Act and has begun the process of drafting guidance documents related to this newly asserted regulatory authority. In addition, legislation has been introduced before Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the hydraulic-fracturing process. Certain states, including Texas, have adopted, and other states are considering adopting,

regulations that could impose more stringent permitting, public disclosure, and well construction requirements on hydraulic-fracturing operations or otherwise seek to ban fracturing activities altogether. In addition to state laws, local land use restrictions, such as city ordinances, may restrict or prohibit the performance of well drilling in general and/or hydraulic fracturing in particular. Increased regulation and attention given to the hydraulic fracturing process could lead to greater opposition, including litigation, to oil and gas production activities using hydraulic fracturing techniques. Additional legislation or regulation could also lead to operational delays or increased operating costs in the production of oil and natural gas, including from the developing shale plays, or could make it more difficult to perform hydraulic fracturing. The adoption of any federal, state or local laws or the implementation of regulations regarding hydraulic fracturing could potentially cause a decrease in the completion of new oil and gas wells, increased compliance costs and time.

Taxation of Energy Companies. Investments in companies operating in the energy sector can be subject to numerous taxes and fees by the jurisdictions in which portfolio companies are organized or operate. Companies engaged in oil and natural gas operations or having substantial property holdings, in particular, can be subject to specific tax regimes, such as petroleum revenue taxes, excise taxes, fees for drilling rights and exploration licenses, oil production fees, real estate taxes and stamp duties. For example, the Crude Oil Windfall Profit Tax Act (repealed in 1988) imposed a substantial excise tax on crude oil sale proceeds derived from sales of oil at prices above a certain base level. Recently, proposals have been made to introduce similar new taxes aimed at producers of oil and gas. Such tax proposals, if enacted, could adversely affect the investments of the Partnership.

C. See Item 8.B. above.

FOR A MORE COMPLETE DESCRIPTION OF THE RISKS ASSOCIATED WITH INVESTING IN A FUND, INVESTORS SHOULD REFER TO THE RELEVANT OFFERING DOCUMENTS FOR EACH FUND.

Item 9 - Disciplinary Information

There are no legal or disciplinary events that are material to an evaluation of the Adviser's advisory services or the integrity of management as required under this Item.

Item 10 - Other Financial Industry Activities and Affiliations

- A. The Adviser is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of the Adviser are registered representatives of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.
- C. As discussed in Item 6, the Adviser is entitled to receive performance-based fees from the Funds. This may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case if such arrangement was not in effect. However, as noted in Item 11, the Adviser has adopted a written Code of Ethics that contains policies and procedures to address conflicts of interest. Under such policies and procedures, the Adviser is required to make investment decisions for the Funds in a manner that is consistent with its fiduciary duties to its clients.

The Adviser has no other relationships or arrangements with any related person listed in the instructions to Item 10.C. that are material to its advisory business or to its client.

- D. The Adviser does not recommend or select other investment advisers for the Funds.

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

- A. The Adviser has adopted a written Code of Ethics (the “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that ensure that all personal securities trading by employees of the Adviser is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Adviser prohibits personal trading of certain securities or instruments; requires pre-clearance of personal trades in certain circumstances, including purchases of an IPO or a new private placement; requires periodic reporting of employees’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

The Adviser has established procedures in its Code to prevent the improper use of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Adviser would make information barriers impractical, the firm has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information, in all instances where any professional of the Adviser has received material, non- public information, and, therefore, may not trade on the basis of that information.

The Adviser will provide a copy of the Code to any investor or prospective investor upon request.

