

Form ADV Part 2A: FIRM BROCHURE

Constellation Wealth Capital.

Constellation Wealth Capital, LLC

609 W Randolph Street, 6th Floor

Chicago, IL 60661

info@constellationwealthcapital.com

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This brochure provides information about the qualifications and business practices of Constellation Wealth Capital Management, LLC (“Constellation”). If you have any questions about the contents of this brochure, please contact us at info@constellationwealthcapital.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

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

Item 2 – Material Changes

Constellation filed its initial Form ADV Part 2A brochure (the “Brochure”) on August 15, 2023. Since that filing, and contemporaneous with this filing, Amanda Goreski has assumed the role of CCO.

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Item 4 – Advisory Business

Advisory Firm

Constellation Wealth Capital, LLC (“Constellation” or the “Firm”), a Delaware limited liability company founded in 2023, is a Chicago-based private fund manager focused on making investments in the private wealth management industry. The Funds make structured minority investments in leading wealth management platforms in North America and in other jurisdictions outside of North America with an investment grade rating from either Moody’s or Standard & Poor’s (the “Target Markets”).

Constellation serves as the investment adviser for, and provide discretionary investment advisory services to, private funds (the “Funds”) exempt from registration under the Investment Company Act of 1940 (the “Investment Company Act”). Constellation has formed a general partner, and expects in the future to form one or more general partners (the “General Partners”), with authority to make investment decisions on behalf of the Funds. The General Partners are deemed registered under the Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (the “Advisers Act”), pursuant to Constellation’s registration in accordance with SEC guidance. The General Partners retain investment discretion and limited partners in the Funds do not participate in the control or management of the Funds. While the General Partners maintain ultimate authority over the respective Funds, Constellation has been designated the role of investment adviser. Throughout this Brochure, reference to Constellation includes reference to the General Partners, unless the context otherwise requires.

Advisory Services

The Funds are private equity funds that originate structured minority investments in companies and businesses that derive a significant component of their income from wealth management (each, a “portfolio company”). Each portfolio company has its own independent management team responsible for managing its day-to-day operations. The Firm’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for (and seeking interim distributable cash from) such investments.

Constellation’s investment advice and authority for each Fund is tailored to the investment objectives of that Fund; Constellation does not tailor its advisory services to the individual needs of limited partners in the Funds. The Fund investment objectives are described in and governed by, as applicable, the private placement memorandum, limited partnership agreement, subscription agreements, investment advisory agreements, side letter agreements and other governing documents of the relevant Fund (collectively, “Governing Documents”) and limited partners determine the suitability of an investment in a Fund based on, among other things, the Governing Documents. The Firm does not seek nor require limited partner approval regarding each investment decision.

Fund limited partners generally cannot impose restrictions on investing in certain securities or types of securities, other than through side letter agreements. Limited partners in the Funds participate in the overall investment program for the applicable Fund and generally cannot be excused from a particular investment except in certain circumstances pursuant to the terms of the applicable Governing Documents. In accordance with industry common practice, Constellation has entered into side letters or similar agreements with certain limited partners including those who make substantial commitments of capital or were early-stage limited partners in the Funds, or for other reasons in the sole discretion of Constellation, in each case that have the effect of establishing rights under, or altering or supplementing, a Fund’s Governing Documents. Examples of side letters entered into include provisions

whereby limited partners have expressed an interest in participating in co-investment opportunities, notification provisions, reporting requirements and “most favored nations” provisions, among others. These rights, benefits or privileges are not always made available to all limited partners nor in some cases are they required to be disclosed to all limited partners, consistent with general market practice. Commencing in March 2025, Constellation will make required disclosure of certain side letters to all limited partners (and in certain cases, to prospective limited partners) in accordance with the new Private Fund Rules. Side letters are negotiated at the time of the relevant limited partner’s capital commitment, and once invested in a Fund, limited partners generally cannot impose additional investment guidelines or restrictions on such Fund. There can be no assurance that the side letter rights granted to one or more limited partners will not in certain cases disadvantage other limited partners.

Regulatory Assets Under Management

As of January 16, 2024, Constellation managed \$540,145,911 in discretionary assets under management. Constellation does not manage any assets on a non-discretionary basis.

Principal Owners/Ownership Structure

Constellation is ultimately majority owned by Managing Partner Karl Heckenberg with a minority ownership interest ultimately held by third-party investors who are also limited partners in the Funds. Such third-party investors (also referred to as Founding Investors, as described in Item 5 and Item 8, below) hold a passive non-voting minority interest in Constellation and do not have authority over the day-to-day operations or investment decisions of Constellation as they relate to the Funds, but do have certain customary minority protection rights.

Item 5 – Fees and Compensation

Constellation and its affiliated General Partners receive fees and compensation in exchange for advisory services provided to the Funds, including management fees, carried interest, additional compensation in connection with management services performed for the portfolio companies of the Funds and reimbursements from portfolio companies for certain expenses advanced on their behalf. The following is a general description of fees, compensation and expenses of the Funds. Limited partners should refer to the Governing Documents of the applicable Fund for a complete understanding of how Constellation is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

Management Fees

Constellation charges each Fund a management fee (the “Management Fee”) of 2% per annum of each limited partner’s capital commitments. Specifically, Management Fees are initially charged at 2% of each limited partner’s committed capital for the period of time during which each Fund is making investments; thereafter, the Management Fee is equal to 2% of each limited partner’s actively invested capital with respect to investments that have not been realized or written down. The amount of Management Fees generally will not correspond with fluctuations in a Fund’s net asset value, including following the stepdown date, and will not be reduced in connection with any write-downs (whether temporary or permanent), except in the case of investments that have been realized or permanently written down. Permanent write-down determinations are made in the discretion of the valuation committee in accordance with the relevant Governing Documents and the Firm’s valuation policy.

Assessed quarterly in advance, Management Fees are collected through a capital call, through a draw-down on the line of credit or offset against a distribution to limited partners. All Management Fees are negotiated with limited

partners during the fundraising period of the applicable Fund and are not subject to negotiation thereafter. Generally, limited partners participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund, plus interest, as applicable.

The General Partners are permitted, in their sole discretion, to reduce or waive all or a portion of the Management Fee for certain limited partners, including employees, Passive Investors (as defined in Item 8, below), affiliates, consultants, advisors, directors, friends or family members of any such persons or their estate planning vehicles, certain other significant or strategic investors, limited partners designated as sponsor affiliated partners, Operating Advisors, or portfolio company executives, in each case as determined by a General Partner in its discretion.

With regard to Constellation Wealth Capital Fund, L.P. and Constellation Wealth Capital Fund-A, L.P. (together, “Fund I”), the General Partner has designated certain limited partners as “Founding Investors” (each, a “Founding Investor”). Each Founding Investor is entitled to receive a portion of the net Management Fees and Carried Interest proceeds earned by Constellation, the General Partner and its affiliates in respect of Fund I alongside the Key Person (as defined in the Governing Documents) and certain senior management team members. The Founding Investors have negative consent rights over certain activities of Constellation and the General Partner. None of the Founding Investors (or their affiliates) are considered an “affiliate” of Constellation, the General Partner, Fund I or any portfolio company, and each Founding Investor is entitled to vote on all Fund I matters in their capacities as a limited partner.

Management Fees will generally be reduced by, as applicable: (i) an allocable portion of the amount of fees paid by a Fund to entities or persons acting as a placement agent in connection with the offer and sale of interests in such Fund; (ii) an allocable portion of costs incurred by Constellation in connection with the organization of a Fund that exceed a limit as specified in such Fund’s Governing Documents; and (iii) an allocable portion certain supplemental fees and compensation with respect to portfolio companies, including transaction, directors, annual, disposition, management, monitoring, consulting and break-up fees and other similar fees in each case attributable to the activities of the Fund with respect to any investment, proposed investment or portfolio company, net of unreimbursed transaction expenses incurred by such persons (collectively, “Special Income”). A Fund will, in most cases, only benefit from the Management Fee reduction with respect to its allocable portion of any such Special Income and not the portion allocable to any other person that holds an economic interest (or, in the case of a transaction not consummated, would have held an economic interest) in the applicable investment. None of the compensation or expense reimbursements made to the Operating Advisors or the Strategic Advisory Fee (as described below) are included as Special Income or otherwise reduce the Management Fee.

With regard to Fund I, Constellation generally has discretion over whether to charge Special Income and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company’s holding or operating structure. The amount of such Special Income is determined by Constellation on a transaction by transaction basis, subject to the terms set forth in each Fund’s Governing Documents. Special Income is not typically negotiated with portfolio companies on an arm’s-length basis and such Special Income could adversely affect a portfolio company’s financial performance. In most circumstances, Special Income is not reviewed or approved by an independent third party. There can be no assurance that the amount of Special Income charged will be proportional to the amount of work performed on behalf of a portfolio company.

To the extent that an offset credit would reduce a Fund’s Management Fee for a given quarter below zero, the credit will be carried forward for future application against payable Management Fees, and if a credit remains upon dissolution, a payment will be made to limited partners that have not elected to waive such amount for tax or other reasons.

Carried Interest

Each Fund's General Partner is entitled to be allocated carried interest ("Carried Interest") with respect to the Fund, which is generally equal to 20% of all realized profits net of all expenses in excess of an 8% compounded preferred return and catch-up provisions, as further described in full detail in the relevant Fund's Governing Documents and more briefly in Item 6, below.

Fund Expenses

The Funds pay all expenses of operating the Funds (except those reimbursed by a portfolio company), including (but not limited to):

- a Fund's pro rata share of Organizational Expenses; provided that a Fund's pro rata share of excess Organizational Expenses shall offset the Management Fee on a dollar-for-dollar basis;
- the Management Fee;
- all out-of-pocket costs of the ongoing administration of a Fund (including administrative services provided by fund administrators that perform anti-money laundering or "know your customer" diligence in connection with the onboarding and ongoing participation of limited partners and including administrative, tax and accounting, audit (including with respect to any additional auditing required under the EU Alternative Investment Fund Managers Directive), legal, depositary, safekeeping) and other professional fees and expenses, Strategic Advisory Fees and costs of holding any meetings of the Operating Advisors or partners or with individual partners (in each case, including consulting fees, salaries, closing fees, directors' fees and incentive equity or other stock awards from the portfolio companies, benefits and expense reimbursements of the Operating Advisors, and costs of travel (at rates not exceeding a first-class equivalent fare), accommodations, meals and beverages, registration fees, materials, video conferences and webcasts, venue, set-up, honorarium, gifts and mementos and other costs, as applicable, and other costs related to any such meeting, regardless of whether all of the individuals attending or otherwise participating in any such meeting are Operating Advisors, partners or representatives thereof), fees, costs and expenses incurred in connection the processing of any subscription agreements, fund administration software, dataroom and related services, fees, costs and expenses incurred in connection with administering side letters entered into with limited partners (including any software used in connection therewith but excluding the distribution and implementation of any applicable elections pursuant to "most favored nation" or similar clauses in side letters), costs and expenses of cyber insurance (including the costs of brokers and consultants to procure and review such insurance), fees, costs and expenses associated with reporting and providing information and statements to existing and prospective limited partners on Fund or portfolio company-related matters, including the preparation and dispatch to the partners of distributions, financial reports, U.S. Internal Revenue Service Schedules K-1 (and any similar or equivalent tax forms of an applicable jurisdiction) and other tax filings and notices required pursuant to the Governing Documents, which services may be provided by affiliates of a General Partner or Constellation, and other Fund-related reporting obligations including expenses associated with the maintenance of books and records of a Fund, costs and expenses associated with the maintenance of data rooms, any Freedom of Information Act or Open Records statute (or similar) responses or other communications, including all internal and third-party printing (including a flat service fee), publishing (including time spent performing such printing and publishing services) and reporting-related expenses in respect of a Fund and its activities;

