

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

TOWN LANE MANAGEMENT LP

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Town Lane Management LP (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at info@townlane.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 authority.

The Management Company is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

ITEM 2 MATERIAL CHANGES

The Management Company is a new investment adviser and is filing Form ADV for the first time. As a result, there are no material changes to report.

Recipients of this Brochure are encouraged to read the Brochure in its entirety.

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ITEM 4 ADVISORY BUSINESS

The Management Company, a Delaware limited partnership and an investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. The Management Company commenced operations in 2023.

The Management Company's clients include the following (each, a "**Fund**," and collectively, together with any future private investment fund to which the Management Company and/or its affiliates provide investment advisory services, the "**Funds**"):

- Town Lane Real Estate Opportunities Fund I-A LP ("**Fund I-A**")
- Town Lane Real Estate Opportunities Fund I-B LP ("**Fund I-B**")
- Town Lane Real Estate Opportunities Fund I-C LP ("**Fund I-C**" and together with Fund I-A and Fund I-B, "**Fund I**")

The following general partner entities are affiliated with the Management Company:

- Town Lane Real Estate Opportunities Fund I GP LP (the "**General Partner**," and collectively, together with any future affiliated general partner entities, the "**General Partners**," and together with the Management Company and its affiliated entities "**Town Lane**").

Pursuant to Fund I's agreements of limited partnership (together, the "**Partnership Agreement**"), the General Partner has the authority to manage the business and affairs of the Funds. The General Partner has delegated, or in the future is expected to delegate, subject to its oversight, day-to-day responsibility for the management and operations of the Funds to the Management Company or another Town Lane affiliate pursuant to a management agreement (the "**Management Agreement**"). The General Partner is subject to the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partner, which operates as a single advisory business together with the Management Company.

Interests in the Funds will be privately offered to qualified investors in the United States and elsewhere. Town Lane'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 such investments. Fund I is a private equity fund which, pursuant to a value-added and opportunistic investment and management strategy, seeks to assemble a portfolio of equity and selective credit investments in real estate and real estate-related assets (including commercial real estate assets, portfolios of assets, platforms, opportunistic credit and public securities), generally referred to herein as "portfolio companies", "investments" or "portfolio investments." While the Funds seek to invest predominantly in non-public companies, the Funds may invest in public companies, subject to certain limitations set forth in the Partnership Agreement. From time to time, where such investments consist of controlling

positions in portfolio companies, generally at least one principal (each, a “**Principal**”) or other investment professional of Town Lane is expected to serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Town Lane’s advisory services to the Funds are detailed in the private placement memorandum (the “**Memorandum**”), the Management Agreement and the Partnership Agreement (collectively, with the Memorandum, the “**Governing Documents**”) and are further described below under Item 8. “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds (generally referred to herein as “investors” or “limited partners”) participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between the Town Lane and any investor. The Funds or the General Partner expects to enter into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights under or altering or supplementing the terms (including economic or other terms) of, the Governing Documents or the investor’s subscription agreement, including providing informational rights, addressing regulatory matters with respect to such investors, effectively excusing such investors from participating in certain types of investments, varying economic terms or fee structures, waiving or modifying certain obligations with respect to such investors, restricting the General Partner’s ability to exercise certain rights with respect to such investors, providing transfer rights and offering co-investment related provisions.

Additionally, from time to time and as permitted by the Governing Documents, Town Lane expects to provide (or agree to provide) investment or co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain current or prospective investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, Town Lane’s personnel and/or certain other persons associated with Town Lane and/or its affiliates. Such co-investments are expected to typically involve investment and disposal of interests in the applicable portfolio investment at substantially the same time and on substantially the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio investment (also known as a post-closing sell-down, syndication or transfer), which generally is expected to be funded through Fund investor capital contributions and/or use of a Fund credit facility, if any. Any such purchase from a Fund by a co-investor or co-invest vehicle is expected to generally occur shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund’s initial purchase. Where appropriate, and in Town Lane’s sole discretion, Town Lane 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 are expected to generally be borne by the relevant Fund.

In addition to the foregoing, the Management Company may serve as the investment manager to a number of special purpose vehicles through which the Funds may invest. Town Lane

may form special purpose vehicles to facilitate portfolio investments by the Funds for legal, tax, accounting, regulatory, ERISA, economic or other similar purposes. Under the Partnership Agreement, the General Partner will also have the authority to form alternative investment vehicles to invest in lieu of the Funds (each, an “**alternative investment vehicle**”), to the extent appropriate to address tax, regulatory or economic matters, and the limited partners of the Funds may be admitted as limited partners of such alternative investment vehicles, which generally are expected to contain legal and economic provisions that are similar or equivalent to those of the Partnership Agreement. The Management Company may serve as the investment manager to such special purpose vehicles and alternative investment vehicles, if and when formed. Finally, in connection with certain investments, Town Lane may employ hedging techniques designed to reduce the risks of adverse movements in interest rates, securities prices, and currency exchange rates.

As of **January 2, 2024**, the Management Company does not have any client assets under management. Town Lane LLC, a Delaware limited liability company, acts as the general partner of the Management Company and is principally owned and controlled by Tyler Henritze.

ITEM 5 FEES AND COMPENSATION

In general, Town Lane will receive a management fee (the “**Management Fee**”) and carried interest in connection with the provision of advisory services to the Funds. Town Lane may receive additional compensation in connection with management and other services performed for portfolio investments of the Funds and, in certain cases, the Funds’ pro rata share of such additional compensation will offset in whole or in part the Management Fees otherwise payable to Town Lane to the extent provided by the Governing Documents. Investors in the Funds also bear certain expenses. Fee structures are negotiated on a vehicle-by-vehicle basis so investors should review the Governing Documents. The fee structure for Fund I is summarized below. Capitalized terms used but not defined herein have the meanings ascribed to them in Fund I’s Partnership Agreement. It is expected that future Funds will generally have a similar structure.

Management Fees

During the Investment Period, the Management Company will be entitled to a Management Fee, payable quarterly in advance, equal to 1.5% on an annual basis of Fund I’s aggregate capital commitments (“**Commitments**”). After the earlier to occur of the expiration of the Investment Period or upon the occurrence of certain events set forth in the Partnership Agreement, such Management Fee will be reduced to an amount equal to 1.5% on an annual basis of the Net Equity Invested.

Installments of the Management Fee payable for any period other than a full quarterly period are adjusted on a *pro rata* basis according to the actual number of days in such period. Such Management Fee will generally be payable until all Fund I assets have been distributed or until Town Lane’s relationship with Fund I is terminated for other reasons (as described in the Governing Documents). Limited Partners participating in a closing after the Effective Date will bear the Management Fee retroactive to the Effective Date as if such Limited Partner was admitted for its full Commitment on the Effective Date, with an added interest factor. As a general matter, Management Fees will be payable during term extensions, if any, unless otherwise agreed with investors.

Under the Governing Documents, the Management Fee will be calculated and charged on a basis that generally is not tied to Fund I's then-current net asset value. As further specified in the Governing Documents, and as discussed above, the Management Fees will initially generally be charged based on a formula tied to the amount of the Commitments. However, after Fund I's Investment Period or such earlier date as specified in the Governing Documents, the Management Fee generally will be charged on Net Equity Invested, which is in part tied to the amount of contributed capital or the cost basis of investments made by Fund I. As a result, except where the Governing Documents expressly provide to the contrary, the amount of Management Fees generally will not correspond with fluctuations in Fund I's net asset value or the net asset value of individual investments, including where the fair market value of an investment exceeds or falls below the total amount of contributed capital or the cost basis relating to such investment. Therefore, the Management Fee generally will not be reduced in connection with certain distributions (e.g., those resulting from a recapitalization or refinancing), partial realizations, reorganizations, restructurings and write downs, unless otherwise determined by the General Partner as required by Fund I's Partnership Agreement, and in such cases, Limited Partners will continue paying Management Fees based on Commitments or Net Equity Invested, as applicable, regardless of any such transaction. The lack of a requirement to reduce the Management Fee in connection with certain distributions (e.g., those resulting from a recapitalization or refinancing), partial realizations, reorganizations restructurings and write downs, made with respect to, or similar transaction related to, an investment presents certain conflicts between the interests of Town Lane and the interests of Limited Partners, including by incentivizing Town Lane to pursue transactions that would result in the continued payment of Management Fees.

The Governing Documents set forth the full list of terms under which Management Fees will be reduced, offset or otherwise be limited, and consequently investors should expect to bear the full specified Management Fee rate in the Governing Documents until they are reduced in the circumstances and on the date(s) specified therein.

As further described in the Governing Documents, Fund I's Management Fee may be reduced, although not below zero, by an amount equal to Fund I's pro rata share of all Transaction Fees, Excess Organizational Expenses and Placement Fees paid or reimbursed by Fund I (but, to the extent specified in the Governing Documents, not by any amounts paid to Advisors (as defined below) retained by or providing services to Fund I or portfolio investments). To the extent that the Fund I Management Fee is not reduced as of any given payment date because such Management Fee installment has been reduced to zero, the excess shall be carried over to the next succeeding payment date and applied as a reduction of the Management Fee, but not below zero, for such succeeding payment date. If a credit remains upon liquidation a payment will be made crediting limited partners unless a limited partner has elected to waive such amount (e.g., where an adverse tax consequence potentially will result). Any Fund that does not pay a Management Fee will neither receive the benefit of the Management Fee offsets nor share in any of such additional fees earned by Town Lane.

As a matter of practice, the Management Company is typically paid fees of the type referred to in the preceding paragraph from, on behalf of or with respect to co-investors in an investment, as well as other fees relating to the structuring and administration of co-investment arrangements. Any receipt of such fees with respect to co-investors is not expected to reduce the Management Fee payable by Fund I, and, as a result, Fund I will, in most cases, only benefit with respect to the

relevant allocable portion on a fully diluted basis of any such fee and not the portion of any fee related to the General Partner or affiliated partner commitments or that relates to such co-investors or potential co-investors (which could include co-investment vehicles managed by Town Lane, third parties, portfolio company management or employees and/or others), which have the potential to be significant. Any such fee offsets generally will be performed on a net basis, after giving effect to certain taxes and other expenses in connection with the receipt of such fees or the provision of related services. Unless otherwise agreed with investors, such fees generally will be payable during term extensions, even if Management Fees are reduced or eliminated during the extended term, thus reducing the amounts of Management Fees actually offset. Such fees will be offset only to the extent they are paid during the holding period of Fund I, and investors generally will not receive the benefit of such fees paid prior to Fund I's acquisition of the relevant investment. In certain circumstances, Town Lane expects that co-investors, lenders, consultants or other parties from time to time will negotiate the right to share a portion of such fees from a particular investment, and any fee offset will be applied after excluding any amounts paid to such persons. Additionally, as further described below and in the Governing Documents, it is the Management Company's practice to use or retain Advisors (as defined below) to provide services to (or with respect to) certain portfolio investments in which Fund I invests. Such Advisors generally receive compensation and other amounts described herein from the relevant portfolio investments or Fund I, but no such amounts will offset or reduce the Management Fee.

In addition, the Partnership Agreement typically allows the Management Company to waive all or a portion or agree to reduce the Management Fee it is entitled to receive. Certain waived portions of the Management Fee are treated by the Partnership Agreement as a deemed capital contribution by the General Partner, which is effectively invested in Fund I on the General Partner's behalf. Any such waived portion of the Management Fee reduces the amount of capital the General Partner would otherwise be required to contribute to Fund I. The limited partners of Fund I would, in such circumstances, be required to make a *pro rata* contribution according to their respective Commitments to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by the Management Company and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will be delayed.