- B. Affiliates of the Adviser serve as the general partners to the Funds, which issue partnership interests to third party investors. In addition, as set forth under “Transactions with Limited Partners” below, the Advisor and its related persons from time to time recommend to the Funds, or buy or sell for the Funds, investments in which the Adviser or any related persons have a material financial interest.
- C. The Principals and other members of the management team make significant capital commitments in each Fund. Such amounts may be invested pro rata with the limited partners of each Fund in all Fund portfolio investments. The Principals from time to time purchase securities alongside the Funds, including any co-investment vehicles. In addition to complying with certain restrictions in the Offering Documents, the Adviser has policies and procedures in place to address any material conflicts of interest that may arise by disclosing them first to the CCO for review.
- D. The Adviser and its related persons generally do not recommend investments to the Funds, or make investments for the Funds, at or about the same time that the Adviser or its related persons buys or sells the same investments for their own account. To the extent that the Adviser or any related person were to co-invest with the Funds this would create a conflict of interest. To address such conflict, the Adviser has policies in place to ensure that the Funds, as fiduciary clients, receive priority over the Adviser or such related person, and can invest to their full appetite of any limited investment opportunity.

The Adviser, in its sole discretion, from time to time offers (but shall in no event be required to)

co-investment opportunities to some or all Fund investors, subject to any commitments or limitations relating to such co-investments as described in the Offering Documents. The terms of any co-investment shall be agreed to by the Adviser and the participating co-investors, which terms may include provisions for management fees and “carried interest” for the benefit of the Adviser or its affiliates, which shall not offset the Management Fee.

All expenses associated with a consummated co-investment in a Fund’s portfolio investment (whether incurred prior to or following the consummation of such portfolio Investment) will be allocated between the applicable Funds and the relevant co-investment vehicle(s) managed by the Adviser or its affiliates on the basis of their respective direct or indirect participation in the relevant portfolio company. Such expenses reasonably attributable to such portfolio investment consummated as a co-investment and one or more other portfolio investments in which the Funds own an interest will be allocated among the Funds as the Adviser reasonably determines to be applicable on the basis of a methodology reasonably selected by the Adviser in its discretion (which may include an assessment of the relative capital commitments, relative capital contributions, investment phase or other determining factors reasonably applicable to the participating Funds). Without limitation of the foregoing, the Adviser is permitted to allocate ongoing or recurring due diligence, investigation and research expenses (including proprietary and third-party software development costs and license fees) exclusively amongst those of its advisory clients that are, in the Adviser’s reasonable determination, currently actively investing or seeking investment opportunities (i.e., excluding dedicated co-investment and/or single-investment vehicles). The Adviser expects, however, to allocate all of the costs described in the previous sentence including, without limitation and for the avoidance of doubt, broken deal expenses in respect of the entirety of any unconsummated co-investment transactions, to the advisory clients participating in such co-investment unless such costs are paid for by the proposed portfolio investment. For the avoidance of doubt, certain expenses attributable to a co-investment may be borne by some Funds and not by others. In the event that a transaction in which a co-investment was planned ultimately is not consummated, all broken deal expenses relating to such proposed transaction are likely to be borne entirely by the advisory clients participating in such co-investment for which the given investment opportunity was originally intended, and not any Fund organized exclusively to co-invest in the given investment opportunity.

Transactions with Limited Partners. The Funds, the general partners, the Adviser and their affiliates from time to time enter into various transactions with certain limited partners and/or certain investors in one or more investment funds and managed accounts sponsored or managed by the Adviser or an affiliate of the Adviser (“Other Accounts”), as either buyer or seller, or such limited partners and/or investors are a funding source for a buyer or seller of assets in the Funds or such Other Accounts. The general partner, the Adviser and their affiliates will be subject to a conflict of interest when determining such terms due to the benefit received from maintaining a counterparty limited partner’s investment in a Fund or a counterparty investor’s investment in an Other Account. The terms of such transactions, however, will be negotiated on an arm’s-length basis in order to mitigate any conflicts arising with respect to such transactions with limited partners and/or certain investors in one or more Other Accounts. In addition, the Adviser will seek consent from the relevant Fund’s limited partner advisory committee for such transactions as required under the relevant Fund’s limited partnership agreement.

In addition, the Adviser has allocated investment opportunities among one or more strategic investors (which include third parties and/or limited partners) or the Other Accounts (including Other Accounts that are wholly or principally owned by affiliates of the general partner or the Adviser, including affiliates of the Adviser, limited partners or other third parties.)