- fees, costs and expenses relating to appraisals, fairness opinions and valuations;
- all taxes, including any withholding, transfer or other taxes imposed on a Fund (except to the extent treated as incurred by the partners for purposes of determining distributions or specifically chargeable to a particular limited partner), governmental charges, registrations, fees and duties imposed on or payable by a Fund or any subsidiary investment vehicle (and not properly allocable to a partner), and all expenses associated therewith, including those expenses incurred in connection with the registration, qualification or exemption of a Fund under any applicable laws, all related professional fees and expenses, and all expenses incurred in connection with any investigation or review of a Fund or any settlement entered into by a Fund, and any fines, penalties and interest associated with the foregoing, in each case other than any taxes or other amounts referred to in the Governing Documents;
- all unreimbursed fees, costs and expenses incurred in connection with the collection of amounts due to a Fund from any person, including all fees, costs and expenses relating to default by limited partners and any unreimbursed fees, costs and expenses incurred in connection with any transfer or proposed transfer in a Fund contemplated by a limited partner or any limited partner's name change, internal restructuring or change in trust, trustee, registered agent or custodian;
- all fees, costs and expenses incurred in connection with any restructuring or amendment to the constituent documents of a Fund and waivers, consents or approvals pursuant to, the constituent documents of a Fund;
- all fees, costs and expenses (and damages) incurred in connection with a Fund's activities related to regulation, litigation, government inquiries, tax audits (including amounts incurred by the partnership representative in its capacity as such) investigations or proceedings, in each case related to a Fund or its investments, regulatory expenses relating to the preparation and filing of Form PF and BEA form, including regulatory expenses of a General Partner and Constellation related to filings required under the Securities Exchange Act of 1934, as amended, preparation and filing of reports with the Commodity Futures Trading Commission; provided that all expenses directly related to and solely as the direct result of the registration of, and on-going compliance by, Constellation or a General Partner as a registered investment adviser under the Advisers Act (including the cost of any compliance consultant retained by Constellation or a General Partner in connection therewith), including the costs related to any audits by the SEC or state regulatory agencies, shall be borne by Constellation;
- all fees, costs and expenses incurred in connection with compliance or filings related to the European Union Alternative Investment Fund Managers Directive, the European Union General Data Protection Regulation;
- all fees, costs and expenses related to complying with FATCA;
- all fees, costs and expenses related to similar regulations and administrative requirements in other jurisdictions and compliance with and filings and registrations under other applicable laws, rules and regulations;
- all placement agent fees, excluding placement agent travel and expenses (which are borne by the Funds as Organizational Expenses), which shall offset the Management Fee on a dollar-for-dollar basis;
- all fees, costs and expenses incurred in connection with the dissolution and winding up of a Fund;

- all fees, costs, expenses and liabilities directly related to investments or prospective investments (including expenses incurred in relation to prospective investments prior to the initial closing date) and follow-on investments including, (A) legal, accounting, consulting, investment banking, and other professional costs, including those provided by affiliates of a General Partner or Constellation (including Strategic Advisory Fees), compensation (including retainers, payments, benefits and equity awards) and benefits paid to and expense reimbursements of the Operating Advisors, (B) compensation paid to consultants and other third parties performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies and other similar consultants, (C) reasonable entertainment costs, (D) travel (at rates not exceeding a first-class equivalent fare), accommodation, meal and other hospitality costs, (E) private placement fees, syndication fees, bank charges, appraisal fees, expenses and taxes, underwriting commissions and discounts, brokerage fees, sales commissions, finder's fees, closing and execution costs and information services, (F) custody fees and costs of other third-party services (including those provided by affiliates of a General Partner or Constellation), (G) fees, costs and expenses associated with the discovery, identification, diligence, evaluation, execution, acquisition, settlement, purchase, holding, development, improvement, management, monitoring, maintaining, improving, financing or refinancing of investments or prospective investments, (H) fees, costs and expenses associated with the financing, or refinancing, pledging or the disposition of or proposed financing, refinancing, pledging or the disposition of all or any portion of investments, (I) fees, costs and expenses related to structuring and maintaining investment vehicles, including blocker expenses, the organization and operation of any alternative investment vehicles or subsidiary investment vehicles and (J) any withholding, transfer or other taxes imposed on a Fund (other than any withholding taxes or other amounts referred to in the Governing Documents);
- all fees, costs and out-of-pocket expenses relating to unconsummated investments ("Broken Deal Expenses"), including, the fees, costs and expenses incurred in the formation of any related co-investment vehicle and any other amounts that would otherwise have been borne directly or indirectly by potential co-investors were such investments consummated, without regard to whether a determination has been made as to the identity of any such potential co-investor or the allocation of the potential investment opportunity prior to the time that it is determined that the prospective investment will not be consummated by a Fund;
- all principal, interest, fees, costs, expenses and other amounts payable in respect of or in connection with borrowings, financings, guaranties or derivative transactions (including related legal expenses) made or entered into by a Fund or other obligors thereunder, including, but not limited to, the arranging thereof and related legal expenses, all fees, costs and expenses of any loan servicers and other service providers and of any custodians, lenders, investment banks and other financing sources and all fees, costs and expenses related to any financing, hedging, swaps (or other derivatives), ratings, securitization or capitalization;
- all fees, costs and expenses incurred by vendors that support investments, including, without limitation, expenses for firms engaged by Constellation to provide public relations services;
- all fees, costs and expenses associated with a Fund's information obtaining and maintaining technology (including the costs of any professional service providers), hardware/software (including, but not limited to, software or services used to manage risk, facilitate valuations or for other reporting or compliance purposes, and accounting software), data-related services (including but not limited to, data management and recovery services), communication, market data and research (including news and quotation

equipment and services and industry and company information databases, such as for environmental, social and governance diligence and monitoring purposes), including costs of research groups (which are generally allocated among applicable vehicles based on time spent, assets under management, usage rates, proportionate holdings, or a combination thereof) and expenses and fees (including compensation costs) charged or specifically attributed or allocated by Constellation and/or its affiliates for data-related services provided to a Fund and/or portfolio companies (including in connection with prospective investments);

- all fees, costs and expenses relating to the organization, operations and maintenance of any feeder vehicle; and
- all fees, costs and expenses of acquiring and maintaining insurance policies referred, including the cost of premiums with respect to any directors and officers or similar insurance for the employees of Constellation (it being understood that such policies may cover liabilities in respect of any breach or alleged breach of fiduciary duties or similar duties).

Out-of-pocket expenses associated with completed transactions are either billed directly to a Fund, reimbursed by a portfolio company or capitalized as part of the acquisition price of a consummated transaction. Out-of-pocket expenses associated with Broken Deal Expenses are paid by the relevant Fund(s) selected as proposed investors in such transaction.

The General Partners and Constellation shall be reimbursed from the assets of a Fund for any Fund expenses properly incurred, including any such expenses incurred prior to the initial closing date and for transactions terminated before a limited partner's admission into a Fund. Further, the General Partners shall have discretion to pay Fund expenses from capital contributions, investment proceeds received in respect of any investment, the incurrence of indebtedness or any other funds or other assets of a Fund determined by the General Partner to be available for such purpose.

For information on Constellation's brokerage practices and fees, please see Item 12, below.

Offering and Organizational Expenses

Each limited partner bears its pro rata share of a Fund's expenses incurred in connection with the organization of the Fund ("Organizational Expenses"). The amount and type of Organizational Expenses is further detailed in the Governing Documents of such Fund. Any amounts in excess of such permitted limit are offset dollar for dollar against Management Fees.

Operating Advisor Fees and Expenses

Constellation has engaged and retained Operating Advisors to provide strategic advice to Constellation in respect of the Funds' investment program, including identifying emerging industry trends, evaluating new investment opportunities for the Funds, and assistance with any of its existing or prospective portfolio companies. Operating Advisors are permitted to serve on the boards or equivalent bodies of portfolio companies, serve in management roles or provide other services in relation to specific portfolio companies. As compensation for the services provided by an Operating Advisor to a portfolio company, Operating Advisors are entitled to receive compensation, including consulting fees, salaries, closing fees, directors' fees and incentive equity or other stock awards from a portfolio company at rates that the relevant General Partner and such portfolio company's board and management team believe to be commensurate with the financial resources of such portfolio company and such Operating Advisor's

role in respect of such portfolio company. Operating Advisors also receive reimbursement for reasonable out-of-pocket expenses incurred in connection with work related to portfolio companies.

The Operating Advisors are permitted to receive recurring retainers from Constellation which are reimbursed by a Fund or a portfolio company in a General Partner's sole discretion. Operating Advisors are permitted to invest in a Fund or participate in co-investment opportunities on a fee-advantaged basis and to receive grants of Carried Interest from the General Partner.

Strategic Advisory Services Fees and Expenses

Constellation has established, engaged and retained the Strategic Advisory Group to provide strategic advice to Constellation, Fund I, the portfolio companies and prospective portfolio companies. The Strategic Advisory Group provides services to prospective portfolio companies prior to the closing of the Fund's investment in such company. Fund I pays an annual fee to Constellation quarterly in advance (the "Strategic Advisory Fee"), starting on the date of the initial Fund closing, which is assessed in respect of each limited partner at the rate of 0.20% per annum of the capital commitments of the limited partners.

The compensation, benefits and expenses described above are charged to portfolio companies or to Fund I, as applicable, or are borne by Constellation or its affiliates and reimbursed by the applicable portfolio company or the Fund, as applicable, and shall not constitute Special Income and shall not offset the Management Fee.

Co-Investment Fees and Expenses

In certain circumstances, Constellation expects to permit certain limited partners and third parties to co-invest in investments alongside one or more Funds, subject to Constellation's related policies and procedures, the relevant Governing Documents and/or side letter(s) or similar arrangements or agreements with lenders. Expenses incurred for direct co-investments are borne directly at the portfolio company. Where a co-investment fund is formed, such entity will bear expenses related to its formation and operation, many of which will be similar in nature to those borne by the Funds. Since co-investments are incremental to the investment activities of a main Fund, any compensation received in connection with, related to or allocable to such co-investment does not reduce the Management Fee payable by a Fund.

In the event a proposed transaction is not consummated, no co-investment vehicle generally will have been formed, and the full amount of any fees and expenses generated in the course of evaluating such investments, including Broken Deal Expenses will generally be borne by the Fund(s) selected as proposed investors for such proposed transaction and not by any prospective co-investors that were to have participated in such transaction, irrespective of whether a determination had been made as to the identity of any potential co-investors or the amount of the anticipated co-investment opportunity prior to the time that it was determined that the prospective investment would not be consummated by the Funds; provided that in the event that any such potential co-investor bears its allocable portion of any Broken Deal Expense, such amounts shall not be borne by the Funds.

As a result of the foregoing, the Fund(s) selected as proposed investors for such proposed transaction will bear more than what would otherwise have been its pro rata share of such Broken Deal Expenses. Conversely, co-investors who commit to a transaction after a Fund signs a definitive purchase agreement will lower the risk of broken deal or similar expenses incurred by such Fund (and indirectly, by such Fund's limited partners) in connection with such transaction based on the timing of when a co-investor becomes contractually obligated to invest. However, to the extent that such co-investors have already invested in a portfolio company through a co-investment vehicle or other

special purpose vehicle in connection with such transaction (such as for a follow-on investment for the portfolio company for which the co-investment vehicle was originally created) such vehicle and/or co-investor is expected to bear its share of such Broken Deal Expenses (which will generally be recorded at the portfolio company).

Allocation of Expenses

In good faith and in its fair and reasonable discretion, Constellation determines on a case-by-case basis whether an expense should be borne by the Firm, a Fund, multiple Funds or a portfolio company. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, Constellation will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its policies and procedures on expense allocation, unless another method is more equitable. Where one or more Funds to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable Governing Documents, the portion of the expense attributable to such Fund(s) will be borne by Constellation.

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

A carried interest allocation represents an adviser's compensation based on a percentage of net profits of the funds it manages. A General Partner is entitled to receive a Carried Interest allocation on certain realized profits in the Funds equal to 20% of certain realized profits (subject to an 8% annually compounded preferred return (or hurdle) and subject to reimbursement of all capital called to pay relevant Fund expenses, including Management Fees. Each Fund's Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund's Governing Documents received by each limited partner prior to investment in such Fund.