Carried Interest

With respect to Fund I, the General Partner will be entitled to receive a carried interest equal to 20% of all realized profits, provided that no carried interest will be payable to the General Partner unless all Limited Partners have received an 8% per annum preferred return as more fully described in the Governing Documents. The carried interest distributed to the General Partner is subject to a potential clawback at the end of the life of Fund I if the General Partner has received excess cumulative distributions from the Funds. The General Partner will generally also have a similar obligation to restore distributions to Fund I on an "interim giveback" basis prior to such time as set forth in the Partnership Agreement.

Other Information

The Funds generally will invest on a long-term basis. Accordingly, Management Fees and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the Funds, and investors generally are not permitted to withdraw or redeem interests in the Funds, except in the case of certain legal or regulatory issues or as otherwise permitted in the Governing Documents.

Principals or other current or former employees of Town Lane generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Town Lane. In addition, the General Partner is permitted to exempt certain “affiliated partner” investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including the General Partner and any other person designated by the General Partner, such as “friends and family” of Town Lane or its personnel, or other investors meeting certain qualification requirements based on Commitment size or other strategic or relationship factors. The General Partner reserves the right to make any such exemption from Management Fees and/or carried interest by a direct exemption, a rebate by Town Lane, or through other Funds which co-invest with a Fund. For example, in instances where a Town Lane professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and/or carried interest with respect to such Fund. Additionally, to the extent permitted by the Governing Documents, the General Partner will have the right to permit investors, affiliated with Town Lane or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees and/or carried interest. In general, the Management Fee offsets described above apply only with respect to the Commitments of fee-paying investors. Town Lane retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor’s capital account(s).

In addition to the Management Fee and carried interest payable to Town Lane, each Fund will bear certain fees, costs, expenses, liabilities and obligations (referred to collectively below as “costs”) in connection with the Fund’s, its direct or indirect subsidiaries and their respective activities, businesses and actual or potential investments (to the extent not borne or reimbursed by a subsidiary or an actual or potential investment or applied to reduce Management Fees, and whether or not incurred by Town Lane or any other person), generally including all costs relating or attributable to: activities with respect to the origination, identification and sourcing of investment opportunities, including attending and sponsoring industry conferences and events, meeting with consultants, finders (including with respect to the retention of potential Operations Group (as defined below) members), broker-dealers, investment banks and other sources of investments and developing and maintaining an investment pipeline; activities with respect to pursuing, developing (including costs of tenant and capital improvements), structuring (including tax), organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals, databases or research services), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, leasing, servicing, taking public or private, selling, valuing, trading, rating, collecting on, winding up, liquidating, dissolving or otherwise disposing, as applicable, of Fund entities and actual or potential investments (including follow-on investments) and in connection with subsidiaries (including costs attributable to

qualifying or maintaining necessary or appropriate qualification(s) of such entities or in seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other costs payable to attorneys, accountants, tax professionals, REIT consultants, investment bankers, lenders, expert networks, third-party diligence and deal-sourcing software and service providers, consultants and similar professionals in connection therewith); indebtedness of, or guarantees made by, Fund entities or any other person (including any credit facility, capital call facility, letter of credit or similar credit support) including the repayment of principal or the payment of interest and other costs with respect thereto, or evaluating, negotiating or conducting any other activities related to seeking to put in place, amend or modify any such indebtedness or guarantee; financing, commitment, origination, exclusivity and similar activities; broker, dealer, finder, underwriting (including both commissions and discounts), private placement, sales, investment banker and similar services; loan administration, loan servicing, special servicing, asset management, loan agency services, credit support and similar services; brokerage, sale, custodial, depository, local paying agent, trustee, record keeping, account registered office and similar services (including any depository appointed pursuant to the AIFMD or any similar law, rule or regulation and any Swiss representative or paying agent appointed pursuant to the Swiss Collective Investment Schemes Act (as amended), including any law, rule or regulation relating to the implementation thereof); reporting, filings and other ongoing compliance requirements contemplated by the AIFMD or any similar law, rule or regulation (including the initial and/or preliminary registrations, filings and compliance obligations related thereto), including secondary legislation, regulations, rules and/or associated guidance, and any related requirements; developing, structuring, maintaining, operating and winding up administrative structures in Luxembourg, other European countries and other jurisdictions that are put in place with respect to the establishment of required residence and/or the operation of investment activities (including the salary and benefits of any personnel reasonably necessary for the maintenance of such structures, other overhead, rent and similar costs in connection therewith and any such costs of any such structure involving other persons managed by, or affiliated with, Town Lane); legal, accounting, research (including expert consultants, research reports, subscriptions to any periodicals, databases and/or research services, research calls and meetings and research or industry conferences), auditing, technology, administration (including costs associated with compliance with any applicable law relating to anti-money laundering and any third-party administrator (including any third-party administrator engaged to provide accounting, capital call, distribution, investor reporting, anti-money laundering compliance, tax and other fund administrative services) and administration, tracking or reporting software, if any), registrar and transfer agent services, safekeeping services, information, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services), real estate title, survey, hedging, consulting (including costs relating to hiring consultants (e.g., headhunter fees, background checks and relocation costs), consulting and retainer fees, salaries, bonuses, guaranteed minimums and other compensation or reimbursements paid to, and benefits or personnel costs (including employee benefits, payroll taxes, insurance, paid time-off and office space) provided to or on behalf of, the Operations Group or any of its members, consultants performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies and other consultants), tax and other professional services, including costs related to the establishment or maintenance of any such activities or services; property management, development management, leasing, construction management, development, environmental, brokerage, oversight, sales agents and other services; reverse breakup, termination and other similar arrangements; insurance

(including directors and officers liability, fidelity bond, cybersecurity, representation and warranty, errors and omissions liability, crime coverage, property and casualty and general partnership liability premiums and other insurance and regulatory costs, including costs related to any retention or deductibles and broker costs and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance; filing, title, transfer, survey, registration and other similar activities; printing, communications, mailing, courier, marketing and publicity; the preparation, distribution or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with partners, any other administrative, compliance or regulatory certifications, filings or reports (including Form PF and Bureau of Economic Analysis Reports) or other information, including costs of any third-party service providers, distribution agents and professionals related to the foregoing; compliance with any tax or financial account reporting regime, including any Foreign Account Reporting Requirements, the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard and any similar laws, rules and regulations, including any costs of any third-party service providers and professionals related to the foregoing; developing, licensing, implementing, maintaining or upgrading any web portal, website, extranet tools, computer software (including accounting, investor tracking, investor reporting, customer relationship management, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services); any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information (including any costs incurred in connection with any applicable law relating to privacy or security (including the EU Data Protection Law (or other data protection laws implemented in any relevant jurisdiction)) or FOIA); to the extent provided in the applicable Governing Documents or otherwise approved by the General Partner in its sole discretion, activities or proceedings of a Fund’s advisory board (including any out-of-pocket costs incurred by representatives of the General Partner, advisory board members, permitted observers and other persons in preparing for, attending or otherwise participating in meetings of the advisory board); indemnification (including legal and any other costs incurred in connection with indemnifying any partner or other person pursuant to the relevant Governing Documents or otherwise and advancing costs incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the relevant Governing Documents), except as otherwise set forth in the applicable Governing Documents; actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; any annual, periodic or special meeting of a Fund’s partners and any other conference, meeting or webcast or other video conference with any partner(s) (in each case, including any costs associated with venue, set-up, room and board, dining, entertainment, gifts and mementos, honorarium, events or speakers and other meeting or conference-related costs); except as otherwise determined by the General Partner in its sole discretion, any costs relating to any “alternative investment vehicle,” its direct or indirect subsidiaries or their respective activities, business or actual or potential investments (to the extent not borne or reimbursed by a subsidiary or actual or potential investment of such alternative investment vehicle) that would be a Fund expense if it were incurred or otherwise borne by or in connection with a Fund and any other costs related to any past or anticipated structuring or restructuring of any Fund entity; the termination, liquidation, winding up or dissolution of a Fund and any persons owned directly or indirectly by a Fund (including portfolio investments) and related entities; defaults by Fund partners in the payment of any capital

contributions; amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Funds, the General Partners, the Management Company, any entities and portfolio investments owned directly or indirectly by the Fund, including the preparation, distribution and implementation thereof; (A) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations), including any legal, administrator, consulting or other third-party service provider costs related thereto, any regulatory costs of Town Lane and any costs related to compliance with any investment considerations and policies and/or (B) the validation or other confirmation of any payments made to the Funds or the General Partners (including as a result of any anti-money laundering laws, rules or regulations); establishing, implementing, monitoring and/or measuring the impact of any environmental, social, governance or other similar impact-related initiatives, policies and programs; any litigation or governmental inquiry, investigation or proceeding, including any costs of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such costs or amounts have been determined to be excluded from the indemnification provided for in the relevant Governing Documents; any consultants, experts or advisors engaged, including independent appraisers engaged in connection with considering, making, holding or disposing of, directly or indirectly, an investment in the same person as, or transferring an investment from or to, one or more other Town Lane vehicles; unreimbursed costs incurred in connection with any transfer or proposed transfer contemplated by the relevant Governing Documents or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian; any taxes, fees, duties and other governmental charges levied against or otherwise borne by Fund entities, including filing fees and fees of regulatory agencies and all costs incurred in connection with any tax audit, inquiry, investigation settlement or review (except to the extent that a Fund is reimbursed therefor by certain partners) and any costs of or related to the "partnership representative" or "designated individual" of a Fund; distributions to Fund partners and other costs associated with the acquisition, holding, repayment and disposition of investments, including extraordinary expenses; unreimbursed and unpaid costs of the Operations Group or its members or other persons engaged by the Operations Group; compliance or regulatory matters, except as otherwise set forth in the relevant Governing Documents, including compliance with the relevant Governing Documents (including any "most favored nations" process) and/or any side letter or similar agreement (including any amendments, restatements, supplements, waivers, consents or approvals pursuant thereto; any travel (including the cost of using or chartering private aircraft or other private air travel at a cost not to exceed the cost of corresponding business or first class commercial airfare, other air travel, rail, car or ride sharing services, other modes of transportation, meals, lodging and entertainment) and other meals and entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; all costs associated with operating a feeder vehicle which invests all or substantially all of its assets in a Fund to the extent not paid by investors in such feeder vehicle, including all costs associated with its formation, management, operation, winding-up, liquidation and dissolution and with preparing and distributing such feeder vehicle's financial statements, tax returns and feeder vehicle limited partner reports, but not including any income-based or similar taxes, fees or other governmental charges levied against such feeder vehicle; any of the items listed above relating to any investment, restructuring, taking public or private, disposition, transaction, project or other opportunity not consummated or otherwise not successful, and/or that may have been offered to co-investors, co-lenders or joint venture partners

(including co-investors', co-lenders' or joint venture partners' proportionate share of any costs related to an investment or other opportunity not consummated); organizational expenses as set out in the relevant Governing Documents; other costs contemplated by a Fund's partnership agreement; any other costs consented to by a Fund's advisory board; and any costs of legal counsel, consultants and/or service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships related to the foregoing items.