Portfolio Company Activities and Relationships. Certain Other Accounts from time to time invest in securities or instruments of publicly traded or private companies which are actual or potential Fund investments. The trading activities of those vehicles from time to time differ from or are inconsistent with activities which are undertaken for the account of a Fund in such securities or related securities. In addition, a Fund from time to time will not pursue an investment in a portfolio company as a result of such investing or trading activities by Other Accounts. Additionally, if the Adviser's personnel serve on the board of directors (or other similar committees or bodies) of any company in which a Fund invests or any company in which an Other Account has invested, then such personnel of the Adviser will in some cases have fiduciary duties or other similar obligations to such companies and/or their other respective constituents. While the Adviser's personnel would generally assume such positions in order to promote the interests of a Fund and/or such Other Accounts, the Adviser may not be able to put the interests of a Fund ahead of the interests of such companies or constituents and/or it is possible that the Adviser will be unable to take certain actions in respect of a Fund that it otherwise would have taken had such personnel not served in any such capacities.

Other Accounts in some cases own a significant or controlling percentage of the common equity of portfolio companies, which, depending upon the amount of equity owned by them, any relevant contractual arrangements between such portfolio company and the participating funds, and other relevant factual circumstances, result in an extension to one year of the 90-day bankruptcy preference period with respect to payments made to a Fund and/or subordination of its claims to other creditors and/or recharacterization of debt claims into equity claims.

The companies in which the Funds invest or the investors from which the Funds accept investments from time to time are counterparties or participants in agreements, transactions or other arrangements with portfolio companies of Other Accounts or other affiliates of the Adviser that, although the Adviser determines are consistent with the requirements of such Fund's governing documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which from time to time involve fees and/or servicing payments to Adviser-affiliated entities which are not subject to the Management Fee reduction provisions described in the Offering Documents. For example, the Adviser, like other private equity firms, from time to time causes companies to enter into agreements regarding group procurement, benefits management, data aggregation and management, technology development, purchase of title and/or other insurance policies (which, where applicable, may be pooled across portfolio companies and discounted due to scale) and other similar operational initiatives that may result in fees, commissions or similar payments and/or discounts being paid to the Adviser or its affiliates, or a portfolio company, including related to a portion of the savings achieved by the company. With respect to transactions or agreements with portfolio companies, including if unrelated officers of a portfolio company have not yet been appointed, the Adviser at times negotiates and executes agreements between the Adviser and the Funds on the one hand and the portfolio company or its affiliates on the other hand, including management services agreements or similar agreements, which may entail a conflict of interest in relation to efforts to enter into terms that are arm's-length. Among the measures the Adviser uses to mitigate such conflicts is involving outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms.

Additionally, the Adviser may hold equity or other investments in companies or businesses (even if they are not "affiliates" of the Adviser) that provide services to or otherwise contract with portfolio companies in which the Funds invest or portfolio companies of other clients. In connection with such relationships, the Adviser also may make referrals and/or introductions to

a Fund's portfolio companies or portfolio companies of Other Accounts (which may result in financial incentives (including additional equity ownership) and/or milestones benefitting the Adviser that are tied or related to participation by its portfolio companies). In the case of opportunities that the Adviser has determined are not suitable for the Adviser's Funds, the Adviser from time to time identifies to corporate platforms in which certain of the Adviser's Funds invest and may have control, potential investors who could be contacted by such corporate platforms if it is believed that the opportunity may be of interest to such potential investors, which could result in such person making an investment with or through, or contracting for the services of, such corporate platforms on such terms as they determine to agree.

Item 12 - Brokerage Practices

- A. The Adviser's investment strategy focuses on onshore E&P opportunities in the U.S. lower middle market. As a private equity firm focused on private company securities, the Adviser utilizes the services of a broker-dealer for trading in public securities on an extremely limited basis and may go multiple years without requiring such services. As a result, the Adviser does not regularly select or recommend broker-dealers for the purchase and sales of securities for the Funds, but does so on an ad hoc basis, as described below.