These performance fee arrangements have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. The General Partner of each Fund, in its sole discretion, is permitted to waive or reduce the amount of Carried Interest for certain Funds or limited partners in a Fund. Specifically, if principals and employees and their respective family members and/or Operating Advisors are limited partners in a Fund, they will generally pay reduced Carried Interest or none at all.

The fact that a General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for Constellation to make investments that are more speculative than would be the case in the absence of such distributions or to allocate an investment to a Fund that earns a higher Carried Interest, if applicable. Constellation seeks to address the potential for conflicts of interest in these matters with allocation practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Governing Documents, as well as other factors that do not include the amount of performance-based compensation received by Constellation or its affiliates. In addition, Constellation generally considers performance-based compensation to better align its interests with those of its limited partners, particularly in instances where the Governing Documents include terms requiring clawback or giveback of performance-based compensation amounts at the end of the relevant Fund's life or at certain interim intervals.

Constellation reserves the right to manage Funds that are not charged a performance-based fee. The practice of managing Funds on a side-by-side basis that are not charged a performance-based fee could present a conflict of interest because Constellation would, absent mitigating circumstances, have a potential incentive to favor Funds for which it receives a performance-based fee. Additionally, to the extent that Constellation manages Funds with varying Carried Interest terms (including amount, timing, waterfall conditions or other terms) and/or Constellation

personnel are assigned different percentages of Carried Interest in different Funds, Constellation and such personnel are subject to potential conflicts of interest, including with regard to Constellation's allocation of investment opportunities, expenses, time and attention of advisory personnel and consideration for certain transactions. Although Constellation will only make new investments for a Fund with the same investment objectives after a predecessor Fund is substantially invested or committed as more fully described in the applicable Fund's Governing Documents, management of side-by-side Funds as described above can create an incentive for the Firm or its personnel to favor a Fund in which Constellation or an affiliate has a greater financial interest.

To help minimize such conflicts of interest, Constellation allocates investment opportunities which satisfy the investment parameters of more than one Fund in accordance with Constellation's policies and procedures regarding investment allocation and the applicable Governing Documents and taking into consideration certain factors, as determined in the Firm's sole discretion, which include, but are not limited to: the amount of available capital commitments of the applicable Fund(s); anticipated future capital requirements of an investment opportunity; life-cycle of the applicable Fund(s); expected time to obtain liquidity; legal, tax and regulatory considerations; and any other factors deemed relevant by Constellation. Constellation's procedures are designed to ensure that all investment decisions are made in accordance with Constellation's fiduciary duties to its Funds and without consideration of Constellation's (or its affiliates' or employees') pecuniary interest. Constellation will not allocate investment opportunities based in whole or in part on the relative fee structure or amount of fees paid by any Fund or the profitability of any Fund. Investment allocation decisions are determined by the investment committee.

Item 7 – Types of Clients

Constellation provides investment advice to its Funds, which are exempt from registration under the Investment Company Act. The Funds limit their limited partners to: (i) "accredited investors" as defined in the Securities Act of 1933 and the rules and regulations promulgated thereunder, and (ii) "qualified purchasers" or "knowledgeable employees," each as defined in the Investment Company Act, or (iii) if applicable, "qualified clients," as defined in the Advisers Act. Limited partners in the Funds must also meet certain other suitability qualifications prior to making an investment in a Fund. The Funds typically require capital commitments from each limited partner of at least \$25 million, although a General Partner is authorized to accept lesser amounts of individual commitments in its sole discretion.

On occasion, Constellation offers co-investment opportunities for certain investors to invest alongside a Fund in certain Fund portfolio companies. Opportunities to participate in co-investment transactions arise when Constellation has the opportunity for an investment in an existing or prospective portfolio company and Constellation determines that (i) an investment requires additional capital, (ii) all or a portion of the applicable opportunity is not required to be offered to a Fund, (iii) the full investment opportunity is not appropriate for a Fund, whether due to concentration restrictions contained in the Fund's Governing Documents or otherwise or (iv) Constellation believes the Fund will benefit from the participation of the co-investor(s). Such determinations are based on the provisions of the applicable Governing Documents, side letter agreements, agreements with lenders and such other factors as Constellation will consider in its sole discretion, including those specified in its policies on investment allocation and co-investments. Subject to any restrictions contained in the Governing Documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general no investor has a right to participate in any co-investment opportunity. Constellation's exercise of discretion in allocating co-investment opportunities will not always result in proportional allocations among co-investors and such allocations can be more or less advantageous to some co-investors relative to other co-investors. When co-investment

opportunities are permitted, it is possible that the size of the investment opportunity otherwise available to a Fund will be less than it would otherwise have been without the inclusion of such co-investors.

Constellation will select the investors that are permitted to co-invest in a particular portfolio company in its sole discretion based on various factors, including those detailed in its Governing Documents and as outlined in its internal policies and procedures. While one or more limited partners in the Funds are on occasion invited to co-invest in a Fund's portfolio companies, Constellation is authorized in its sole discretion to offer any or all of a co-investment opportunity to investors that are not limited partners in the Funds. Co-investment opportunities are made available to select Fund limited partners and third parties, including, without limitation, management or founders of the applicable portfolio company, co-sponsors, strategic investors, lenders, investment bankers, deal sources (including finders and consultants), other sponsors (including other private equity or venture capital firms), Founding Investors, service providers, Operating Advisors, sector experts, strategic advisors, other persons or entities affiliated, associated or otherwise known to Constellation or its personnel. Certain service providers, including lenders and individuals who source transactions, are expected to negotiate co-investment rights or co-investment priority rights as a component of their compensation in connection with the services provided.

Constellation can cause some co-investors to bear a Management Fee and/or Carried Interest while not imposing a Management Fee and/or Carried Interest (or imposing a different Management Fee or Carried Interest) on other co-investors. In certain cases, co-investment opportunities can include opportunities to invest in Fund portfolio companies at a time when there is not a corresponding Fund investment or on different terms than a Fund investment. Some co-investors can be provided with observer rights at a Constellation portfolio company. Such positions provide such persons with access to information that is not necessarily available to other limited partners.

Co-investments often involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as a Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or Co-Investment Fund purchases a portion of an investment from a Fund after such Fund has consummated its investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment; however, in certain instances, a post-closing sell-down or transfer could occur well after the Fund's initial purchase. When co-investors purchase their interest from a Fund after the Fund has consummated the investment, the price paid by co-investors is typically determined by the Fund's General Partner in its sole discretion. Where appropriate, and in Constellation's sole discretion, Constellation reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund. The price may not reflect the full cost incurred by the Fund in connection with the investment, any interest charge on the co-investment amount, the cost of establishing the credit facility utilized to acquire the portfolio company (if applicable) or the risk borne by the Fund in connection with purchasing and warehousing the investment. The Funds will bear the risk that any co-investors acquiring an interest in an investment after the closing of such investment will acquire such interest on terms that do not reflect the then-current value of such investment.

In either case, potential co-investors typically do not bear any transaction costs of investments that are not consummated and are not subject generally to the same risks to which a Fund is throughout the investment process. As fees paid by or on behalf of co-investors in portfolio companies are not subject to a Management Fee offset and are thus retained by Constellation, the opportunity to receive such fees presents a conflict of interest in that Constellation could be incentivized to allocate a greater portion of an investment to a co-investor than it would have

otherwise allocated absent such an arrangement. Constellation seeks to address any such potential conflict of interest by investing in accordance with its policies and procedures governing investment allocation and co-investments. In addition, to the extent that Constellation engages in a secondary liquidity transaction in connection with an investment, co-investors will not necessarily receive the same liquidity options as limited partners in a Fund and may therefore be compelled to receive cash or continue to hold an interest in the investment, depending on the particular facts of the transaction.

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

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

Methods of Analysis and Investment Strategies

The Funds' primary investment objective is to achieve income and capital appreciation through minority investments in companies and businesses that derive a significant component of their income from wealth management, with a principal place of business located in North America and in other jurisdictions outside of North America (the "Target Markets") that have received a rating of BBB- or higher from either Moody's or Standard & Poor's.

Constellation intends to structure the Funds' investments to align with the owners and operators of the businesses, protect against potential downside scenarios and have exposure to potential upside in the equity value of the businesses through structural seniority of the security, current cash yield, equity conversion rights and certain minority protections.

The Firm intends to cause the Funds to originate structured minority investments in leading wealth management firms in the Target Markets. Constellation believes that these capital solutions provide attractive long-term financing alternatives that allow owners of the businesses to monetize a portion of the company, facilitate succession planning, fund organic growth through the recruitment of new advisers, and support strategic mergers or acquisitions of other wealth management platforms.

The Funds generally target wealth management platforms with \$1 billion to \$200 billion in client AUM in its Targeted Markets. The Funds' structured minority investments are expected to range between \$25 million and \$200 million, rank structurally senior to common equity, have put/call rights in year 5 or longer, conversion features into 10-40% fully diluted ownership in the company and carry meaningful minority protections and consent rights on major business activities. Constellation believes these representative deal structures help to preserve capital and guard against adverse outcomes. Many of the wealth management platforms the Funds will invest in are owned by the operators of the business and their equity stake in the company is a significant portion of their net worth. As a result, the structural seniority of the investments helps to protect against downside scenarios as the owners are focused on protecting, preserving and growing their equity stake in the business.

Risks

The applicable Governing Documents of each Fund set forth more detailed descriptions of each Fund's investment strategies and methods of analysis. There can be no assurance that Constellation will achieve the investment objectives of the Funds and a loss of investment is possible. Potential investors should be aware that an investment in the Funds involves a high degree of risk and is suitable only for sophisticated institutions and individuals for whom such an investment is not a complete investment program. There can be no assurance that a Fund's investment objective will be achieved, or that a limited partner will receive a return of its capital. In addition, there will be occasions when a General Partner and its affiliates may encounter potential conflicts of interest in connection with a Fund. The following considerations should be carefully evaluated before making an investment in the Funds. The risks described below do not purport to be a complete explanation of all the risks involved in acquiring interests of the Funds.

Risks Related to Investments

General Economic and Market Conditions. Changes in general economic conditions have the potential to affect the Funds' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the global finance markets may affect the value and number of investments made by a Fund or considered for prospective investment. Specifically, during the past several years, global markets have been shaken with uncertainty in part due to acts of war and terrorism. The medium- to long-term effects of such events are uncertain, but could have a material effect on general economic conditions, consumer and business confidence and market liquidity. A Fund's investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence would likely increase market volatility and reduce liquidity, both of which could have a material adverse effect on the performance of a Fund's investments. No assurance can be given as to the effect of these events on a Fund's investment objectives.

Monetary Policy and Governmental Intervention. In response to the global financial crisis in 2008, the Board of Governors of the U.S. Federal Reserve System (the "Federal Reserve") and certain non-U.S. central banks, including the European Central Bank, took actions to hold interest rates to historic lows. Recently, the Federal Reserve and other central banks have begun efforts to normalize interest rates. These and other actions by the Federal Reserve and other central banks, including changes in policies, have had a significant and ongoing effect on interest rates and on the U.S. and world economies generally, which in turn may affect the valuations at which a Fund is able to acquire investments and performance of the Fund's investments on an absolute or relative basis. In addition, the consequences of the extensive changes to the regulation of various markets and market participants contemplated by the legislation and increased regulation arising out of the global financial crisis have not been fully implemented in all cases, and therefore the ultimate effects thereof are difficult to predict or measure with certainty. Any future disruptions in debt or equity markets may impair a Fund's ability to consummate transactions and cause such Fund to enter into transactions on less favorable terms, including both acquisitions and exits.

U.S. Banking Turmoil. The U.S. banking system has experienced significant turmoil in the wake of the recent U.S. bank failures and the failure of Switzerland's second largest bank. In response to those failures and consequent destabilizing impact, the U.S. Department of the Treasury, U.S. Federal Deposit Insurance Corporation (the "FDIC"), and the Federal Reserve implemented a number of extraordinary actions aimed at stabilizing the broader U.S. economy. Governmental authorities may continue to undertake a variety of initiatives designed to strengthen and stabilize the economy and the financial markets. However, there can be no assurance that these initiatives will be successful or how long these initiatives will remain in place, and there is no way to predict the ultimate effect of the disruption or the effect that these initiatives will have on the performance of a Fund or its investments.