As a general matter, broken deal expenses and other expenses relating to the diligence or evaluation of a prospective investment are allocated among investors within a Fund regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. The Funds also are expected to bear expenses indirectly to the extent a portfolio investment (or intermediate entity) pays expenses, including expenses of Town Lane; the relative percentage of these expenses that are borne by various stakeholders (including the relevant Fund, any co-investors, portfolio company management and other persons) is expected to depend upon the level at which such expenses are charged or incurred. In certain cases, these or similar expenses (and/or other fees) are expected to be charged to portfolio investments, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the applicable portfolio investment. The General Partner reserves the right to agree with Advisors, joint venture or similar partners, service providers, portfolio investment management or other persons that all or a portion of certain expense reimbursements, payments or other amounts owed to such persons relating to one or more investments will be paid in the form of a profits interest granted in the relevant investments or related intermediate entities. While such an arrangement could be more favorable to the relevant Fund if the investment does not increase in value, in the event of appreciation in the relevant investment any such profits interest generally would have a dilutive impact on the Fund's investment, as well as the potential to result in economic gains to the recipient greater than the original amount of compensation. Generally excluded from Fund expenses are ordinary administrative and overhead expenses of the General Partner incurred in connection with managing, originating and monitoring investments, including employees' salaries, rent, utilities and other similar expenses to the extent not otherwise permitted to be charged to the Funds in the Governing Documents (e.g., such costs and expenses relate to certain services for which Town Lane is permitted to be compensated or reimbursed). Each Fund also generally will bear the costs of implementing, reporting (as applicable), monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in Side Letters relating thereto, and other standards to which the General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio investments and intermediate holding vehicles through which the Fund invests. As is typical for private real estate funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in Item 12 "Brokerage Practices."

From time to time, a Fund may form and fund "platform" investments, where a Fund partners with a management team to pursue a real estate investment strategy and deploy value-added operational levers to enhance the value of the cash flows of the real estate investments that

the platform controls. Platforms may acquire additional real estate assets and may involve buying existing platforms and partnering with operating talent to build a new platform. In the case of a platform formed by a Fund, , after recruiting and partnering with a management team to lead a new platform investment, a Fund may commit start-up capital to fund the operations of the platform investment which includes the overhead of the management team and any diligence and related expenses incurred in pursuing acquisition opportunities to build out the real estate asset base.

In certain circumstances, one Fund may pay an expense or obligation common to multiple Funds and/or co-investors (including, without limitation, legal expenses for a transaction in which all such Funds and/or co-investors participate, or other fees or expenses in connection with services the benefit of which are received by other Funds and/or co-investors over time), and be reimbursed by the other Funds for their share of such expenses or obligations, without interest. To the extent the paying Fund makes use of a credit facility to pay such expense, it generally will not be reimbursed separately by other Funds for use of the facility. While Town Lane believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, Town Lane or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds, without interest, to which such expenses relate.

As described above, in certain circumstances, Town Lane may permit certain investors or prospective investors to co-invest in portfolio investments alongside one or more Funds, subject to Town Lane's related policies and practices and the Governing Documents and/or Side Letter(s). Any co-invest vehicle formed generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the primary Funds. Town Lane expects to employ a subscription facility maintained by one or more Funds to provide interim financing in connection with the acquisition of a portfolio investment by such Fund or other Funds (including co-investment funds) and, in such situations, each of the participating Funds is expected to bear their pro rata share of any interest or other charges in connection therewith. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all broken deal expenses relating to such proposed transaction will be borne by the Fund(s) in the absence of an agreement with such potential co-investor(s) to the contrary, and not by such potential co-investors that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such broken deal expenses where permitted by such vehicle's governing documents. Town Lane's practice of allocating fees and expenses (including broken deal expenses) among investing Funds is discussed under Item 8 "Conflicts of Interest," below. To the extent a Fund makes use of a credit facility to invest in a portfolio investment or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility.

Town Lane generally has discretion over whether to employ, use or retain or charge fees, compensation and expenses (including in connection with the use of Advisors (as defined below)) to a portfolio investment 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 investment's holding or operating

structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of any such fees, compensation and expenses generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Town Lane and/or its affiliates on the other hand, as more fully described in Item 8 “Conflicts of Interest.”

Advisors

As further described herein and in the Governing Documents, Town Lane expects in the future to employ, use or retain certain individuals or companies, on behalf of itself, the Funds and/or the Funds’ portfolio investments (including Operating Platforms (as defined below)), in each case, which are permitted to be affiliates (including a company owned by Town Lane and/or personnel thereof) or current or former employees of Town Lane, other Funds and/or their respective portfolio investments (including Operating Platforms), third-party consultants, “senior advisors,” “strategic partners,” “operating partners,” “executive partners,” and “resource partners” (collectively, “**Advisors**”) and certain Advisors that are or might otherwise have been hired as employees of Town Lane, or retained in a similar capacity with respect to Town Lane, are expected to be designated as members of the operations group (the “**Operations Group**”) and employed, retained or otherwise utilized on an exclusive basis or such other basis as determined by Town Lane in its sole discretion. Advisors will provide a range of services to or for the benefit of Town Lane, the Funds and/or their respective portfolio investments, which in certain cases, could overlap with services provided by Town Lane although they are generally intended to augment the services of Town Lane. Advisors are expected to be compensated by and receive cash fees, transaction fees, retainers, finder’s fees, consulting fees, exit fees, discretionary bonuses (whether or not based on pre-determined milestones), a profits participation or equity interest in a portfolio investment (including Operating Platforms), benefits, personnel costs, and other indicia of employment (including salaries, bonuses, employee benefits, payroll taxes, insurance, paid time-off and office space), incentive equity and stock awards, a profits or equity interest or other remuneration from Town Lane, the Funds and/or their respective portfolio investments, guaranteed minimums and/or other compensation, the amount of which are permitted to be determined in Town Lane’s sole discretion according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Advisor, a percentage of the value of the portfolio investment(s), the invested capital exposed to such portfolio investment(s), amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from the portfolio investment(s). Compensation in the form of direct or indirect profits or equity interests in a portfolio investment generally has a dilutive impact on the relevant Fund’s investment, has the potential to result in economic effects greater than the original amount of compensation and the relevant Fund typically will bear the cost of all fees and expenses related to such Advisors, as well as fees, costs and expenses of structuring Advisor arrangements. Any such fees or other amounts paid to Advisors will not result in offsets to or reductions of the Management Fee. Advisors also generally will be reimbursed for certain travel and other costs in connection with their services. The use of such Advisors subjects Town Lane to potential conflicts of interest, as discussed under “Conflicts of Interest” under Item 8 below.

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

As described under Item 5 “Fees and Compensation,” Town Lane generally will receive a carried interest allocation on certain realized profits in the Funds, although it generally has the

authority to waive carried interest with respect to certain affiliated partners as described under Item 5 “Fees and Compensation.” Town Lane also reserves the right to manage accounts that are not charged performance-based compensation or are charged performance-based compensation in lower percentages or with higher preferred return amounts that must be met before Town Lane is compensated. This practice could present a conflict of interest because Town Lane has an incentive to favor accounts for which it receives the highest performance-based compensation. Additionally, to the extent that Town Lane has Funds with varying carried interest terms (including amount, timing, waterfall conditions or other terms) and/or Town Lane personnel are assigned varying percentages of carried interest from the Funds, Town Lane and such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

Town Lane will seek to address the potential for conflicts of interest in these matters with allocation policies 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 Town Lane or any personnel as discussed further under Item 8 “Conflicts of Interest”.

The existence of performance-based compensation has the potential to create an incentive for the General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Town Lane generally considers performance-based compensation to better align its interests with those of its investors, 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.

ITEM 7 TYPES OF CLIENTS

The Management Company provides investment advice to Fund clients, and references throughout this Brochure to “clients” and to Town Lane’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under U.S. or non-U.S. laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, Principals or other employees of Town Lane and its affiliates and members of their families, Advisors or other service providers retained by Town Lane, as well as executives of portfolio investments.

The General Partner also generally is permitted from time to time to establish alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles

independent of limitations or other procedures set forth in the organizational documents of such vehicles and the Governing Documents of the related Fund.

Fund I generally has a minimum investment amount of \$20 million for third-party investors. In most circumstances, investors in the Funds must meet certain suitability and net worth qualifications prior to making an investment in the Funds. Generally, Fund interests are offered and sold solely to (i) “accredited investors” as defined under Regulation D promulgated under the U.S. Securities Act of 1933, as amended and the rules and regulations promulgated thereunder (“**Securities Act**”) and (ii) either “qualified purchasers” or “knowledgeable employees” as defined under the Investment Company Act. The Management Company generally is permitted to waive such minimum investment amount and qualification requirements.

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

General

Town Lane will provide day-to-day investment advisory services to Fund I, subject to the supervision of the General Partner. The General Partner has ultimate decision-making authority for Fund I. Town Lane’s general investment methodology is described below. Investors should refer to the Governing Documents for further information regarding investment strategies employed for the Funds.

Town Lane is a private investment firm focused on equity, debt and other investments in real estate and real estate related assets and companies believed to benefit from Town Lane’s in-house operating capabilities and experience. The Management Company’s investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly in non-public investments, although investments in public companies are permitted.

The Management Company’s investment strategy for the Funds focuses on the acquisition of typically controlling interests in assets, portfolios and platforms that Town Lane believes have strong market positions or franchise value at attractive valuations or at discounts to intrinsic value with emphasis on thematic opportunities and opportunistic situations. Town Lane aims to purchase for the Funds distressed and / or high quality businesses at valuations Town Lane believes to be low relative to their underlying potential.

Once an investment opportunity has been identified, Town Lane seeks to implement an effective, value-add operating strategy to improve the performance of the acquired investment by (a) adding or augmenting management team members, (b) investing in high return-on-investment capital projects and (c) identifying operational levers to enhance efficiencies and improve cash flows.

There can be no assurance that Town Lane will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment and Operating Strategy

Investment Prioritization. Town Lane seeks to prioritize investments by identifying certain sectors that benefit from technological and demographic tailwinds and fit the investment mandate of the relevant Fund. Town Lane's flexible mandate means that it discusses and realigns on priority asset classes during strategy sessions while also balancing where a certain sector stands relative to its specific capital cycle. After those macro prioritizations, Town Lane generally spends the majority of its time going through deal-level attributes specific to each differentiated investment opportunity. Such prioritization aims to focus the Town Lane team's time efficiently and leverage a shared perspective to inform investment decision-making.

Sourcing, Deal Evaluation, Diligence & Execution. Town Lane will seek to build and refine a thesis and then seek to leverage its network to strengthen its thesis while concurrently identifying potential opportunities. Identified opportunities will be reviewed with the investment team and if an opportunity becomes active the deal team will complete preliminary due diligence ahead of a more in-depth discussion of the opportunity. Preliminary due diligence will generally address key risks and considerations as well as simple models to understand the return profile. If approved to proceed, the deal team conducts robust diligence, often engaging third-party advisors and vendors. Town Lane's investment committee makes the final decision regarding each investment.

Develop Operating Plan. The investment team of Town Lane expects to collaborate with operating partners and third-party experts to implement a value creation plan at each investment focusing on building or supporting quality management teams, investing in high return on capital projects and implementing operational efficiencies. Town Lane may supplement or replace the management team at a new portfolio investment or advise the existing management team on ways to improve performance. Town Lane and its affiliates routinely search for highly qualified senior managers. In certain instances, operating professionals of Town Lane or its affiliates will fill key management roles (including chief executive officer or chief financial officer). Town Lane will seek to identify and execute on a targeted capital plan and develop strategies with management to drive enduring value. Where appropriate, Town Lane will seek to build out top-tier captive operating teams to drive value at investments through differentiated asset management.