When publicly traded securities are the subject of a trade and there is a broker selection opportunity, the Adviser will endeavor to select a broker or other counterparty on the basis of best execution and in consideration of various factors deemed relevant or appropriate, including, without limitation: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the broker's risk in positioning a block of securities; and (v) the competitiveness of commission rates in comparison with other brokers satisfying other selection criteria. The Adviser may cause a Fund to pay higher commissions to brokers believed to offer superior service under the circumstances, including brokers that provide investment research and analysis to their clients, including the Funds. Accordingly, when the Adviser determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the overall services provided to the Fund or Funds, including internally-developed research and other services provided by such broker, the Adviser may cause the Funds to pay commissions to such broker in an amount greater than the amount another broker might charge.

The Adviser does not use "soft" dollars received from broker-dealers from the purchase and sales of securities for the Funds.

- B. The Adviser has adopted policies and procedures such that in the event there is an investment opportunity of limited availability, such an investment will be allocated in a fair and equitable manner in the best interests of the clients and based on the suitability of the opportunity and the available capital of the relevant clients for such investment.

Item 13 - Review of Accounts

- A. The Adviser conducts periodic reviews of all portfolio company investments held by each Fund. The “Investment Committee,” consisting of the Principals, is responsible for reviewing investment proposals and approving all investment decisions, including initial and subsequent requests for drawdown of capital, and decisions to exit Fund investments. All decisions will be made by unanimous decision.
- B. See Item 13.A. above.
- C. All partners in the Funds will receive (i) annual reports containing audited financial statements of the Fund (together with a statement of each partner’s capital account and a valuation of the Fund’s portfolio) within 120 days, (ii) quarterly reports containing unaudited financial statements of the Fund within 60 days, and (iii) annual tax information necessary for completion of each partner’s tax returns. Such reports are sent to the limited partners of a Fund by such Fund’s accountants or general partner following review by the Adviser.

Item 14 - Client Referrals and Other Compensation

- A. The Adviser does not receive any economic benefit, including sales awards or prizes, from any non-client person or entity for providing advisory services to the Funds.
- B. The Adviser has entered into agreements with certain placement agents that provide for compensation to be paid to the placement agents for referring limited partners to the Funds. Under these agreements, the placement agents typically receive a percentage of the capital commitments attributable to each prospective limited partner referred depending upon the specific circumstances. All such arrangements are in accordance with all applicable laws and regulations, including Rule 206(4)-3 of the Advisers Act.

Item 15 - Custody

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

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

Item 16 - Investment Discretion

The Adviser exercises its discretion in managing the investments of each Fund subject to the Fund's particular investment objectives, policies, and strategies disclosed in its Offering Documents. In connection with this discretionary authority, the Adviser selects portfolio company investments for each Fund. The Adviser exercises its discretionary authority to select portfolio company investments for each Fund and to control the assets of the Funds through its control of the general partner of each Fund.

Item 17 - Voting Client Securities

The Adviser's general policy is to vote proxy proposals, consents, amendments or resolutions when solicited for such votes. The Adviser may take into account all relevant factors, in its discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

In limited circumstances, the Adviser may refrain from voting proxies where it believes that voting would be inappropriate, taking into consideration the cost of voting the proxies and the anticipated benefit to its clients. Generally, clients may not direct the Adviser's vote in a particular solicitation.

Conflicts of interest may arise between the interests of the clients on the one hand and the Adviser and its affiliates on the other hand. If the Adviser determines that it may have, or be perceived to have, a conflict of interest when voting proxies, the Adviser will vote in accordance with its proxy voting policies and procedures. Clients may obtain a copy of the proxy voting policies and proxy voting record upon request.

Item 18 - Financial Information

- A. The Adviser is not required to provide a balance sheet for its most recent fiscal year because it does not require or solicit prepayment of more than \$1,200, six months or more in advance.
- B. The Adviser does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Funds.
- C. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.