The current turmoil in the U.S. banking system has raised fears of broader financial contagion and there are many unknowns for what the repercussions from the current crisis will mean both in the short-term and the long-term for the financial markets and the broader U.S. and global economies. Any deterioration of the global debt markets (particularly the U.S. debt markets), any future failures of systemically important financial services companies and a significant rise in market perception of counterparty default risk or liquidity constraints, inflation, interest rate, market and monetary fluctuations, changes in fiscal policy, including with respect to taxation and spending, economic uncertainty or instability caused by political developments, and other factors affecting the financial services industry generally or the U.S. debt markets in particular, may significantly reduce investor demand and liquidity for investment grade, high-yield and senior bank debt, which in turn is likely to lead some investment banks and other lenders or counterparties to be unwilling or significantly less willing to finance new investments or to only offer committed financing for investments on less favorable terms than had been prevailing in the recent past. A Fund's ability to generate attractive investment returns for its limited partners may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments.

In addition, valuations of a Fund and its investments in the current environment are subject to heightened uncertainty and subject to numerous subjective judgments even beyond what is traditionally the case, any or all of which could turn out to be incorrect with the benefit of hindsight. Furthermore, traditional valuation approaches that have been used historically may need to be modified in order to effectively capture fair value in the midst of sudden or severe volatility or market dislocation.

Illiquid and Long-Term Investments; Risks of Realization of Investments. An investment in the Funds should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Although investments by the Funds may generate some current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. Losses on unsuccessful investments may be realized before gains on successful investments are realized.

The Funds expect that certain of its investments will not be, and are not expected to become, publicly traded. Investments may consist of the most junior securities of a company with a complex capital structure, which are subject to the greatest risk of loss. Moreover, the Funds may engage in capital market transactions such as hedging or the purchase of derivative securities designed to reduce risk in respect of publicly traded portfolio companies, but such transactions also entail inherent risk. The Funds will generally not be able to sell securities publicly unless the sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available.

It is unlikely that there will be a public market for all or substantially all of the securities held by the Funds at any particular time. Portfolio companies may become public through initial public offerings without thereby permitting an immediate exit for a Fund or partners who may have received an in-kind distribution of such portfolio company's securities. No assurance can be given that, if a Fund desires to dispose of a particular investment, it will be able to dispose of such investment at a prevailing market price, or that a prevailing market price will exist for such an investment. There is a risk that disposition of such investments may require a lengthy time period or may result in distributions in kind to investors, after which partners will bear the risk of holding the securities and must make their own disposition decisions. To the extent that a Fund is unable to dispose of certain investments prior to the expiration of its term, the Fund may take such amount of time to complete the winding up of its affairs as the General

Partner determines is reasonably necessary to liquidate such remaining investments, satisfy Fund creditors and make any distributions of liquidation proceeds.

Cyber Security Breaches and Identity Theft. Constellation, the General Partners, the Funds and their portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Although Constellation has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, Constellation, a General Partner, a Fund or a portfolio company may incur specific time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems or of disaster recovery plans for any reason could cause significant interruptions in the operations of Constellation, a General Partner, a Fund or a portfolio company and could result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to limited partners in a Fund (and the beneficial owners of such limited partners). Such a failure could harm the reputation of Constellation, a General Partner, a Fund or a portfolio company and could subject such entities and their respective affiliates to legal claims or otherwise affect their business and financial performance.

Environmental, Social and Governance Matters. While Constellation views the proper management of environmental, social, and governance ("ESG") issues as a way to positively impact the performance of the Funds' investments, ESG considerations are only some of the many factors Constellation will consider in causing a Fund to make an investment. There is no guarantee that a Fund will successfully make investments that create positive ESG impacts, and Constellation will only seek to make such investments to the extent it believes doing so would help to discharge its duty to maximize risk-adjusted returns. To the extent that Constellation engages with investments on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Successful ESG practices on behalf of Constellation will depend on its ability to properly identify and analyze material ESG factors and their impact-related value on a case-by-case basis, and there can be no assurance that the strategy or techniques employed by Constellation will be successful. Furthermore, in many cases, Constellation's ability to engage with investments on ESG-related matters may be expected to be limited, for example, as a result of the nature of a Fund's investment. Considering ESG factors when evaluating an investment may result in the selection or exclusion of certain investments based on Constellation's view of the significance of those ESG-related and other factors, which could ultimately prove to be incorrect. There is the risk that taking ESG-related factors into consideration, or the failure to adequately account for such factors, may adversely affect a Fund and its investments.

Risks Related to the Funds and their Management

Limited Number of Investments; Sector Concentration. The Funds are expected to participate in a limited number of investments. In addition, limited partners may be excluded or excused from investments in certain situations. As a consequence, the number of investments in which the limited partners participate will accordingly be limited, and the aggregate return to the limited partners may be substantially adversely affected by the unfavorable performance of a single investment. If certain of a Fund's investments perform unfavorably, one or more of its other investments must perform very well in order for the Fund to achieve above-average returns. There can be no assurance that this

will be the case. In addition, prospective limited partners have no assurance as to the degree of diversification of a Fund's investments, either by geographic region, industry segment or asset type.

The Funds' investments are expected to be concentrated in a particular sector, issuer, industry or geographic region, with the result that the overall value of the Fund's investments will become more susceptible to adverse economic or business conditions affecting any such sector, issuer, industry or region. Furthermore, if a Fund invests alongside other private equity funds in which a limited partner is also invested, a limited partner may have exposure to investments through more than one fund.

Portfolio Company Management Misconduct or Bad Judgment. It will be difficult, and likely impossible, for Constellation to protect the Funds from the risk of fraud or misrepresentation by a portfolio company. Portfolio company management may be motivated to pay out greater portions of their revenue as salaries, bonuses, and other similar expenses, in order to shift income that would otherwise be shared with a Fund to expenses that are payable to other principals of the portfolio company that are also employees. If a portfolio company acts inconsistently with applicable laws and regulations or takes actions that cause disrepute, such actions may adversely affect a Fund, as an investor in the portfolio company, and may damage a Fund's reputation, which may adversely impact a Fund's ability to complete investments in other portfolio companies and the Fund's ability to realize its investment objective. If a portfolio company underreports to a Fund the amount of income it has generated or attempts to use other accounting methods inconsistent with such Fund, the Fund may be adversely affected.

Difficulty of Locating Suitable Investments. The activity of identifying, completing and realizing attractive private equity investments is highly competitive and involves a high degree of uncertainty. The Funds may compete for investments with private equity funds, hedge funds, strategic advisers, financial institutions, large and well-capitalized industrial groups, commercial, investment and merchant banks or other investors, and certain of these competitors could have large capital pools or superior access to investment opportunities. The availability of, and competition for, investment opportunities will depend on, among other things, financial, market, business and economic conditions. There can be no assurance that the Funds will be able to locate, consummate and exit investments that satisfy a Fund's rate of return objectives or realize upon their values or that it will be able to invest fully its committed capital. Additionally, competition for appropriate investment opportunities may increase, thus reducing the number of opportunities available and adversely affecting the terms upon which investments can be made.

Prospective limited partners must rely on the ability of the General Partners and Constellation to identify, structure, manage and exit investments consistent with a Fund's investment objectives. There can be no assurance that the Funds will be able to locate and complete investments or exit investments on favorable terms, or that they will be able to fully invest their committed capital. Limited partners will be required to pay the Management Fee for an extended period of time based on the entire amount of their respective commitments, even if a Fund is never fully invested.

Non-Controlling Investments; Investments with Third Parties. The Funds expect to hold non-controlling, minority interests in portfolio companies and, therefore, may have limited ability to protect its position in such portfolio companies, although as a condition of investment in a portfolio company, the General Partners expect that appropriate shareholder rights generally will be sought to protect the Funds' interests. As a result, the Funds will typically be significantly reliant on the management, board of directors (or equivalent) and other shareholders of such companies, who may not be affiliated with a Fund and whose interests may conflict with the interests of a Fund. In addition, the Funds may invest alongside third parties, including through partnerships, joint ventures or other similar arrangements, and such third parties may have larger ownership interests than a Fund or may otherwise

share control with the Fund in the relevant portfolio companies. Such investments may involve additional risks in connection with such third-party involvement, including the possibility that a third party may have financial difficulties resulting in a negative impact on the investment, may have economic or business interests or goals that are inconsistent with those of a Fund or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives. In each such case, a Fund may not be in a position – either practically or contractually – to take action to protect the value of the Fund's investment in the entity. If any such third party were to default on its obligations with respect to the relevant portfolio company, the value of the Fund's interest in such portfolio company could be materially adversely affected. Although in some cases a Fund may have control over, or significant influence on, the decision-making of joint ventures and other similar arrangements, certain decisions will require approval of all investors, including third parties. The cooperation among the investors on existing and future business decisions will be an important factor for the sound operation and financial success of these businesses. Disputes among joint owners do arise, and could have an adverse effect on the financial conditions or results of operations of these businesses and in some instances, give rise to indemnification or other expense for a Fund. In addition, a Fund may in certain circumstances be liable for the actions of third-party investors. In circumstances where third-party investors are involved in the management of a portfolio company, such third parties may receive compensation arrangements relating to such company, including incentive compensation arrangements. There can be no assurance that minority rights will be available or that such rights will provide sufficient protection of a Fund's interests.

Risks in Due Diligence Process; Uncertainty of Financial Projections. The Funds' investment strategy involves investments in private companies for which no market exists. Little public information exists about many of these companies, and the Funds will be required to rely on their diligence efforts to obtain adequate information to evaluate the potential risks and returns involved in investing in these companies. This due diligence can entail evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties will be involved in the due diligence process to varying degrees depending on the facts and circumstances of the particular investment. Such involvement of third-party advisors or consultants present a number of risks primarily relating to a General Partner's reduced control of the functions that are outsourced. In addition, if a General Partner is unable to timely engage third-party providers, its ability to evaluate and acquire more complex targets could be adversely affected.

There can be no assurance that the Funds will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during their efforts to monitor the investment on an ongoing basis. In the event of fraud by any portfolio company or any of its affiliates, a Fund may suffer a partial or total loss of capital invested in that portfolio company. Conduct occurring at portfolio companies, even activities that occurred prior to a Fund's investment therein, could have an adverse impact on the Fund. For example, the European Commission has held that private funds may be liable for the anticompetitive activities of a portfolio company if such funds exercised "decisive influence" over the portfolio company. This precedent illustrates the risk that even if private equity funds are only involved in the high-level strategy and commercial policy of their portfolio companies, it does not exclude them from liability in the context of aggressive courts or regulators.

An additional concern is the possibility of material misrepresentation or omission on the part of the portfolio company or the seller. The Funds will rely upon the accuracy and completeness of representations made by portfolio companies and their former owners and advisors in the due diligence process to the extent reasonable when it makes its investments, but cannot guarantee such accuracy or completeness. Incomplete or inaccurate information could impact both initial and ultimate valuations of Fund investments, as well as a Fund's operating plan for such Fund investments. Therefore, the risk that a Fund may invest on the basis of incomplete or inaccurate information

may adversely affect the Fund's investment performance. 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.

Estimates or projections of market conditions supply and demand dynamics are key factors in evaluating potential investment opportunities and valuing investments and related assets. The process of making these estimates is complex, requiring significant decisions, collection of accurate factual information and assumptions in the evaluation of available data. These estimates are subject to wide variances based on changes in market conditions, underlying assumptions and certain technical or investment-related assumptions. The General Partners expect to establish the suitability and capital structure of investments on the basis of financial projections and market conditions for such investments. Projections, forecasts and estimates are forward-looking statements and are based upon certain assumptions. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed.