Exit Strategy. Town Lane will consider appropriate exit strategies, including the sale to a strategic acquirors or financial buyers, mergers and initial public offerings and expects to evaluate all available options for any portfolio investment.

Risks of Investment

Each Fund and its investors bear the risk of loss that Town Lane's investment strategy entails. Although the following risk factors are generally applicable to the Funds, investors should also refer to each Fund's private placement memorandum for risk factors specific to their Fund. For purposes of the following risk factors, "General Partner" refers to the General Partner and any general partner or managing member of a Fund. The risks involved with Town Lane's investment strategy and an investment in a Fund include, but are not limited to:

General Investment Risks

No Operating History. The Management Company is newly formed and therefore has no operating history. While the Principals have substantial experience managing funds, there can be no assurance that a Fund will achieve similar results to those attained by prior investments of the Principals.

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by privately held real estate-related companies and assets, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk, which can result in substantial losses. An investment in a Fund should only be considered by persons who can afford a loss of their entire investment in such Fund.

Concentration of Investments. Each Fund will participate in a limited number of investments (and may seek to make several investments in one industry or one industry segment or within a short period of time) and, as a consequence, the aggregate return of a Fund may be materially affected by the performance of a single investment or a single industry segment.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, regardless of the extent to which the Commitments of the limited partners are invested (or drawn down to be invested), in most cases, the limited partners will be required to bear Management Fees through such Fund during the investment period based on the entire amount of the limited partners' Commitments to such Fund and other expenses as set forth in the Governing Documents.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the General Partner is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Documents. A General Partner is permitted to pursue investments outside of the industries and sectors in which Town Lane has previously made investments or has internal operational experience.

Impact of Government Regulation. Certain industry segments in which a Fund may invest, are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. While each Fund intends to invest in investments that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements could have a material adverse effect on the operations and/or financial performance of the investments in which a Fund may invest.

Additionally, the SEC has indicated that it intends to seek to enact changes to numerous areas of law and regulations that would impact the business of Town Lane and the Funds. In particular, the SEC has signaled an increased emphasis on investment adviser and private fund

regulation and has enacted and proposed a number of new rules that will, and if adopted would, impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Any such changes are expected to materially impact Town Lane and its affiliates, the Funds and/or their investments, as well as increasing their expenses. Significant time and resources may be required to comply with new regulations, which potentially will detract from the time and resources dedicated to the Funds.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund and any Management Fee payable to the Management Company may exceed such Fund's income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

Transfer by General Partner. To the extent a General Partner, its partners, the Principals and/or their respective affiliates commit to make a direct or indirect investment in or alongside a Fund, a material participation in or a portion of such investment is permitted to thereafter be transferred to others, subject to any express limitations thereon in the applicable Partnership Agreement.

Limitation of Recourse and Indemnification. The applicable Partnership Agreement will limit the circumstances under which a General Partner and its affiliates will be held liable to a Fund. As a result, limited partners are expected to have a more limited right of action in certain cases than they would have in the absence of such provision(s). In addition, the applicable Partnership Agreement will provide that a Fund will indemnify the applicable General Partner and its affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of such Fund and that such Fund is permitted to advance any fees, costs and expenses incurred in the defense or settlement of any claim that could be subject to a right of indemnification. The fees, costs and expenses (whether or not advanced) and other liabilities resulting from a Fund's indemnification obligations will generally be paid by or otherwise satisfied out of the assets of such Fund, including the unpaid capital obligations of the limited partners. In addition, if the assets of a Fund are insufficient to satisfy such Fund's indemnification obligations, the applicable General Partner may recall distributions previously made to the limited partners, subject to certain limitations set forth in the applicable Partnership Agreement. A General Partner is permitted to cause a Fund to purchase insurance for such Fund, the applicable General Partner, the Management Company and their employees, agents and representatives, including to cover actions that would not be indemnifiable under the applicable Partnership Agreement, although there can be no assurance that any such insurance will be sufficient, available to satisfy the specific claims that may arise or generally available on commercially reasonable terms. Such indemnification obligations could materially impact the returns to the limited partners. The obligations of a limited partner to fund any indemnification will generally survive the dissolution of the Fund.

Significant Adverse Consequences for Default. The applicable Partnership Agreement provides for significant adverse consequences in the event a limited partner defaults on its Commitment or any other payment obligation. In addition to losing its right to potential distributions from a Fund, a defaulting limited partner may be forced to transfer its interest in a Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest. Whether and how to exercise the Fund's remedies against a defaulting Limited Partner will be determined by the General Partner in its sole discretion. If a Fund investor fails to pay when due installments of its commitment to a Fund, and the contributions made by non-defaulting Fund investors and borrowings by such Fund are inadequate to cover the defaulted capital contribution, such Fund may be unable to pay its obligations when due. As a result, such Fund may be subjected to significant penalties that could materially adversely affect the returns to the Fund investors (including non-defaulting Fund investors).

Leveraged Investments. A Fund is permitted to make use of leverage by incurring or having a portfolio investment or intermediate entity incur debt to finance a portion of its investment. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on an investment, in addition to the burden of debt service, and will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio investments will increase the exposure of a Fund's investments to any deterioration in an investment's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio investments in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio investment's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio investment, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio investment, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the investments in which a Fund invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant Governing Documents, a Fund will not be obligated to borrow on behalf of a portfolio investment, even in circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio investment.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio investment's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage may remain

outstanding. A Fund generally is permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by Town Lane or any of its affiliates, including through Fund subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors and/or third-party co-investors) will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by Commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

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

To the extent a Fund and/or one or more subsidiaries or special purpose vehicles to enter into "NAV" facilities (each, a "**NAV Facility**") which generally will be secured in whole or in part by any or all of the Fund's or one or more of its subsidiary's assets, including portfolio investments or distributions in respect thereof, the General Partner has authority to pledge all or certain of the Fund's portfolio investments, including on a cross-collateralized basis, without taking into account the potential for non-pro rata investments by limited partners as a result of any particular limited partner's opt-out rights. A limited partner could also be required to fund amounts to repay the NAV Facility borrowings incurred in connection with an investment or managing the Fund's investment portfolio even if such limited partner did not participate in the relevant investment(s) in connection with which such borrowings were incurred.

Subscription Lines. A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in additional partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Governing Documents, it may be higher than the

interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the relevant Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, or results in short-term gains to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates and increases the likelihood that any hurdle or preferred return component in the Fund's carried interest arrangements will be met. In other circumstances the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Governing Documents. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds) as, to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in a Fund or impose concentration or other limits on the Fund's investments, and/or financial or other covenants, that could affect the implementation of the Fund's investment strategy. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Fund subsidiary.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows a General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger

capital calls at the same time. A General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse Town Lane for expenses incurred on behalf of the relevant Fund. A Fund is also permitted to utilize Fund-level borrowing when a General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

If an investment appreciates in value and is disposed of prior to repayment, the relevant Fund generally would apply disposition proceeds to repay the borrowing and related interest and expenses, the absence of invested capital funded by limited partners potentially will result in a distribution of net proceeds without a preferred return accrual on the amount invested. Accordingly, borrowings have the potential to support the distribution of proceeds to limited partners and increase the potential carried interest for the relevant General Partner, as reduced by the interest incurred by the relevant Fund. Subject to any limitations in the Governing Documents, this scenario potentially incentivizes the relevant General Partner to permanently fund the acquisition and ongoing capital needs of a Fund's investments and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never, if principal and interest on such borrowings are always repaid out of disposition proceeds).

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to Town Lane with respect to such investment.

Non-U.S. Investments. A Fund may invest in investments that are organized and/or have substantial sales or operations outside of the United States, its territories and possessions. Such investments may be subject to certain additional risks due, among other things, to potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates and capital repatriation regulations (as such regulations may be given effect during the term of a Fund) and the application of complex tax rules to cross border investments, possible imposition of non-U.S. taxes on a Fund and/or the partners with respect to such Fund's income, and possible non-U.S. tax return filing requirements for such Fund and/or the partners.

Non-U.S. Currency Risks. Although almost all of a Fund's investments are expected to be U.S. dollar denominated, a Fund's investments that are denominated in non-U.S. currencies are subject to the risk that the value of a particular currency will change in relation to one or more other currencies, including the U.S. dollar, the currency in which the books of a Fund are kept and contributions and distributions generally will be made. Among the factors that may affect currency

values are trade balances between nations, the level of short-term interest rates, differences in relative value of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. A Fund may incur costs in converting investment proceeds from one currency to another.

Distressed Investments. A Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that Town Lane will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio investment does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, a Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which such Fund invested.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon such Fund's portfolio companies.

Deterioration of Credit Markets. In the event that the global credit markets deteriorate and it becomes more difficult for investment funds such as the Fund to obtain favorable financing for investments, the Fund's ability to generate attractive investment returns could be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they could have an adverse impact on the availability of credit to businesses generally and lead to an overall weakening of the U.S. and global economies. Such marketplace events also could restrict the ability of the Fund to realize its investments at favorable times or for favorable prices.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have and are resulting in market disruption, and future such emergencies

have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

In an effort to contain such health emergencies, national, regional and local governments, as well as private businesses and other organizations, have taken or have the potential to take restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. Any such measures have the potential to significantly diminish economic production and activity of all kinds and contribute to volatility in financial markets, demand across categories of consumers and businesses, as well as in the credit and capital markets. Restrictive measures, whether on an initial or re-imposed basis, also have the potential to cause labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, increases in unemployment levels, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

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

Projections. Projected operating results of an investment in which a Fund invests normally will be based primarily on financial projections prepared by such investment’s management, with adjustments to such projections made by Town Lane in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the investment and third parties and assumptions made at the time the projections are developed. There can be no

assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Dilution. Limited partners admitted or that increase their commitments to a Fund at subsequent closings participate in then- existing investments of such Fund, thereby diluting the interest of existing limited partners in such investments. Although any such new limited partner is required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution reflected the fair value of a Fund's existing investments at the time of such contributions.

Need for Follow-On Investments. Following its initial investment in a given investment, Town Lane may decide to provide additional funds to such investment or may have the opportunity to increase its investment in an investment, whether for opportunistic reasons, to fund the needs of the investment, as an equity cure under applicable debt documents or for other reasons. There can be no assurance that any Fund will make add-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a particular real estate asset in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made), result in a lost opportunity for such Fund to increase its participation in a successful operation or the dilution of the relevant Fund's ownership in an investment if a third party or co-investor is permitted to invest.

Investment in Junior Securities. The securities in which a Fund will invest may be among the most junior in a portfolio company's capital structure, and thus subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Public Company Holdings. A Fund's investment portfolio may contain debt and/or equity securities issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including Town Lane's principals, and increased costs associated with each of the aforementioned risks.

Lack of Unilateral Control. Even if a Fund is the majority investor or controlling shareholder, as applicable, of a portfolio company, in certain circumstances it may not have unilateral control of the portfolio company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, or makes a minority investment, the relevant portfolio company may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the relevant Fund or its limited partners. Such third parties may be in a position to take action contrary to a Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no

assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such portfolio companies in a manner that maximizes or protects value.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the General Partner or Town Lane generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of Town Lane's control. Decisions by Town Lane or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor Town Lane and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and Town Lane reserves the right to withhold certain information from investors subject to such laws for reasons relating to Town Lane's public reputation, business strategy or other reasons.

Material, Non-Public Information; Other Regulatory Restrictions. As a result of the operations of Town Lane and its affiliates, as well as in connection with officerships or directorships of Town Lane personnel, Town Lane frequently comes into possession of confidential or material, non-public information. Town Lane and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Town Lane's internal policies and practices.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Town Lane or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the U.S. Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio investment may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio investments owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Town Lane's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Town Lane or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

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

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a “**Financial Institution**”) of some or all of the Fund's (or any portfolio company's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a “**Distress Event**”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, Town Lane, the General Partner, the Funds and/or any of the portfolio investments may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in

additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of Town Lane to manage the Funds and their investments, and on the ability of Town Lane, any Fund or any portfolio investment to maintain operations, which in each case could result in operational burdens, significant losses and unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Fund to access capital contributions or otherwise); the inability of a Fund to acquire or dispose of investments, including at prices that the relevant General Partner believes reflect the fair value of such investments; and/or the inability of Town Lane or portfolio investments to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that Town Lane will experience operational burdens and expenses, and a Fund or a portfolio investment will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that Town Lane will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and their portfolio investments are subject to additional risks in the event a Financial Institution utilized by investors of a Fund or suppliers, vendors, service providers or other counterparties of a portfolio investment become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such portfolio investments, including the risk of investor defaults.

Many Financial Institutions require, as a condition to using their services (including lending services), that Town Lane and/or the relevant Fund maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although Town Lane seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, Town Lane is under no obligation to use a minimum number of Financial Institutions with respect to any Fund, or to maintain account balances at or below the relevant insured amounts.

Hedging Arrangements; Related Regulations. A General Partner is authorized (but not obligated) to endeavor to manage the relevant Fund's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or

intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (the “CFTC”) or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

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

U.S. Federal Commodities Regulation. The Funds may trade in instruments regulated by the CFTC, and in such event (unless otherwise notified to limited partners) a General Partner and/or its affiliates intend to qualify for an applicable exemption from registration with the CFTC as a commodity pool operator (“CPO”) with respect to a Fund pursuant to an exemption under CFTC Regulation 4.13(a)(3), which requires filing a notice of exemption with National Futures Association and renewing such filing annually. Unlike a registered CPO, a General Partner of a Fund and/or such affiliates are not required to deliver a CFTC-compliant disclosure document (as described in Part 4 of the CFTC’s regulations) and a certified annual report to investors. Nonetheless, each relevant General Partner does intend to provide investors with annual audited financial statements and the reports described in the Partnership Agreement. A General Partner and/or its affiliates may pursue an alternative exemption from CPO registration if 4.13(a)(3) becomes unavailable, or register with the CFTC as a CPO.

In order to qualify for the exemption from CPO registration pursuant to CFTC Regulation 4.13(a)(3), (i) the relevant limited partner interests must be exempt from registration under the Securities Act and not publicly marketed in the United States; (ii) with respect to the relevant Fund’s positions in CFTC-regulated instruments either: (A) the aggregate initial margin and related amounts required to establish such positions must not exceed 5% of the liquidation value of the Fund’s portfolio, after taking into account unrealized profits and unrealized losses on any such positions; or (B) the aggregate net notional value of such positions, determined at the time

the most recent position was established, must not exceed 100% of the liquidation value of the Fund's portfolio, after taking into account unrealized profits and unrealized losses on any such positions; (iii) the General Partner must reasonably believe, at the time of the investment, that each participant in the Fund is either an "accredited investor," as that term is defined in Regulation D under the 1933 Act; a trust that is not an accredited investor but that was formed by an accredited investor for the benefit of a family member; a "knowledgeable employee," as defined in Rule 3 c-5 under the Investment Company Act; or a "qualified eligible person," as that term is defined in CFTC Regulation 4.7; and (iv) the interests must not be marketed as or in a vehicle for trading in the commodity futures, commodity options, or swaps markets.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio investment, Fund, General Partner, Town Lane or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, Town Lane, the General Partner, the Funds and/or portfolio investments may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Town Lane's, the General Partner's, the Funds', portfolio investments' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio investment, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio investments or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Town Lane or one of its service providers holding its financial or investor data, Town Lane, its affiliates or a Fund may also be at risk of loss, despite efforts to prevent and mitigate such risks under Town Lane's policies and practices.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, "**Privacy Laws**") could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of Town Lane, the General Partner, the Funds and/or their portfolio investments, and increase compliance costs and require the dedication of additional time and resources to compliance for

such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for Town Lane, the General Partner, the Funds and/or their portfolio investments, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include Town Lane, the General Partner, the Funds and/or their portfolio investments.

United Kingdom (“UK”) Exit from the European Union (the “EU”). The UK formally left the EU on January 31, 2020 (“**Brexit**”), and entered a transition period that ended on December 31, 2020. On December 30, 2020, the UK government and the EU Commission signed a trade and cooperation agreement governing their future relationship, which, following a ratification process, is expected to apply on a provisional basis through an additional transition period. However, this agreement does not include an agreement on financial services and, as a result, UK firms in the financial sector have more limited access to the EU market than prior to Brexit and EU firms similarly have more limited access to the UK, owing to the loss of passporting rights under applicable EU and UK legislation. Alternative arrangements and structures may allow for the provision of cross-border marketing and services between the EU and UK, but these are subject to legal uncertainty and the risk that further legislative and regulatory restrictions could be imposed in the future.

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to many of the same rules and regulations as prior to Brexit. However, the UK government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third-country access to EU markets. If the regulatory regimes for EU and UK financial services change or diverge further, this could have an adverse impact on any Fund and its investments, including the ability of a Fund to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions). There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from Brexit may adversely affect both EU- and UK-based businesses, including Town Lane and Fund portfolio investments, as applicable. Brexit has already led to disruptions in trade as businesses attempt to adapt cross-border procedures and rules applicable in the UK and in the EU to their activities, products, customers, and suppliers. Continuing uncertainty and the prospect of further disruption

may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

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

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its General Partner, or Town Lane who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for Town Lane to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

LIBOR and other Benchmark Rates. To the extent that a Fund's investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on the London Interbank Offered Rate ("**LIBOR**") or other benchmark or reference rates (each, a "**Benchmark Rate**"), the Fund may be subject to certain material risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments and other market participants are working to facilitate the transition of existing instruments and contracts away from LIBOR to new Benchmark Rates, and any such transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Funds and their portfolio investments; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of

certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

Secondaries and other General Partner-Led Transactions. There continues to be a significant market in the private fund sector for secondary sales, General Partner-led transactions, continuation funds, successor fund investments and other transactions for the disposition of investments, and Town Lane reserves the right to dispose of (or seek additional capital for) Fund investments through such means. Many of these transactions involve an auction process run by an investment bank and a buyer (or buyer group) that agrees to purchase a portion of one or more investments that will continue to be managed by Town Lane following the transaction. Such transactions are undertaken for various reasons, including, for example, to balance competing interests between offering liquidity to existing limited partners and maintaining exposure to an asset where Town Lane believes there is the potential for additional value generation. Where undertaken, existing limited partners typically are offered certain options relating to receiving liquidity from the transaction or continuing to maintain exposure to the asset, assets or a new portfolio of assets (including a portfolio that combines assets from multiple Funds sponsored by Town Lane and its affiliates), often on different terms than the original investment. However, certain of such transactions are expected to require: a limited partner to invest additional capital in the existing Fund and/or other investment vehicles; a greater exposure to one or more particular portfolio investment; and/or a delay in the full liquidation of its investment. In other circumstances, even limited partners that elect to continue to hold a direct or indirect interest in the relevant portfolio investment will have their interest adjusted as if distributed (*i.e.*, a portion of such interest will be allocated to the relevant General Partner to the extent of its right to receive carried interest, if any), effectively diluting their interests.

Each of these transactions has the potential for conflicts between the interests of a Fund or limited partner and those of Town Lane or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where Town Lane or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction (potentially in addition to performance-based compensation earned by the relevant General Partner on the sale of an asset from an existing Fund in such transaction), their incentives are expected to diverge from those of limited partners who elect to sell their interests. Similarly, there are potential conflicts of interest among the selling Fund, Town Lane, the relevant General Partner and any buyer group relating to the valuation and consideration offered for the investment(s) subject to the transaction. To the extent Town Lane requires existing limited partners and/or new buyers to commit capital to a continuation fund or another Fund managed by Town Lane in addition to the purchase amount paid in a transaction, such requirement is expected to have a dilutive effect on the purchase price for the selling Fund and its limited partners. There can be no assurance that any such transaction will accurately reflect the fair market value of the Fund investment(s) being sold. Further, the relevant General Partner is expected to be incentivized to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as limited partners in the relevant Fund, and in such circumstances Town Lane reserves the right to compel co-investors to

receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain limited partners will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant potential conflicts of interest are disclosed to limited partners and/or the relevant advisory board prior to the closing of the transaction, there can be no assurance that Town Lane will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of Fund or any individual limited partner or group of limited partners. However, Town Lane reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Governing Documents. Town Lane is permitted to seek the consent of the relevant Fund advisory board to approve conflicts associated with such transactions and accordingly not all limited partners will necessarily be able to approve or disapprove of such transactions. Similar to any prospective sale or disposition of Fund investments, to the extent such transactions are not consummated, the Fund is expected to bear all of the related costs in the absence of an agreement with other parties to bear a portion of such costs.

Environmental, Social and Governance (“ESG”) Matters. Town Lane maintains an ESG policy and seeks to integrate certain ESG factors into its investment process in accordance with its policy and subject to its fiduciary duty and any applicable legal, regulatory or contractual requirements. There is no guarantee that Town Lane will be able successfully to implement its ESG policy while achieving its investment strategy. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Town Lane, or any judgment exercised by Town Lane, will reflect the beliefs or values of any particular investor. There are also significant differences in interpretations of what ESG characteristics mean by region, industry and topic, as well as the interpretations of their scope and materiality. Town Lane’s interpretations and decisions are expected to differ from others’ views and could also evolve over time. In addition, in evaluating an investment, Town Lane expects to depend upon information and data provided by a number of sources, including the relevant investments and/or various reporting sources which could be incomplete, inaccurate or unavailable, and which could cause Town Lane to incorrectly assess a company’s ESG practices and/or related risks and opportunities. Town Lane does not intend independently to verify all ESG information reported by investments or third parties. Further, considering ESG qualities when evaluating an investment could result in the selection or exclusion of certain investments based on Town Lane’s view of certain ESG-related and other factors and could cause the relevant Funds not to make an investment that they would have made or to make a management decision with respect to an investment differently than they would have made in the absence of the ESG Policies. For avoidance of doubt, however, Town Lane does not expect to subordinate a Fund’s investment returns or increase a Fund’s investment risks as a result of (or in connection with) the consideration of any ESG factors.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and Town Lane’s adoption and adherence to various such principles, frameworks, methodologies and tools is expected to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement and disclosure of ESG factors. Town Lane’s ESG policies could become subject to additional regulation in the future, and Town Lane cannot guarantee that its current approach will meet future regulatory requirements or predict

the manner in which any such future requirements (including any enforcement with respect thereto) could affect a Fund or its investments, including with respect to future administrative burdens and costs.

Risks Relating to Due Diligence of and Conduct at Portfolio Investments; Expedited Transactions. Before making investments, a General Partner will typically conduct, or will, in its sole discretion, permit a management team or joint venture partner or other third party to conduct, such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each potential investment. Investment analyses and decisions by a General Partner are often done on an expedited basis for a Fund to take advantage of investment opportunities and/or consummate investments. In such cases, the information available to a General Partner at the time of an investment decision may be limited, and a General Partner may not have access to the detailed information necessary for a full evaluation of the investment opportunity. The due diligence investigation carried out with respect to any investment opportunity will not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily be indicative that an investment will be successful or that a Fund will realize a return on its invested capital.