Reliance on Portfolio Company Management. Constellation will monitor the performance of companies in which the Funds make investments, generally through participation on, or interaction with, the board of directors (or equivalent body) of the company and by maintaining an ongoing dialogue with the company's management team. However, each portfolio company's management team will be primarily responsible for the operations of the company on a day-to-day basis. Although it is the intent of the Funds to invest in portfolio companies with strong operating management, there can be no assurance that the existing management team, or any new one, will be able to operate a portfolio company successfully. Additionally, portfolio companies may need to attract, retain and develop executives and members of their management teams. The market for executive talent can be extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of their respective management teams, and a Fund may be adversely affected as a result.

Follow-On Investments. The Funds may make follow-on investments with respect to its portfolio companies or have the opportunity to increase their investment in such portfolio companies (whether to maintain their competitive position, to satisfy operational requirements or growth strategies, as an equity cure under applicable debt documents or for other reasons). A Fund may make additional investments or exercise warrants, preemptive rights, options or convert convertible securities that were acquired in the initial investment in such portfolio company in order to preserve the Fund's proportionate ownership when a subsequent financing is planned, or to protect the Fund's investment. The availability of capital is generally a function of market conditions that are beyond the control of the Funds. There can be no assurance that portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source. There can be no assurance that the Funds will wish to make follow-on investments or that a Fund will have sufficient available capital or capacity under any credit agreements to, or be permitted to, make such investments. Any decision not to make follow-on investments, or a Fund's inability to make them, may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made), may result in missed opportunities for a Fund, may result in dilution of a Fund's investment and may diminish a Fund's ability to influence such portfolio company's future development.

Importance of General Market Conditions to Profitability; Uncertainty of AUM Growth. The Funds' strategy is based on a number of premises, each of which may be adversely impacted by market conditions. Such premises include, among others, that (i) portfolio companies will experience AUM and earnings growth after an investment by a Fund; (ii) a Fund can source investment opportunities and acquire stakes in portfolio companies and make other investments at favorable prices; (iii) portfolio companies may experience monetization or liquidity events such as

refinancings, sales, or public listings, and that such events will be effected at favorable prices; and (iv) a Fund may achieve its liquidity strategies at favorable prices. No assurance can be given that any or all of these premises will be achieved, since this will depend upon market conditions and other events and factors outside the control of the Funds.

Changes in economic conditions, including, for example, interest rates, inflation rates, industry conditions, competition, technological developments, political and diplomatic events and trends, tax laws and innumerable other factors, can affect substantially and adversely the business and prospects of the Funds.

Achievement of the strategic premises listed above, as well as others described in the Governing Documents, may depend significantly on favorable market conditions. For example, if there were significant dislocation, illiquidity and volatility in the global financial markets it could materially and adversely affect the ability of a Fund to acquire stakes in portfolio companies, the investment performance of Fund investments, the ability of Fund investments and a Fund to achieve liquidity strategies, and the likelihood of clients to increase AUM with portfolio companies. Market conditions could also materially and adversely affect portfolio companies' abilities to obtain financing, both for ongoing operations and/or to achieve strategic objectives.

The Funds' strategy relies upon favorable market conditions existing during the term of a Fund and prior to the occurrence of a liquidity event, including AUM growth of portfolio companies relative to current levels. The Funds' investment strategy depends on capturing an outsized portion of industry growth, generating significant enterprise value and seeking a means to monetize this value. No assurance can be given that Fund investments can be acquired or disposed of at favorable prices, that the market for such Fund investments will be favorable, that a liquidity event will be achieved or that the AUM of the portfolio companies will grow since this will depend upon events and factors outside the control of the Funds. Failure of portfolio companies to grow their AUM in accordance with a Fund's base case assumptions would materially adversely affect such Fund's investment returns. There can be no assurance that AUM growth will occur as projected. Actual results and events may differ significantly from projections.

Debt Investments in Portfolio Companies. The Funds are permitted to make investments in debt or convertible debt securities of portfolio companies. 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, without limitation, investor demand, changes in the financial condition of portfolio companies, government fiscal policy and domestic or worldwide economic conditions.

Broken Deal Expenses. The Funds' investments generally require extensive diligence activities prior to acquisition, and the related expenses can be quite substantial. Such expenses include, without limitation, travel, meal accommodation and entertainment expenses, due diligence expenses (such as expenses related to feasibility, technical and marketing studies), legal expenses and bid preparation and submission expenses. The Funds will bear 100% of such expenses, including amounts that would otherwise have been borne directly or indirectly by potential co-investors were such investment consummated.

No Right to Control the Fund's Operations. All decisions with respect to the management (including investment activities) of the Funds will be made exclusively by the General Partners and Constellation. Limited partners will not make decisions with respect to the identification, acquisition, management, disposition or other realization of any investment, the day-to-day operations of the Funds or any other decisions regarding a Fund's business and affairs, except under the limited circumstances set forth in the Governing Documents. Limited partners may not have access

to all of a portfolio company's financial information that is generally available to the General Partners and Constellation. Subject to the limited partner approvals set forth in the Governing Documents, the General Partners will generally have sole and absolute discretion in structuring, negotiating, purchasing, financing, managing and divesting investments on behalf of the Funds. Limited partners should expect to rely solely on the ability of the General Partners and Constellation with respect to the Funds' operations.

Dependence on Investment Professionals. The Funds will be largely dependent upon the expertise, skill and judgment of the employees of Constellation and the members of the investment committee for the selection of suitable investments. These individuals are important to the Funds' success because they attract business and investment opportunities and assist the Funds in negotiations. The loss of any or all of these individuals could have a material adverse effect on the business of the Funds. The employees of Constellation and the members of the investment committee are not under contractual obligation to remain with the General Partners or Constellation for all or any portion of the term of the Funds. Although they intend to commit an appropriate amount of their business efforts to the Funds, the employees of Constellation and the members of the investment committee are not required to devote all of their time to the Funds' affairs. In addition, the employees of Constellation and the members of the investment committee may in the future manage newly created partnerships.

Valuation Risk. Most of the securities owned by the Funds are not expected to be actively traded on the public markets. Valuations are subject to multiple levels of review or approval, and all investments are fairly valued in accordance with the valuation policy of Constellation as in effect from time to time. However, the process of valuing securities for which reliable market quotations are not available – even if performed by a qualified third party – is based on inherent uncertainties. The resulting values may differ from values that would have been determined had an active market existed for such securities, and may differ from the prices at which such securities may ultimately be sold. Further, third-party pricing information for publicly traded or registered securities may at times not be available regarding certain of a Fund's assets. Valuations of investments will be determined primarily by the General Partners as described above and generally will be final and conclusive. When estimating fair value, the General Partners may, in their discretion, cause a Fund to retain an independent valuation firm to apply methodologies based on best practices in the valuation industry that are appropriate in light of the nature, facts and circumstances of each of the investments. There can be no assurances that any projected results will be obtained, and actual results may vary significantly from the valuations. General economic, political, regulatory and market conditions and the actual operations of the portfolio companies, which are not predictable, can have a material impact on the reliability and accuracy of such valuations.

Consequences of Default. In the event that a limited partner fails to fund any portion of its commitment when due, such limited partner may forfeit a portion of its interest and may be subject to other default provisions under the Governing Documents. Other limited partners may also face acceleration of the payment of their commitments in the event of a default by another limited partner. If the contributions or payments made by non-defaulting limited partners and borrowings by a Fund are inadequate to cover the defaulted amounts, a Fund may be unable to pay its obligations when due. As a result, such Fund may be subjected to significant penalties that could have a material adverse effect on the returns to the limited partners (including non-defaulting limited partners).

Capital Calls and Use of Subscription Lines. Constellation will generally call capital from limited partners on an as-needed basis. For administrative convenience, Constellation may make larger, less frequent capital calls, with a Fund's interim capital needs being satisfied by the Fund borrowing money under one or more credit facilities. In particular, it is expected that capital needs of a Fund during the fundraising period may be met through drawdowns from such credit facilities rather than capital calls. The interest expense and other costs of any such borrowings will

be a Fund expense and, accordingly, decrease net returns of the Funds, while the use of any such borrowings may also have the effect of materially enhancing the net internal rate of return for the Fund. In addition, the making of larger, less frequent capital calls may amplify the magnitude of potential defaults by limited partners as a result of there being fewer but larger capital calls, with borrowings under such credit facilities being secured against the unfunded commitments of partners and potentially other assets of a Fund in the event of a default by such Fund under such credit facilities. To the extent amounts outstanding under any such credit facility are due upon demand by a lender, such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of liquidity constraints on limited partners and limited partners facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. The existence of a credit facility may impair a limited partner's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender. Alternatively, to the extent that a Fund is unable to obtain a subscription line or an asset-backed credit facility, determines that the terms of such facility would not be appropriate for a Fund or otherwise determines not to use such facility or access to such facility otherwise becomes unavailable, Constellation may determine in its sole discretion to draw down commitments in advance and hold them in reserve in order to make investments, to satisfy fees and expenses, and to satisfy other capital needs that may arise in the future.

Possibility of Fraud or Other Misconduct of Employees and Service Providers. Misconduct by employees of Constellation, portfolio company officers or employees, service providers to the foregoing and/or their respective affiliates could cause significant losses to the Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by the Funds, the improper use or disclosure of confidential or material non-public information, which could result in litigation or serious financial harm, including limiting a Fund's business prospects or future marketing activities, and non-compliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to a Fund. No assurances can be given that the General Partners or Constellation will be able to identify or prevent such misconduct.

Fees and Expenses. The Funds will pay and bear all expenses related to their operations, including the Management Fee, the Strategic Advisory Fee, the costs of holding, monitoring, maintaining and disposing of investments, including investment banking fees and consulting fees and Broken Deal Expenses, whether or not a Fund makes any profits. The Funds will bear all Organizational Expenses up to a maximum amount as stated in such Fund's Governing Documents. Organizational Expenses in excess of this amount, and any placement fees, will be paid by the Funds but borne by Constellation through a 100% offset against the Management Fee.

While it is difficult to predict the future expenses of the Funds, such expenses can be substantial and may surpass a Fund's operating income. The amount of these Fund expenses will reduce the actual returns realized by limited partners on their investment in the Funds (and may, in certain circumstances, reduce the amount of capital available to be deployed by a Fund for investments). Fund expenses include recurring and regular items, as well as extraordinary expenses for which it may be hard to budget or forecast. As a result, the amount of Fund expenses ultimately called or called at any one time may exceed expectations.

Recourse to a Fund's Assets. A Fund's assets, including any investments and any cash held by such Fund, are available to satisfy all liabilities and other obligations of the Fund. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and not be limited to any particular asset. Accordingly, a limited partner could find its interest adversely affected by a liability arising out of a single investment,

even if the limited partner did not participate in such investment because, for example, such limited partner was excused from such investment.

Side Letters. The General Partners expect from time to time enter into side letters (a “Side Letter”) with one or more limited partners with respect to a Fund without the approval or vote of any other limited partner, that would have the effect of establishing additional rights under, or altering or supplementing the terms of, the Governing Documents with respect to such limited partner in a manner more favorable to such limited partner than those applicable to other limited partners. Any rights established, or any terms of the Governing Documents altered or supplemented in a Side Letter with a limited partner, will govern solely with respect to such limited partner notwithstanding any other provision of the Governing Documents and, for the avoidance of doubt, matters arising under any Side Letter are considered matters contemplated in the Governing Documents and the limitation on liability provisions therein will apply equally to any Side Letter. The other limited partners will have no recourse against the Funds, the General Partners or any of their affiliates in the event that certain limited partners receive additional or different rights or terms as a result of such Side Letters. Except as otherwise agreed to with a limited partner, the General Partners are not required to disclose the terms of Side Letters with other limited partners. The General Partners will not be, to the fullest extent permitted by applicable law, under any obligation to give the limited partners notice of any Side Letters between a General Partner and other limited partners, except with respect to most-favored-nations provision Side Letter election process that will take place following the final subsequent closing.