Inflation and Deflation. As inflation increases, the real value of the Fund's investments can decline. Deflation could have an adverse effect on the creditworthiness of portfolio investments in which the Fund invests and can make defaults more likely, which can result in a decline in the value of the Fund's investments. Certain countries have experienced and could in the future experience substantial, and in some periods extremely high, rates of inflation. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which the Funds may invest. Inflation rates may continue to increase in the future, and government measures to control inflation, adopted presently or in the future, remain uncertain. Measures taken by the governments to control inflation potentially include maintaining a tight monetary policy with high interest rates, thereby restricting the availability of credit and hindering economic growth. Inflation, measures to combat inflation and public speculation about possible additional actions have contributed materially to economic uncertainty in many countries. Inflation could significantly increase the Funds' costs of operations, adversely impact the availability of suitable investments or the performance thereof, and otherwise impact the Funds' financial condition. There can be no assurance that high rates of inflation will not have a material adverse effect on the investments of the Funds.

Market Conditions. The capital markets have experienced great volatility and financial turmoil. The private equity real estate industry generally, and the success of the Fund's investment activities specifically, will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by the General Partner. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) could have an adverse effect on market conditions. General fluctuations in the market prices of investments and economic conditions generally could reduce the availability of attractive investment opportunities for the Fund and could affect the Fund's ability to make investments. Instability in the markets and economic conditions generally (including a slowdown in economic growth and/or changes in interest rates or foreign exchange

rates) could also increase the risks inherent in the Fund's investments and could have an adverse impact on the performance and/or valuation of the investments. The Fund's performance can be affected by deterioration in the capital markets and by market events, such as the ongoing Russia-Ukraine Conflict, the COVID-19 pandemic in 2020, the onset of the credit crisis in the summer of 2007 and the downgrading of the credit rating of the United States in 2011, which, among other things, can impact the public market comparable earnings multiples used to value certain privately held investments and investors' risk-free rate of return. Movements in foreign exchange rates could adversely affect the value of the Fund's investments and the Fund's performance. Volatility and illiquidity in the financial sector could have an adverse effect on the ability of the Fund to sell and/or partially dispose of its investments. Such adverse effects could include the requirement of the Fund to pay break-up, termination or other fees and expenses in the event the Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Fund to dispose of investments at prices that the General Partner believes reflect the fair value of such investments. The impact of market and other economic events could also affect the Fund's ability to raise funding to support its investment objective. Any of the foregoing events could result in substantial or total losses to the Fund in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in an investment's capital structure.

Alternative Investment Fund Managers Directive. The European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) together with Commission Delegated Regulation (EU) No 231/2013 supplementing Directive 2011/61/EU and the United Kingdom Alternative Investment Fund Managers Regulations 2013 (in each case, as amended, or subordinate legislation thereto, as implemented in any relevant jurisdiction, the "AIFMD") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors in the European Economic Area ("EEA") and the UK, respectively. To the extent the Fund is actively marketed to investors domiciled or having their registered office in the EEA or the UK: (i) the Fund, the General Partner and the Management Company will be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which will result in the Fund incurring additional costs and expenses; (ii) the Fund, the General Partner and/or the Management Company could become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions or the UK, which would result in the Fund incurring further costs and expenses or otherwise affect the management and operation of the Fund; (iii) the General Partner and/or the Management Company will be required to make detailed information relating to the Fund and its investments available to regulators and third parties; and (iv) the AIFMD will also restrict certain activities of the Fund in relation to EEA or UK portfolio investments, including, in some circumstances, the Fund's ability to recapitalize, refinance or potentially restructure a portfolio investment within the first two (2) years of ownership, which could in turn affect operations of the Fund generally. In addition, it is possible that some jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in EEA jurisdictions, which could make it more difficult for the Fund to raise its targeted Commitments.

The European Commission published proposals for a Directive to amend AIFMD ("AIFMD II") in November 2021. Proposed changes include: (i) minimum substance considerations that EU regulators will need to take into account during the Alternative Investment Fund Manager ("AIFM") authorization process; (ii) enhanced requirements around delegation,

including additional reporting requirements in relation to delegation arrangements; (iii) new requirements applying to AIFMs managing funds that originate loans; (iv) increased investor pre-contractual disclosure requirements, notably around fees and charges; and (v) a prohibition on non-EU AIFMs and funds established in jurisdictions identified as “high risk” countries under the European Anti-Money Laundering Directive (as amended) or the revised EU list of non-cooperative tax jurisdictions. On July 20, 2023, the Council of the EU and the European Parliament announced that they had reached provisional agreement on AIFMD II. Further technical negotiations are due before the text is finalized later in 2023. AIFMD II is expected to become effective in 2025. It is possible that AIFMD II will require additional costs, expenses and/or resources, as well as restricting or prohibiting certain activities, including in relation to loan-originating funds and managers or funds established in jurisdictions outside the EU identified as having AML and/or tax failings.

Adequacy and Availability of Insurance. While a Fund reserves the right to seek to make investments where insurance and other risk management products (to the extent available on commercially reasonable terms) are utilized to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance, this may not always be practicable or feasible. Moreover, it will not be possible to insure against all such risks, and such insurance proceeds as may be derived in a timely manner from covered risks may be inadequate to completely or even partially cover a loss of revenues (e.g., business interruption insurance may not provide any or adequate coverage relating to shutdowns caused by pandemic health emergencies), an increase in operating and maintenance expenses and/or a replacement or rehabilitation. Certain losses of a catastrophic nature, such as those caused by wars, earthquakes, pandemics, terrorist attacks or other similar events, may be either uninsurable or insurable at such high rates as to adversely impact a Fund’s profitability. In addition, the availability of adequate insurance (including general partner liability and directors and officers policies) are subject to market factors and recent trends have increased both the cost of (in some cases substantially) and the difficulty of obtaining such policies, which trend could continue depending upon various market conditions.

The relevant liability standards under insurance coverage procured by the General Partner are expected to vary by carrier, and such standards are expected to vary from time to time depending on, for example, coverage features or limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages from time to time are expected to vary from relevant liability and/or indemnity standards in the governing documents. Investors generally will be responsible for insurance premiums, as set forth in the applicable Governing Documents, regardless of whether the liability and/or indemnity standards in a General Partner’s insurance coverage are higher or lower than that set forth in such Governing Documents.

Conflicts of Interest

Town Lane and its personnel engage in a broad range of advisory and non-advisory activities, including providing transaction-related, management and other services to the Funds and portfolio investments. Town Lane will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Town Lane conducting its activities,

in certain circumstances, the interests of a Fund likely will conflict with the interests of Town Lane, one or more other Funds, investors and portfolio investments or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, Town Lane will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the terms of the Governing Documents and the required approvals by the applicable limited partners or the advisory board, as applicable.

During the investment period of a Fund, all appropriate investment opportunities will be pursued by the Principals through such Fund, subject to certain limited exceptions set forth in the Governing Documents and Town Lane's Allocation Policy. Without limitation, the Principals expect in the future to manage several other investments similar to those in which the Fund will be investing and expects to direct certain relevant investment opportunities or resources to those investments. In such instances, conflicts of interest will arise among the Funds with respect to the allocation of Town Lane's time, personnel and internal resources. Moreover, Town Lane's personnel reserve the right to manage their own personal investments, including through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to such arrangements. The Principals and Town Lane's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the investment period of a Fund, the Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments. To the extent an investment opportunity is received that is unsuitable for a Fund, in Town Lane's sole discretion, Town Lane and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Unless restricted by the Governing Documents, Town Lane personnel are permitted to serve on boards or act in other roles unaffiliated with Town Lane, the Funds or their portfolio investments, including boards of charitable and educational institutions, public companies and former portfolio investments, and receive compensation in connection with such services and roles none of which will offset or otherwise reduce Management Fees.

From time to time, Town Lane may be presented with investment opportunities that would be suitable for multiple Funds and other investment vehicles. In determining which investment vehicles should participate in such investment opportunities, Town Lane will be subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Governing Documents, Town Lane is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of Town Lane in a portfolio investment also have the potential to raise the risk of using assets of a client of Town Lane to support positions taken by other clients of Town Lane.

Town Lane must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Town Lane generally assesses whether an investment opportunity is appropriate for a Fund based on the Governing Documents, as well as other factors, including, but not limited to, investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy (including sector, asset class and/or geographic location), risk profile, time horizon, tax sensitivity, asset composition and diversification limitations, cash

level (if any), applicable tax, borrowing base and capabilities, historical and anticipated subscription and redemption patterns, minimum investment criteria, regulatory considerations, life cycle, structure, capital available for such investment as well as any potential future follow-on investments related thereto, and Town Lane professional(s), Operating Platform and/or third party who sourced such investment opportunity and/or is expected to oversee and monitor the applicable investment once consummated. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliate of Town Lane in the manner set forth in the Governing Documents and Town Lane's Allocation Policy. In other circumstances, during the period that a portfolio investment is owned by a Fund, it could become a suitable investment for one or more other Funds due to size, revenue or other characteristics. These and other situations will involve potential conflicts of interest and there can be no assurance that such conflicts will be resolved in a manner that is most favorable to a Fund and its limited partners. Town Lane will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with Town Lane's obligations and reserves the right to take into considerations factors such as those set forth above.

Following such determination of allocation among Funds, Town Lane reserves the right to offer co-investment opportunities to one or more potential co-investors, including Advisors, vendors, service providers and/or other third parties, as permitted by the Governing Documents and Side Letters. Town Lane's expects to take into consideration a variety of factors in making such determinations, including, but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations; confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; Town Lane's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair Town Lane's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; existence of a formal or informal strategic relationship with the prospective co-investor; the size and/or timing of a commitment to a Fund; and whether Town Lane believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio investment, other portfolio investments, or the Funds or Town Lane. Although Town Lane reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by Town Lane in identifying co-investors. Town Lane reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio investments or otherwise to have priority in co-investment opportunities.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities could be made by Town Lane or its related persons in consultation with other

participants in the relevant transactions, such as co-sponsor. Co-investment opportunities typically will be offered to some and not to other Fund investors and the consideration of the factors set forth above may result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and Town Lane expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund because (i) co-invest opportunities generally appeal to Fund investors and third parties, (ii) to the extent co-investments made by Fund investors are not subjected to Management Fees and/or performance-based compensation, co-investments blend the effective rates of compensation paid by such persons in a manner not subject to the “most-favored nation” provisions of a Fund’s Governing Documents and (iii) co-investors’ proportionate share of a particular investment typically is not subject to the Management Fee offset provisions of a Fund’s Governing Documents. Subject to the terms of the Governing Documents, co-investors could also acquire their interest in a portfolio investment at the same time as a Fund or purchase their interest from such Fund after such Fund has consummated an investment, as the Funds reserve the right to make (or commit to make) an investment with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner’s interest in limiting the relevant Fund’s exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the relevant Fund would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio company, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) be diluted or realize lower than expected returns from such investment. When and to the extent that employees and related persons of Town Lane (including Advisors) make capital investments in or alongside the Funds, Town Lane is subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund’s return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Town Lane’s allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While Town Lane will allocate investment opportunities in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund’s actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which town Lane expects to be subject, discussed herein, did not exist.