It can be expected that Constellation or its affiliates in the future will enter into agreements with limited partners involving a limited partner’s overall relationship with Constellation or its affiliates, including one or more strategies or vehicles in addition to the Funds with terms and conditions applicable to such investor that would not apply to a limited partner’s investment in the Fund (which may include, for the avoidance of doubt, participation in another investment vehicle managed by Constellation and/or a co-investment program or other similar customized investment strategy for the benefit of such limited partner through one or more vehicles, holding companies or other entities established or managed by Constellation or such investor). Limited partners will not receive a copy of the agreement memorializing such an investment program (even if in the form of a Side Letter) and will be unable to elect any rights or benefits granted to such investor. Specific examples of such additional rights and benefits include specialized reporting, discounts on and/or other arrangements relating to Management Fees and/or Carried Interest applied to some or all of the relevant investment programs and/or investment vehicles (including, as applicable, the Funds), secondment of personnel from the investor to Constellation (or vice versa), as well as, targeted amounts for co-investments alongside a Fund or any other investment vehicles managed by Constellation (including, without limitation, preferential allocation thereof and the terms and conditions related to such participation (including any Carried Interest and/or Management Fees to be charged with respect thereto)), which may include investments made by the Fund. To the extent any such arrangements are entered into, they may result in fewer co-investment opportunities (or reduced allocations) being made available to limited partners.

It is also expected that the General Partners or Constellation will from time to time confirm factual matters to incoming limited partners, make statements of intent or expectation to such limited partners or acknowledge statements by such incoming limited partners that relate to the Funds and/or Constellation’s activities pertaining thereto in one or more respects. In addition, Constellation may from time to time agree to certain matters as part of an overall firm relationship (whether or not as part of an overall relationship agreement described above). Additionally, the Founding Investors, by virtue of their investment in affiliates of the General Partner of Fund I and Constellation, have more information about Fund I and its investments in certain circumstances than other limited partners generally and are provided information in advance of communication to other limited partners generally.

Any such statements, confirmations, agreements or acknowledgements will not involve the granting of any legal right or benefit, and therefore will not be subject to the “most-favored-nations” process or election by the limited partners, and limited partners generally will as a result not typically receive notice thereof or copies of the documentation (if any) in which they are contained. There can be no assurance that any such arrangements will not have an adverse effect on the Funds or that such arrangements will not influence Constellation’s activities or the operation of the Funds.

Excuse and Exclusion. Pursuant to the Governing Documents, the General Partners are permitted, in certain circumstances, to permit a limited partner to be excused from funding or participating in an investment. A limited partner may be excused from funding an investment if its participation in the opinion of counsel satisfactory to a General Partner would otherwise (a) violate a law, rule or regulation to which such limited partner is subject, (b) subject, or be reasonably likely to subject, such limited partner to any material regulatory requirement to which it would not otherwise be subject, or materially increase or be reasonably likely to materially increase, any such regulatory requirement beyond what it would otherwise have been or (c) violate an investment restriction applicable to such limited partner of which the General Partner was notified in writing prior to the admission of such limited partner.

A General Partner may exclude a limited partner from participating in an investment if the General Partner determines in good faith that participation in such investment could (a) prevent the Fund from consummating such investment, including, without limitation, because the Fund cannot obtain any necessary approval as a result of such limited partner’s participation, (b) result in a material increase in the risk or difficulty to the Fund of consummating such investment, or (c) cause (i) a violation of a statute, rule or regulation of a U.S. federal or state or non U.S. governmental authority applicable to a partner that is reasonably likely to have a material adverse effect on an investment or on a Fund, its General Partner, Constellation or any of their respective affiliates that are providing material services to the Fund or on any partner or any affiliate of any such partner, (ii) an occurrence that is reasonably likely to subject an investment or a Fund, its General Partner, Constellation or any of their respective affiliates that are providing material services to a Fund or any partner or any affiliate of any such partner to any material regulatory requirement to which it would not otherwise be subject, or that is reasonably likely to materially increase any such regulatory requirement, beyond what it would otherwise have been or (iii) a violation of an investment restriction applicable to a limited partner of which a General Partner was notified in writing prior to the admission of such limited partner.

Such excuses and exclusions are expected to affect diversification, including by causing limited partners to have increased exposure to certain investments and sectors relative to a Fund as a whole. Limited partners may experience differing returns as a result.

Regulatory Risks

Regulation and Enforcement. The growth of the private equity industry, and the increasing size and reach of transactions, has prompted additional governmental and public attention to the industry and its practices. Portfolio companies will be subject to the antitrust and competition rules that apply in those countries or regions in which they do business. Failure to comply with those rules could expose the infringing company to sanctions or penalties including fines and civil damage actions. In some situations, private equity sponsors could be held jointly and severally liable for any sanctions or penalties imposed on a current or previously owned portfolio company for breach of the applicable antitrust rules.

Changes in Tax Law. Tax laws and administrative and judicial interpretations thereof are constantly under review and may be changed at any time, possibly with retroactive effect. No assurance can be given as to whether, when, or in what form, the tax laws applicable to an investment a Fund may be changed. Changes to the tax laws or interpretations thereof could adversely affect an investment in a Fund.

Potential Conflicts of Interest

The discussion below enumerates certain actual and potential conflicts of interest. The General Partners and their affiliates will attempt to resolve any conflicts of interest in good faith and in accordance with the Governing Documents, but there can be no assurance that conflicts of interest or actions taken by a General Partner or its affiliates in attempting to resolve such conflicts of interest will not have an adverse effect on a Fund or the limited partners. By acquiring an interest, each limited partner will be deemed to have acknowledged the existence of the actual and potential conflicts of interest described below, and to have consented thereto, and to have waived any claim in respect of the existence of any such conflict of interest. Pursuant to the Governing Documents, the General Partners will in certain situations be required to seek the approval of the limited partners in respect of conflicts of interest, and may also choose to seek such approval in respect of certain other conflict situations. Any such approval by the limited partners will be binding upon the Funds and the limited partners. Any decision by a General Partner not to seek such approval will not be construed as an acknowledgement that a conflict existed.

Other Investment Vehicles. Constellation expects in the future to organize and manage one or more entities with objectives similar to or different from those of the current Fund(s). It is possible that a particular opportunity would be suitable for a Fund and one or more such other investment vehicles. In addition, Constellation has the ability to allocate a portion of an investment opportunity to one or more other co-investors. As a result, Constellation may face a conflict of interest with respect to the allocation of such opportunity among the Funds and co-investors. The Funds will allocate such opportunities in accordance with the Firm's policies as in effect from time to time and the applicable provisions of the relevant Governing Documents, but there can be no assurance that any such conflict will be resolved in favor of a Fund or otherwise to the satisfaction of the limited partners.

Allocation of Investment Opportunities. Until the threshold date, each of a General Partner, Constellation, the Key Person and their respective affiliates will first be required to allocate all investment opportunities introduced to, or sourced by, any such party that are consistent with the investment objectives of a Fund to such Fund; provided, that foregoing restriction will not apply to (a) any investment previously determined by a General Partner to be inappropriate for a different Fund, (b) any passive and non-control investment (e.g., investments in a mutual fund, public equity, 401(k) program, limited partnership or private investment fund), (c) any investment required to be presented to affiliates or any other investment fund permitted to be organized by a General Partner, Constellation, the Key Person or any of their respective affiliates under the Governing Documents, (d) any investment presented to the investment professionals of a Fund in their capacity as directors of public or private companies and in similar circumstances where pre-existing fiduciary duties apply, and (e) any co-investment opportunity. Notwithstanding the foregoing, if a successor fund is formed prior to the threshold date, a Fund shall continue to have the right to invest the entire transaction amount required for each suitable investment opportunity unless a General Partner determines in good faith that it is not in the best interests of the Fund to invest in all or any portion of such suitable investment because of the size of or risk inherent in such suitable investment or due to legal, regulatory or tax considerations, in which case, a General Partner may (i) cause a Fund to co-invest with such successor fund in any such suitable investment opportunity or (ii) allocate the full portion of any such suitable investment opportunity to such successor fund.

As a result, Constellation faces a conflict of interest with respect to the allocation of investment opportunities among the Funds. Constellation will allocate such opportunities in accordance with its policies as in effect from time to time and the applicable provisions of the relevant Governing Documents, but there can be no assurance that any such conflict will be resolved in favor of a Fund or otherwise to the satisfaction of the limited partners.

Time and Attention. Constellation and any additional investment vehicles sponsored by Constellation are likely to require Constellation's investment professionals to devote substantial amounts of their time to matters unrelated to the business of the Funds, which can give rise to conflicts in the allocation of management resources, and the Funds will have no interest in any such other activities. Constellation's personnel may work on other projects. In addition, Constellation's personnel will participate in the management of the investment activities of concurrent Funds. It is possible that the investments held by one Fund may be in competition with those of another Fund. None of the limited partners in one Fund will have an interest in investments made by such other Fund(s) solely by reason of their investment in a Fund. In addition, any advisors or consultants retained by Constellation will not be exclusive and may devote substantial amounts of their time to matters unrelated to the business of Constellation or the Funds.

Potential Conflicts in Calculation and Allocation of Certain Fund Costs and Expenses. The Governing Documents provide that the Funds will be responsible for all costs and expenses in connection with their operation, other than the costs and expenses that will be the responsibility of the General Partners, Constellation or other third parties. A conflict of interest could arise in Constellation's determination of whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund expenses for which the Funds are responsible, or whether such expenses should be borne by a General Partner or Constellation. The Funds will be reliant on the determinations of Constellation and the General Partners in this regard, and also in regard to the allocation of investment expenses and any common operating expenses as among the Funds and any other affiliates of Constellation.

Co-Investment Opportunities. The Funds are permitted to invest in portfolio companies alongside other institutional investors and strategic investors, including limited partners and, on occasion, private equity funds sponsored by other managers. The Funds can be expected to engage in transactions with Passive Investors (as defined below) by, for example, purchasing portfolio investments from Passive Investors, or co-investing with Passive Investors in portfolio companies in which a Passive Investor holds material investments and with which a Passive Investor may have important business relationships. Such co-investments may involve risks not present in investments in which such other investors are not involved, including the risk that another such investor may at any time have economic or business interests or goals that are inconsistent with those of a Fund or be in a position to take action contrary to the investment objectives of a Fund, or may not have capital available for follow-on investments.

The General Partners expect to offer co-investment opportunities in accordance with the terms of the Governing Documents with respect to investments from time to time and will allocate such opportunities among interested parties in accordance with Constellation's co-investment policy, as amended from time to time, including, for example, on the basis of the size of a limited partner's commitments to a Fund as well as a broad range of other considerations including commercial and strategic considerations for the applicable investment, a limited partner's stated desire to participate in co-investments, a General Partner's determination of the appropriateness of offering a co-investment opportunity, an investor's ability to execute such offer and the approval of transaction counterparties.

There can be no assurances with respect to the amount of any co-investment opportunity that will be made available to a limited partner in connection with the Funds, and there is no guarantee, prediction or projection of the availability to a limited partner of future co-investment opportunities. Investing in a Fund does not entitle any

limited partner to allocations of co-investment opportunities and such opportunities may be offered to some and not to other limited partners or to third parties that are not limited partners in the Fund. Further, a Fund may make an investment with the intention of bridging a portion of such investment for co-investors. In the event that a Fund is unable to sell the full amount that it intended to bridge, the Fund may be less diversified than the General Partner intended.

Special Income. Constellation and its affiliates or employees will be entitled to receive transaction, directors, annual, disposition, management, monitoring, consulting and break-up fees and other similar fees in each case attributable to the activities of the Funds with respect to any investment, proposed investment or portfolio company, net of unreimbursed transaction expenses incurred by such persons (collectively, "Special Income"). 100% of Special Income will be applied to reduce the amount of the Management Fee assessed against each limited partner in respect of which the Management Fee is being assessed pro rata based on their respective commitments or on such other basis as the General Partner determines to be equitable. Accordingly, a Fund will, in most cases, only benefit from the Management Fee reduction described in Item 5 above with respect to its allocable portion of any such Special Income and not the portion allocable to any other person that holds an economic interest (or, in the case of a transaction not consummated, would have held an economic interest) in the applicable investment. In addition, none of the compensation or expense reimbursements made to the Operating Advisors or the Strategic Advisory Fee will be included as Special Income or otherwise reduce the Management Fee.