In certain cases, Town Lane will have the opportunity (but, subject to any applicable restrictions or procedures in the Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Town Lane will use its discretion to select such transferees based on eligibility and other factors similar to those employed in selecting co-investors, and unless required by the Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

Where multiple Funds invest at the same, different or overlapping levels of a portfolio investment's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived or whether debt should be refinanced or restructured. In troubled situations, decisions (including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring) could raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio investment. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by Town Lane in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio investment, Town Lane expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the relevant General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement against the other. In administering, or seeking to reinforce, these agreements, Town Lane expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances, Funds are expected to be prohibited from exercising (or Town Lane may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests. Town Lane intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness.

Potential conflicts of interest are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, investment terms, leverage and associated costs between such Funds. Where multiple Funds invest in the same portfolio investment at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the investment in potential future transactions.

Further, there can be no assurance that a Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Town Lane reserves the right from time to time to express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more one Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents, Town Lane will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, Town Lane expects to be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by Town Lane using its reasonable judgment, considering such factors as it deems relevant, but in its sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on the number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with the aggregate commitments of or capital invested by such Funds or co-invest vehicles, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or Town Lane. It is possible that a final allocation among multiple Funds will be determined after certain fees and expenses have already become due and payable by a Fund. In these circumstances, such Fund would be expected initially to bear the full amount of any such expense or other amount, even if another Fund ultimately participates in the investment, and such other Fund is expected to reimburse the first Fund for its proportionate share once a final allocation is determined. The Funds generally are expected to have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio investments, Town Lane and/or its affiliates typically expect to have the right to appoint portfolio investment board members (including current or former Town Lane personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio investment board members approve compensation and/or other amounts payable to Town Lane and/or its affiliates. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Town Lane.

Additionally, a portfolio investment typically will reimburse Town Lane or service providers retained at Town Lane's discretion for expenses (including, without limitation, travel expenses) incurred by Town Lane or such service providers in connection with the performance of services for such portfolio investment. This subjects Town Lane to conflicts of interest because

the Funds generally are not expected to have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Town Lane generally will determine the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect will be reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Town Lane or such service providers generally will be subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio investments; and/or third party co-investors in its transactions. These factors help to mitigate related potential conflicts of interest.

In connection with its services to the Funds and their investments, Town Lane and its personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Town Lane's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Town Lane and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to a Fund or portfolio investment (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "**Town Lane Information**"). In many cases, Town Lane Information will include tools, procedures and resources developed by Town Lane to organize or systematize Town Lane Information for ongoing or future use. Although Town Lane expects its Funds and their portfolio investments generally to benefit from Town Lane's possession of Town Lane Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio investments (or by Town Lane and its personnel) and not by the Fund or portfolio investment from which Town Lane Information was originally received or derived. Town Lane Information will be the sole intellectual property of Town Lane and solely for the use of Town Lane. Town Lane reserves the right to use, share, license, sell or monetize Town Lane Information, without offsetting or otherwise reducing the Management Fees or any other fees Town Lane is entitled to receive, and neither the Funds nor any of their portfolio investments will receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or their portfolio investments are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio investments, the Funds or their respective investors; no such rewards will offset or otherwise reduce the Management Fees or any other fees Town Lane is entitled to receive.

Town Lane generally expects to exercise its discretion to recommend to a Fund or to a portfolio investment that it contract for services with certain service providers. From time to time, such service providers are expected to include (i) Town Lane or a related person of Town Lane (including Advisors or a portfolio company of a Fund), (ii) an entity with which Town Lane or current or former members of its personnel has a relationship or from which Town Lane or and its personnel otherwise derives financial or other benefit, including relationships with joint venturers, co-venturers, operating partners, financial institutions, service providers and other market participants (such as managers of private funds, banks and brokers) or (iii) certain limited partners

of a Fund or their affiliates. Certain of these persons are expected to invest (or are expected to be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to Town Lane or the Funds. For example, Town Lane expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain related parties that are engaged in lending or related business. This discretion subjects Town Lane to potential conflicts of interest, because although Town Lane intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio investment performance and, relatedly, returns of the relevant Fund, Town Lane has a potential incentive to recommend the related person because of its financial or other business interest, including based on Town Lane's belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Town Lane information about markets and industries in which Town Lane operates (or is contemplating operations) or will provide other services that are beneficial to Town Lane. There is a possibility that Town Lane, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to Town Lane or the Funds), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Town Lane will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio investments to incur) such expenses and, although Town Lane generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Additionally, from time to time Town Lane expects certain service providers, their affiliates and personnel to invest in, or co-invest alongside, one or more Funds, and due to the nature of the service provider relationships these persons have the potential to have information advantages relative to other investors or co-investors. In certain circumstances where Town Lane commits or has committed to seek "market" or "arms-length" rates or terms, Town Lane will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Town Lane reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arms-length." Consequently, Town Lane undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, Town Lane reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services; however, any methodology, or choice among methodologies, involves potential conflicts of interest and Town Lane reserves the right to use additional or different methods to allocate such fees and expenses, and the particular methodology used to allocate such overhead is expected to vary depending on the types of services provided and the applicable asset class involved and could, in certain circumstances, change from one period to another. In many cases, fees or reimbursements are based on metrics relating to a Fund or a portfolio investment, as applicable, and there can be no assurance that the amount of fees or reimbursements charged will be proportional to the amount of hours of work performed on behalf of such Fund or such portfolio investment, as applicable. Whether or not Town Lane has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In addition, as described above, portfolio investments typically are expected to pay certain fees to, and reimburse expenses of, service providers, including affiliated service providers and other consultants (including Advisors and joint venture partners), and such amounts generally do not offset or reduce the Management Fee as described herein. Such service providers generally make use of Town Lane resources or otherwise are associated with Town Lane. Town Lane reserves the right to agree to compensate certain of such service providers to the extent portfolio investment-related compensation falls below certain specified levels on an aggregate annualized basis or provide other compensation.

As described above, Advisors are expected from time to time to include former employees of Town Lane or certain portfolio investments, and in some circumstances former Advisors are expected to become Town Lane employees or employees of portfolio investments. Consequently, the determination of whether certain Advisors are employees of Town Lane or members of the Operations Group is expected to vary and/or be revisited from time to time, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that Town Lane otherwise would be required to bear. Service providers (including Advisors) generally are expected to receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein, and the use of Advisors is expected to fluctuate and/or expand over time. To the extent that Advisors are paid retainers, guaranteed minimums or similar compensation, there is the possibility that certain portfolio investments or Funds will bear a greater share of such compensation due to the utilization of the Advisor's services at a time when fewer portfolio investments or Funds make use of such services. Under many of these arrangements, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or tangible work product generated by the Advisor. In certain cases, including where a Fund does not own a controlling interest in a portfolio investment, the portfolio investment, its management and/or equity holders potentially will not agree to engage and/or bear the costs of Advisors. In such cases, where the General Partner believes the services of the Advisors will benefit a portfolio investment, it is authorized to cause the Fund to bear such costs directly, resulting in the Fund bearing a disproportionate share of those costs vis-à-vis other equity holders of a portfolio investment notwithstanding that other equity holders in that portfolio investment will receive the benefit of any returns that result from Advisor services.

Although the use of such service providers (including Advisors) and the allocation of compensation paid to them by Town Lane, a Fund and/or its portfolio investments subjects Town Lane to potential conflicts of interest, Town Lane believes that such potential conflicts may be outweighed by the anticipated cost savings to portfolio investments (which is expected to be to the benefit of the applicable Funds) that will result if the cost of the service providers is lower than market rates for the services provided or if such services align with Town Lane's model for the portfolio investment and improve portfolio investment performance. Although Town Lane seeks to retain such service providers with a view to reducing costs to portfolio investments (and, ultimately, the Funds) and/or improving portfolio investment performance, a number of factors may result in limited or no cost savings from such retention. Town Lane also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such service providers in a manner that Town Lane believes will align their interests with those of the applicable Fund(s) and seeks to retain only service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives.

However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

From time to time, a Fund, alone or co-investing alongside other Funds and/or third parties, may establish or invest in portfolio investments that serve as operating or similar platforms in one or more asset classes, sub-investment strategies, geographies and/or other niches that seek to acquire interests in other companies and/or assets (such platforms, “**Operating Platforms**”). While the Funds would typically be involved in the strategy and oversight of any Operating Platform, an Operating Platform typically would retain its own management team and/or other personnel to operate, administer and manage the Operating Platform on a daily basis. In such cases the Funds generally will directly or indirectly bear the expenses related to developing and operating the Operating Platform, including overhead expenses, employee compensation (including profits interests, salaries, bonuses, expenses reimbursements, co-investments alongside a Fund and/or other compensation), diligence expenses or other related expenses in connection with backing the management team or building out such Operating Platform. Such expenses generally will not offset any Management Fee paid by the Funds.

Such Operating Platforms create potential conflicts of interest. For example, in certain cases, the services provided by such management team could overlap with the services provided by Town Lane to the Funds and certain Town Lane personnel are expected to serve on the boards of, or otherwise provide services to, Operating Platforms. Because Town Lane (and not the Funds) otherwise generally pays the salaries of its employees, Town Lane has an incentive to cause an Operating Platform to retain its own management team instead of relying on Town Lane employees to provide managerial services, or to deploy existing Town Lane employees as members of such Operating Platform’s management team. In addition, Town Lane generally expects to have the ability to influence significantly the form and amount of compensation paid to such management teams. Members of Operating Platform management teams also may render services exclusively to the Operating Platform or provide the same or similar services to other Funds and/or portfolio investments. It is also possible that management team personnel of an Operating Platform owned by a Fund could be transferred to or from another Operating Platform (including an Operating Platform owned by a Fund), and such transfer could result in payments between such Operating Platforms. Where an Operating Platform provides services to other Funds (including other Funds that do not have an interest in such Operating Platform) and/or their respective portfolio investments, such services are expected be provided on the basis described above and are therefore subject to many of the conflicts of interest described herein, and such other Funds and/or their respective portfolio investments will not necessarily bear their allocable share of overhead expenses, employee compensation (including profits interests, salaries, bonuses, expenses reimbursements, co-investments alongside a Fund and/or other compensation), diligence expenses or expenses incurred in connection with a Fund’s backing the management team or building out such Operating Platform and there can be no assurance that the terms of any such transaction will be the same as those that would be obtained in an arm’s length transaction between unaffiliated third parties.

Town Lane reserves the right from time to time to cause a Fund to enter into a transaction whereby the Fund purchases rights, property and/or other assets from, or sells rights, property and/or other assets to other Funds managed by Town Lane, or co-investors or co-investment vehicles subject to certain restrictions outlined in the Governing Documents. Such transactions

may arise in the context of automatic or other re-balancing of an investment among parallel investing entities, where a portfolio investment owned by one Fund is acquired by a portfolio investment acquired by another Fund, where a portfolio investment owned by one Fund is acquired by another Fund or otherwise in connection with any investment allocation determination by Town Lane. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio investments owned by another Fund. These conflicts are heightened to the extent the relevant right, property and/or other asset is illiquid or does not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the fair value. To the extent required by the Governing Documents or otherwise in the sole discretion of Town Lane, Town Lane reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant, appraiser or investment banker to opine as to the value fairness or “arms-length” nature of a purchase or sale price) or by obtaining the consent of relevant Fund(s) (including where authorized, the consent of each Fund’s advisory board) to such transactions. In certain circumstances, Town Lane reserves the right to determine that the willingness of a third party to enter into such a transaction on the same terms demonstrates the fairness of the relevant transaction (including its value) to the Fund under then-current market conditions. Town Lane intends that any such transactions be conducted in a manner that Town Lane believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although Town Lane generally will structure Funds to avoid circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund or any Town Lane affiliate, in certain circumstances lenders and other market participants negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds’ share of the relevant obligation and/or joint and several liability among Funds. In such cases, Town Lane intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements. In other circumstances, lenders and other market participants are expected to seek “cross default” rights under which a Fund will be treated as in default under the relevant facility in the event of a default by another Fund or a Town Lane affiliate relating to their respective lending or other facilities; if any such provision were to be triggered, a Fund’s limited partners could suffer adverse effects resulting from any default by any Fund or a Town Lane affiliate, whether or not related to the Fund in which such limited partners have invested.