Conflicts Related to Fee Structure. The existence of a fixed commitment period, after which capital from limited partners may only be drawn down in limited circumstances, and after which the Management Fee is based upon capital invested by a Fund, may create an incentive for a General Partner to deploy capital of a Fund when it may not otherwise have done so.

The Funds have the right to recall certain distributed amounts and to reinvest proceeds received from investments, in each case in accordance with the Governing Documents. Accordingly, during the term of the Funds, a limited partner may be required to make capital contributions in excess of its capital commitment. Any such recall or reinvestment would limit early distributions to limited partners, and to the extent such recalled or retained amounts are reinvested, a limited partner will remain subject to the investment and other risks associated with such investments. As a result, reinvestment could increase the risk of investing in a Fund. Additional investments resulting from recycling have the potential to increase investment returns to limited partners (and reduce the effective burden of Management Fees assessed on the basis of commitments during a Fund's commitment period) to the extent such investments are profitable. However, there can be no assurance that any such investment will have a positive return. Further, any such additional investments will have the effect of increasing the Management Fee borne by limited partners following the commitment period, and as a result a General Partner may face a conflict of interest with respect to such additional investments insofar as it is incentivized to deploy recycled capital in additional investments when it might not otherwise have done so.

Inside Information. From time to time, Constellation or its affiliates may come into possession of material, non-public information concerning an entity in which a Fund has invested, or proposes to invest, or may be subject to restrictions imposed by a portfolio company on "insiders," and the possession of such information or the existence of such restrictions may limit the ability of the General Partners, as an affiliate of Constellation, to buy or sell securities of such entity on behalf of the Funds.

Limitation on Liability of the General Partners and Constellation. Each indemnified person (including, for the avoidance of doubt, the Founding Investors) will not be liable to the Funds or to any of the partners for any losses, claims, damages or liabilities arising from any act or omission performed or omitted by such indemnified person

(including any error in judgment in making any investment decisions), including any losses due to the negligence of brokers or other agents of a Fund, unless such losses, claims, damages or liabilities are primarily attributable to such indemnified person's fraud, willful misconduct or gross negligence, reckless disregard of duties or a material and knowing violation of applicable U.S. securities laws or a criminal conviction, in either case with respect to the investment or other activities of a Fund.

Diverse Limited Partners. The limited partners may include both taxable and tax-exempt entities, as well as persons or entities that are organized in various jurisdictions and that otherwise may have conflicting investment, tax or other interests. As a result, conflicts of interest may arise in connection with, among other things, the nature of investments made by a Fund, the structuring or acquisition of investments and the timing of dispositions of investments. Decisions made by a General Partner with respect to the foregoing may be more beneficial for one type of limited partner than for another type of limited partner. In selecting investments appropriate for the Funds, the General Partners will consider the investment objectives of a Fund as a whole, not the investment, tax or other objectives of any limited partner individually.

Passive Investors; Broad and Wide-Ranging Activities. Certain of Constellation's passive, minority owners (and/or parties affiliated therewith) and the Founding Investors or their affiliates (together, the "Passive Investors") are large participants in the equity and fixed income markets and engage in a broad spectrum of activities, including financial advisory services, research and sponsoring and managing public and private investment funds and accounts and other activities. In the ordinary course of its investment activities, a Passive Investor's interests may conflict with the interests of a Fund, the portfolio companies and/or the limited partners, notwithstanding such Passive Investor's direct or indirect participation in a Fund's investments. In addition, certain Passive Investors hold interests in, and furnish financial, advisory, consulting and/or management services to, or otherwise transact business with, other persons or entities with respect to investments similar to or different from investments of the Funds. Nothing precludes, restricts or in any way limits the activities of any Passive Investor, including any Passive Investor's ability to buy or sell interests in, or provide financing to, a Fund or portfolio companies, for their own accounts or for the accounts of their investment funds, accounts or clients. Passive Investors make introductions to Constellation and otherwise act to assist in the business and fundraising activities of the Firm. In addition, the portfolio companies may invest in investment vehicles that are managed by a Passive Investor. By acquiring an interest, each limited partner will be deemed to have acknowledged the existence of actual and potential conflicts of interest relating to the Passive Investors' investment in a Fund, Constellation, a General Partner and/or their affiliates, and to the possibility that the portfolio companies may invest in funds managed by the Passive Investors, and to have waived any claim with respect to the existence of any such conflict of interest.

Furthermore, Fund investments will from time to time involve (directly or indirectly) new or follow-on investments in (i) entities in which Passive Investors have made or will make investments or commitments; or (ii) entities that have made or will make investments or commitments in Passive Investors and/or funds managed or advised by Passive Investors. In particular, a Fund may make investments in portfolio companies (or the portfolio companies may make investments in funds) in which a Passive Investor holds an interest or has an existing investment or business relationship, or may make a Fund investment in a portfolio company contemporaneously with a Passive Investor without the need for consent or approval from the limited partners. Such investments or commitments may be made at different prices and on different terms. No assurance can be given that the Funds will realize identical or similar economic results from an investment in a portfolio company as compared to the investment made by such Passive Investor, and as a result thereof the interest of such Passive Investor and the interest of the Funds in restructuring, exercising with respect to or realizing an investment in such portfolio company can differ.

In addition, the Funds and their portfolio companies can be expected to engage in transactions with Passive Investors by, for example, purchasing portfolio investments or receiving loans from Passive Investors, or co-investing with Passive Investors in portfolio companies in which a Passive Investor holds material investments and with which a Passive Investor may have important business relationships. A Passive Investor may have an incentive to seek to refer or recommend such investments to a Fund. A Fund may make investments from time to time in transactions where a Passive Investor is acting as agent, manager, a financing source or otherwise on the other side of the transaction on behalf of itself or another party in the transaction. To the extent a Fund makes an investment in a company where such a relationship already exists, or enters into a transaction directly with such party, it will occur on terms that are determined by Constellation to be appropriate for the Fund. It is expected that Passive Investors will, directly or indirectly, receive fees, compensation or other similar financial benefits from such transactions, in each case dependent upon such Passive Investor's role in such transaction. All transactions listed above do not require the approval or consent of any limited partner and do not constitute a conflict of interest for the purposes of the Governing Documents.

Conflicts of Interest Generally; No Limited Partner Advisory Committee. Conflicts of interest that arise between a Fund or its investments, on the one hand, and Constellation, a General Partner, the Founding Investors and their respective affiliates, on the other hand, will be discussed and resolved on a case-by-case basis by senior management of Constellation and representatives of a General Partner. Any such discussions will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict. A General Partner will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Funds and the limited partners. Limited partners should be aware that conflicts will not necessarily be resolved in favor of a Fund's investments.

In addition, the Fund I General Partner has not and does not intend to establish a limited partner advisory committee for the Fund, and, therefore, if a majority in interest of the limited partners waives or approves standards and procedures with regard to, any potential conflict of interest presented to the limited partners, and provided the General Partner acts in good faith in implementing such standards and procedures, then, to the fullest extent permitted by law, the General Partner, Constellation and their respective affiliates will not have any liability to Fund I or the limited partners for acting or omitting to act, as the case may be, in the manner approved by the limited partners. The General Partner's liability with respect to conflicts of interest are detailed more fully in the Fund I Governing Documents.

Strategic Advisory Services. The "Strategic Advisory Group" provides strategic services to Constellation, the Funds and their portfolio companies and prospective portfolio companies. The group focuses on four main pillars: growth initiatives, strategic guidance, operational enhancements, and investment platform expansion. Fund I will pay an annual fee to Constellation quarterly in advance (the "Strategic Advisory Fee"), starting on the date of the initial closing, which will be assessed in respect of each limited partner at the rate of 0.20% per annum of the commitments of the limited partners. The Strategic Advisory Fee is not considered Special Income and will therefore not offset the Management Fee. Moreover, at any given time, there can be no assurance that other clients of Constellation will not be the primary beneficiaries of the services provided by the Strategic Advisory Services despite the fact that Fund I will bear a portion of the cost of these services through its payment of the Strategic Advisory Fee. While members of the Strategic Advisory Group will focus their efforts on servicing Fund I and its portfolio companies and its prospective portfolio companies, they can be expected to, on occasion, in addition to or in the course of fulfilling their Strategic Advisory Group duties, also render assistance to Constellation by, among other things, speaking to current or prospective limited partners about the Funds, or providing advice to Constellation's investment team or other businesses within Constellation. For example, it is anticipated that members of the Strategic Advisory Group

will from time to time explain the role and function of the Strategic Advisory Group to prospective limited partners in the Funds, provide input for potential candidates for Constellation's investment team or provide advice to Constellation's investment team during the course of operational due diligence conducted in connection with the portfolio companies.

Liquidity Strategies. Several monetization or realization strategies are expected to be available to the Funds, each offering the General Partners and/or Constellation differing Carried Interest, entitlements and fees, both in connection with their liquidity strategy and with respect to operation of the Funds subsequent thereto. These differences may motivate a General Partner to choose one exit strategy over another exit strategy. The potential to provide such services and the desire to continue providing such services may motivate a General Partner to choose one exit strategy over another exit strategy.

Other Activities and Relationships. The members of Constellation's investment team will serve as members of the boards of directors of various companies and, as described above, may participate in other activities outside of Constellation. Conflicts may arise as a result of such activities. The possibility exists that the companies with which one or more of those individuals is involved could engage in transactions that would be suitable for a Fund, but in which such Fund might be unable to invest.

Founding Investors. Founding Investors are entitled to additional rights and interests not afforded to other limited partners, including an entitlement to share in a percentage of the Management Fee and Carried Interest generated by Fund I (and potentially, future funds), certain co-investment rights, and certain review and consent rights relating to any exit and liquidity strategies, which rights are distinct from their interests, and may be motivated by interests that are different from the General Partner, Constellation and the limited partners. Further, Founding Investors are entitled to additional rights and interests with respect to co-investment opportunities in which they choose to participate, which rights and interests are expected to be more favorable to such Founding Investors than other co-investors. These rights and interests may influence their respective votes, actions and discussions, including votes, actions or discussions as limited partners. As provided in the Governing Documents, any limited partner may take any action or decline to take any action without regard to any potential conflict of interest resulting from its status as a Founding Investor. Moreover, as provided in the Governing Documents, Founding Investors do not owe any duties (fiduciary or otherwise) to the Funds or any partner thereto in respect of the activities of the Funds, the General Partners or Constellation and, in taking or omitting to take any action or to exercise any rights provided to a Founding Investor in connection with its investment in the Funds, such Founding Investor may act solely in its own interests taking into account the separate rights and interests described herein, and without regard to the potential conflict of interest or impact of any such vote on any other partner or the Funds, and the same shall not be deemed to violate any duty applicable to limited partners under the Governing Documents.

As provided in the Governing Documents, Founding Investors will be indemnified and held harmless against any losses, claims, damages, or liabilities to which such Founding Investors may become subject in connection with any matter arising out of or in connection with the Governing Documents or a Fund's business or affairs. By becoming a limited partner in a Fund, each limited partner acknowledges that in exercising voting rights as limited partners, Founding Investors may be motivated by interests that are different from other Partners, which interests may have a meaningful influence on the outcome of limited partner votes and discussions. There is no guarantee that any conflicts of interest created by a Founding Investor's interests will not have a material adverse effect on a Fund.

Item 9 – Disciplinary Information

The Firm does not have any legal or other disciplinary events to report that are material to a current or prospective limited partner's evaluation of the Firm's advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

Neither Constellation nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Neither Constellation nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading adviser, or an associated person of the foregoing.

Constellation does not have arrangements with a related person who is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, other investment adviser or financial planner, futures commission merchant, commodity pool operator, commodity trading adviser, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, broker or dealer, or sponsor or syndicator of limited partnerships that are material to its advisory business or to its Funds or its limited partners. Constellation has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, fund administration, banking, investment banking, placement agent services, tax preparation, insurance brokerage, compliance, information technology and other services. Some of these professionals provide services to the principals, the Funds or their portfolio companies. Additionally, some of these professionals are expected to be limited partners in Constellation Funds, either personally or through their company.

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

Constellation does not recommend or select other investment advisers for the Funds from which it receives compensation.

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

Code of Ethics

Pursuant to Rule 204A-1 of the Advisers Act, Constellation has adopted a written code of ethics ("Code of Ethics") that sets forth standards of conduct expected of supervised persons and addresses personal trading and reporting of personal securities transactions, gifts and entertainment and outside business activities, among other topics. The Code of Ethics requires all supervised persons to place Fund interests ahead of the Firm's interests and to maintain full compliance with the federal securities laws. With respect to third parties that are not subject to the trading restrictions under Constellation's Code of Ethics and that may otherwise obtain sensitive and nonpublic information relating to a Fund deal (e.g., co-investors, legal, financial, diligence, public relations and other similar service

providers), such persons typically are subject to contractual provisions in confidentiality agreements or professional obligations that prohibit the misuse of any such information.

Supervised persons are required to certify their compliance with the Code of Ethics upon hire and on an annual basis. Supervised persons who violate the Code of Ethics will be subject to remedial actions, including, but not limited to, censure, suspension or dismissal. Supervised persons are also required to promptly report any violations of the Code of Ethics of which they become aware.

Constellation will provide a copy of its Code of Ethics to any existing or prospective limited partner upon request to Constellation's Chief Compliance Officer at info@constellationwealthcapital.com.

Personal Trading

The personal trading policy for Constellation supervised persons is set forth in Constellation's Code of Ethics and is acknowledged as received and understood by each supervised person. Constellation's personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by a supervised person and that supervised persons do not misappropriate any benefit properly belonging to a Fund.

Constellation expects that instances of supervised persons having access to material nonpublic information regarding publicly traded securities will be relatively infrequent. Constellation's supervised persons and their covered family members are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding publicly traded securities or communicating material nonpublic information about such securities to others. The Code of Ethics establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. Constellation maintains a restricted list of issuers about which it has or may have material nonpublic information. Supervised persons are permitted to make securities transactions in their personal accounts, subject to certain limitations. Pre-clearance is required by supervised persons and their covered family members for certain personal securities transactions, including trading in restricted list securities, initial public offerings and limited offerings. In addition, supervised persons are required to file certain reports and link certain brokerage accounts to Constellation's compliance software to enable monitoring of personal trading by the Chief Compliance Officer or designee.

The principals and employees of Constellation will occasionally carry on investment activities for their own account and for family members, and in connection therewith, can potentially give advice and recommend securities which differs from advice given to, or securities recommended or bought for, the Funds, even if their investment objectives are the same or similar. In addition, principals and employees are permitted to buy securities in transactions offered to, but rejected by, the Funds or that are outside the investment mandate of the Funds. All such employee private investments are subject to pre-approval and/or review by the Chief Compliance Officer.

Because of the private nature of the Funds' investments, Constellation does not typically face a situation where a supervised person buys or sells a security for his or her own account at or about the same time that the Firm is also buying or selling the same securities for the Funds. A supervised person wishing to purchase or sell an interest in a Constellation portfolio company is required to seek pre-approval from the Chief Compliance Officer for such transaction.

Participation or Interest in Client Transactions

Certain Constellation employees and their family members are expected to invest in the Funds either through the General Partner and/or as Fund limited partners. As mentioned in Item 5 and Item 6 above, Constellation intends to reduce all or a portion of the Management Fee and Carried Interest related to investments held by such persons. Constellation does not believe this arrangement presents any material conflict of interest since the General Partners' interests are aligned with the interests of limited partners in such Funds.

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

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, knowingly buys from or sells a security to an advisory client. This applies to any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser, such as a Fund General Partner). Cross trades between funds can also be deemed to be principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either fund. In the context of Constellation's business, a principal transaction would most likely refer to the practice of warehousing an investment for the formation of a future fund or Constellation or a Fund General Partner purchasing the interest of an existing limited partner. Cross transactions occur when an adviser or an affiliate arranges a transaction (*i.e.*, acts as broker) between two or more funds or accounts that are managed by that same adviser or an affiliate. An adviser is not "acting as a broker" if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the assets) for effecting the transaction and therefore is not considered to be conducting a cross transaction under Section 206(3) of the Advisers Act. In the context of Constellation's business, a cross transaction would occur when selling a portfolio company, investment or other asset from one Fund to another. Agency cross transactions occur when an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer, which is not applicable to Constellation.

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

Conflicts of Interest

If any matter arises that Constellation determines in its good faith constitutes an actual conflict of interest, Constellation will take such actions as are necessary or appropriate, and as permitted by any applicable Fund's Governing Documents, to address the conflict. The Governing Documents of each Fund include a description of what Constellation believes to be the most significant conflicts of interest associated with an investment in that Fund. Some of these conflicts are summarized in Item 8 above.

Item 12 – Brokerage Practices

Typically, the Funds' investments in portfolio companies are private transactions directly negotiated between prospective portfolio companies (or their representative) and Constellation and are not facilitated by broker-dealers engaged by Constellation or the Funds. However, portfolio companies periodically engage broker-dealers or

investment bankers to perform various services, such as assisting in capital raising, merger and acquisition activity or other activities. Constellation has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker-dealer or investment banker, if any, to be used to effect transactions for the Funds. In executing transactions, Constellation will seek best execution of the transaction. Best execution is a qualitative assessment that takes into account the full range and quality of a broker-dealer or investment banker's services and is satisfied by obtaining the most advantageous overall terms for the Fund(s) when weighing all factors relevant to the transaction. Best execution is therefore not necessarily determined by lowest possible commission rates.

Whether for private or public securities transactions, Constellation selects a broker-dealer or investment banker based on Constellation's judgment regarding a variety of factors, including but not limited to: Constellation's prior experience in working with the broker-dealer or investment banker; the broker-dealer or investment banker's execution capability, financial responsibility, reputation and expertise within the industry; the broker-dealer or investment banker's responsiveness to the Firm; the broker-dealer or investment banker's expertise in dealing with investments that are restrictive or illiquid in nature; the type and size of the transaction involved; the value of any research services providers; and the commission rates, among other factors.

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

Constellation does not receive research or other soft dollar benefits in connection with securities transactions for the Funds, does not receive investor referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event Constellation were to aggregate the purchase or sale of securities for client accounts, it would do so on a pro rata basis.

Item 13 – Review of Accounts

Review of Fund Accounts

The investment portfolios of the Funds are private, illiquid and long-term in nature and accordingly Constellation's review of them is not directed toward a short-term decision to dispose of securities. Constellation investment professionals closely monitor the portfolio companies of the Funds and maintain an ongoing oversight position in such portfolio companies. Decisions as to when to purchase or sell a portfolio company are made by the investment committee. A team of investment professionals, including the Strategic Advisory Group, monitor portfolio company performance through regular meetings, as well as detailed reviews of specific portfolio companies that occur as needed.

Limited Partner Reporting

Constellation provides to limited partners on behalf of its Funds the following written reports: (i) annual audited financial statements prepared in accordance with United States generally accepted accounting principles ("GAAP") as promulgated by the Financial Accounting Standards Board ("FASB"), accompanied by the report of the independent certified public accountant within 120 days of fiscal year end (or earlier as agreed to in the relevant Governing Documents) beginning with the first fiscal year in which the Fund has received capital contributions; (ii)

unaudited financial statements for the first three quarters of each fiscal year; (iii) annual tax information necessary for the completion of tax returns (K-1); (iv) annual partner capital account statements; and (v) annual and quarterly statement of the determination of the value of each investment as of the end of the preceding calendar quarter/year, including a summary of any material events. The Firm also has contact with limited partners (*e.g.*, personal visits, video conference, telephone and email) throughout the year as requested and/or as conditions warrant.

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

Item 14 – Client Referrals and Other Compensation

As described in Item 5 above, Constellation is permitted to receive Special Income from the portfolio companies held by the Funds. This type of fee arrangement presents a potential conflict of interest and provides Constellation with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To help mitigate this potential conflict of interest, an allocable portion of Special Income received by Constellation or its employees (but not Operating Advisors) in connection with services rendered to portfolio companies or transactions of the Funds will be offset against Management Fees payable by the Funds, to the extent described above in Item 5 and as detailed in each Fund's Governing Documents. Such fees, expenses, reimbursements and any conflicts of interest associated with the receipt of such fees are detailed in each Fund's Governing Documents and are described in this Brochure, in each case as presented to limited partners prior to investment in a Fund.

Other than as described above, Constellation does not receive any monetary compensation or any other economic benefit from a non-client for Constellation's provision of investment advisory services to a client.

From time to time, Constellation enters into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Fees payable to such placement agents will be borne by Constellation indirectly through an offset against the Management Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s) as part of the organizational expenses of such Fund.

Item 15 – Custody

Constellation has custody of the Funds' assets because the General Partners are not operationally independent from Constellation: each Fund's General Partner generally has full discretion and control over Fund investments and cash, including the ability to deduct fees from Fund accounts. To comply with Advisers Act Rule 206(4)-2 (the "Custody Rule"), Constellation has elected to undergo an annual GAAP financial statement audit by an independent public

accountant registered with and subject to examination by the Public Company Accounting Oversight Board for each of the Funds over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective limited partners within 120 days of fiscal year end (or earlier as agreed to in the relevant Governing Documents). In addition, upon the final liquidation of a Fund, Constellation will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all underlying limited partners promptly upon completion of the audit. Limited partners are encouraged to carefully review such financial statements.

Item 16 – Investment Discretion

Constellation receives and exercises complete discretionary authority to manage investments on behalf of the Funds as per the Governing Documents of each Fund. To become a limited partner in a Fund, an investor must execute, among other documents, a subscription agreement and a limited partnership agreement (or similar agreement) with a Fund. Such documents generally contain a power of attorney that grants Constellation or the applicable Fund's General Partner certain powers related to the orderly administration of the affairs of the Fund. Once an investor executes these documents, with limited exceptions discussed elsewhere in this Brochure, Constellation is not required to contact such limited partner prior to transacting business in a Fund.

Generally, Constellation's only restrictions with respect to managing a Fund, such as, but not limited to, the type of securities in which a Fund invests, are contained in the relevant Fund's Governing Documents. However, a limited partner can seek to impose limitations on Constellation's authority through a Side Letter agreement, and the Firm and/or the relevant General Partner can choose to accept reasonable limitations or restrictions at its discretion. All limitations and restrictions placed upon Constellation's investment authority with respect to a limited partner's investment must be presented to Constellation and the relevant Fund's General Partner in writing and agreed to by all applicable parties. Other limited partners meeting certain commitment thresholds are provided with notification provisions regarding such Side Letter agreements but are not provided with consent rights over such agreements.

Item 17 – Voting Client Securities

Rule 206(4)-6 of the Advisers Act requires an investment adviser who exercises voting authority with respect to client securities to adopt and implement written policies and procedures reasonably designed to ensure that the adviser votes proxies in the best interest of its clients. Rule 206(4)-6 further requires an adviser to provide a concise summary of its proxy voting process and offer to provide copies of the complete proxy voting policy and procedures to clients upon request. Lastly, Rule 206(4)-6 requires that each adviser disclose to clients how they can obtain information on how the adviser voted their proxies.

The Funds invest in equity and debt instruments in wealth management companies, which do not issue proxies. Accordingly, Constellation does not have an opportunity to vote proxies on behalf of its Funds and does not currently exercise voting authority on behalf of its Funds. In the event this were to change, Constellation will implement policies and procedures to vote such proxies in accordance with its fiduciary duty and in the best interests of the Funds.

Item 18 – Financial Information

Constellation does not require or solicit prepayment six months or more in advance of more than \$1,200 in fees per Fund; has no financial condition reasonably likely to impair its ability to meet contractual commitments to Funds or limited partners; and has not been the subject of a bankruptcy proceeding.