Town Lane reserves the right to employ or engage personnel with pre-existing ownership interests in portfolio investments owned by the Funds or other investment vehicles advised by Town Lane; conversely, current or former personnel or executives of Town Lane are expected from time to time to serve in significant management roles at portfolio investments or service providers recommended by Town Lane. Similarly, Town Lane and/or personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, including, but not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio investments executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will

be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Town Lane and/or the Funds or other investment vehicles they advise. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through Town Lane entities, whether or not relating to financing Town Lane personnel obligations to fund General Partner commitment obligations) to Town Lane personnel and their estate planning vehicles. Town Lane expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio investment if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Town Lane information about markets and industries in which Town Lane operates (or is contemplating operations) or will provide other services that are beneficial to Town Lane or one or more other Funds. Town Lane expects to be subject to a potential conflict of interest in making such recommendations, in that Town Lane has an incentive to maintain goodwill between it and the existing and prospective portfolio investments for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio investments.

Town Lane and its equity holders, officers, principals and employees reserve the right to buy or sell securities or other instruments or assets that Town Lane has recommended to a Fund. In addition, Town Lane's officers, principals and employees reserve the right to consummate transactions deemed unsuitable for a Fund but will not in such circumstances be required to share in or reimburse the relevant Fund for due diligence or other expenses (including broken deal expenses) incurred by the Fund in connection with the Fund's consideration of the relevant investment opportunity. Any such transactions are subject to any restrictions in the Governing Documents and any related policies and procedures set forth in Town Lane's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally will vary from those of any Fund. Employees and related persons of Town Lane are expected from time to time to have investments or other interests, directly or indirectly, in or alongside a Fund, or in prospective portfolio investments being considered by a Fund as well as in investment vehicles unrelated to the Funds or Town Lane (including other private funds) sponsored by other investment managers (including potential competitors of the Funds and Town Lane), and therefore expect to have additional potential conflicting interests in connection with these interests, particularly where a Fund is considering the acquisition of a prospective portfolio investment in which such persons hold an interest, as such persons are expected to have economic or other incentives that do not necessarily align with those of the investors in such Fund. Any such transactions are also subject to any related policies and procedures set forth in Town Lane's Code of Ethics.

The General Partner generally is permitted to receive a distribution in kind from the Fund, including in connection with investment dispositions or the payment in kind of amounts owed to the General Partner as carried interest (which generally will be made using the value of the relevant investment on the date of distribution). In such circumstances, there is a potential conflict of interest between the General Partner (and its beneficial owners) and the relevant Fund's limited partners. For example, the General Partner and its beneficial owners may intend to hold the investment for a different time period than Town Lane deems suitable for the Fund. Although the General Partner and its beneficial owners bear the risk that such securities will decrease during their holding period, to the extent the value of the relevant securities increases following the Fund's

disposition thereof, neither the relevant Fund nor its limited partners will benefit from the increase, and over time the economic benefit to the General Partner and its beneficial owners could exceed the value of the General Partner's *pro rata* interest in the Fund and the amount of carried interest owed. To the extent the beneficial owners of the General Partner contribute such securities to a charity (including to a private foundation or other charitable organization associated with, operated or chosen by such persons or their families), any tax efficiencies or other personal benefits associated with the contribution will inure to the benefit of such beneficial owners rather than to the Fund or its limited partners.

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

Because there is a fixed investment period after which capital from investors in the Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when Town Lane may not otherwise have done so.

Since Town Lane is permitted to retain certain fees (as described under Item 5 "Fees and Compensation") in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, fees are based on gross revenues or other metrics relating to a portfolio investment, but also have the potential to be charged on a flat-fee or other basis, and there can be no assurance that the amount of fees charged will be proportional to the amount of hours of work performed or tangible work product generated on behalf of the portfolio investment. Additionally, Town Lane, its personnel or others designated by Town Lane expect from time to time to receive compensation in the form of portfolio investment securities. To the extent any such securities are received, after any applicable offset provisions in the Governing Documents are applied, Town Lane and/or such other recipients will be permitted to retain such securities as fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio investment and/or Town Lane) or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Fund. In addition, because portfolio investment securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting the Fund's relative ownership of the portfolio company awarding such compensation.

In certain circumstances, such as those relating to short- or long-term portfolio investment cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, Town Lane reserves the right to accrue, defer or forego payments of fees, and, subject to the terms of the Governing Documents, reserves the right to charge interest at then-available rates

with respect to such amounts. In such cases, in accordance with the Governing Documents, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

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

Town Lane is likely to have its own economic and/or other business incentives to provide certain terms to certain limited partners (e.g., based on capital commitment amount to a Fund or the timing thereof, the ability of a limited partner to provide sourcing or other services to Town Lane and its personnel or a Fund, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Town Lane and its personnel or a Fund). Further, Side Letters may also relate to strategic relationships under which an investor agrees to make Commitments to multiple Funds. Except where required by the Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, Town Lane, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. Side Letters subject Town Lane to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory board results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. Other Side Letter rights are likely to confer benefits on the relevant limited partner at the expense of the relevant Fund or of limited partners as a whole, including in the event that a Side Letter confers additional reporting, information rights and/or transfer rights, the costs and expenses of which are expected to be borne by the relevant Fund.

As a consequence of one or more limited partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments or ability to bear certain liabilities or obligations, the aggregate returns realized by participating or non-participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments; similar considerations apply in the event a limited partner defaults on a drawdown in respect of an investment. Conversely, the aggregate returns by an excused or excluded limited partner may be adversely affected in a material manner by the favorable performance of an investment from which such limited partner was excused or excluded, or by the fact that the capital contributions made by such excused or excluded limited partner in the aggregate are proportionately less than the capital contributions made by limited partners that participated in all Fund investments. Although Town Lane believes it to be unlikely, excuse or other rights requested or received by one or more limited partners (or such regulatory,

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

Town Lane has incentives to use or recommend services of one portfolio investment to another, which generally will involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest will arise in making such recommendations and Town Lane has incentives to maintain goodwill between it and its former, existing and prospective portfolio investments, and as a result the services recommended may not necessarily be the best or lowest cost option. In most cases, the relevant Fund will not be required to consent to participate in the negotiations or be directly involved in such arrangements.

The relevant liability standards under insurance coverage procured by Town Lane are expected to vary by carrier, and such standards are expected to vary from time to time depending on, for example, coverage features or limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages from time to time are expected to vary from relevant liability and/or indemnity standards in the Governing Documents. Investors generally will be responsible for insurance premiums, as set forth in the Governing Documents, regardless of whether the liability and/or indemnity standards in Town Lane's insurance coverage are higher or lower than that set forth in the Governing Documents.

Any of these situations subjects Town Lane and/or its affiliates to potential conflicts of interest. Town Lane will attempt to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Town Lane's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a manner it believes to be fair and equitable to the Fund under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, Town Lane will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Town Lane will consult and receive consent to conflicts from an advisory boards consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

ITEM 9 DISCIPLINARY INFORMATION

Town Lane and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

ITEM 10 OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Management Company is affiliated with other Town Lane investment advisers, including the General Partner and equivalent entities formed from time to time and subject to the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. These entities operate as a single advisory business together with the Management Company and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Town Lane has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of Town Lane principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Town Lane personnel to report their personal securities transactions, prohibits or requires pre-clearance for directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Town Lane personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the Town Lane Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material, non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to the Town Lane Chief Compliance Officer at info@townlane.com. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Town Lane and its affiliated persons may come into possession, from time to time, of material, non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Town Lane and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Town Lane.

Accordingly, should Town Lane or any of its affiliated persons come into possession of material, non-public or other confidential information with respect to any public or non-public company, Town Lane generally would be prohibited from communicating such information to clients, and Town Lane will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and/or procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Town Lane personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Town Lane and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented

to certain affiliates of Town Lane, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles, directly in a particular portfolio company or through an intermediate entity in a portfolio company's structure. Such co-investment opportunities generally will be allocated in the manner described under Item 8 "Methods of Analysis, Investment Strategies and Risk of Loss."

Town Lane and its affiliates, principals and employees expect from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The Governing Documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (*e.g.*, by time or percentage of capital deployed).

From time to time, the General Partner reserves the right to advance funds on behalf of a Fund and contribute such amounts to the Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is expected to be borne by the relevant Fund, consistent with the Governing Documents. Similarly, Town Lane or an affiliate from time to time is expected to sign non-disclosure agreements or other deal documentation in view of future participation by one or more Funds(s), although this typically is done as a courtesy and without compensation from a Fund.

In borrowing on behalf of a Fund, Town Lane is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the General Partner called capital, and thus could result in the General Partner receiving carried interest sooner than it would without borrowing. In addition, when the Management Fee is calculated as a percentage of invested capital, a limited partner may pay Management Fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

Town Lane will effect such borrowings consistent with a Fund's Governing Documents and in a manner it believes to be fair and equitable under the circumstances to the relevant Fund.

ITEM 12 BROKERAGE PRACTICES

Town Lane focuses on securities transactions of private investments and generally purchases and sells such investments through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Town Lane reserves the right to distribute securities to investors in the Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. To the extent Town Lane engages in public securities transactions, it intends to follow the brokerage practices described below.

If Town Lane sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Town Lane. In such event, Town Lane will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Town Lane reserves the right to consider a variety of factors, including: (i) timeliness and quality of executions provided; (ii) the responsiveness of the broker; (iii) the cost of executions; (iv) the broker's financial resources; (v) the quality of research provided; and (vi) potential conflicts of interest.

Town Lane has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Town Lane generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Town Lane seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although Town Lane generally does not make use of such services at the current time. Such research services could include economic research, market strategy research, industry research, company research, fixed income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of Town Lane's Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by Town Lane, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. Research services may be shared between Town Lane and its affiliates.

Town Lane will employ no agreement or formula for the allocation of brokerage business on the basis of research services; however, Town Lane in its discretion reserves the right to cause the Fund to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This generally arises where Town Lane has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, Town Lane would not be required to place or

attempt to place a specified dollar value on the brokerage or research services provided by such broker.

Town Lane will periodically determine which brokers have provided research that has been helpful in the management of Funds. To the extent consistent with Town Lane's goal to obtain best execution for its clients, Town Lane reserves the right to seek to place a portion of the trades that it directs with the brokers who are identified through this process.

To the extent that Town Lane allocates brokerage business on the basis of research services, it expects to have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution.

To the extent that Town Lane engages in public securities transactions, orders for the purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for the Fund are completed independently, Town Lane also reserves the right to purchase or sell the same securities or instruments for several Funds simultaneously.

In Town Lane's private investment securities transactions on behalf of the Fund, Town Lane reserves the right to retain one or more broker-dealers or investment banks, the costs of which will be borne by the Fund and/or its portfolio investments. In determining to retain such parties, Town Lane reserves the right to consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Town Lane generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Fund may not pay the lowest commission or fee for such services.

ITEM 13 REVIEW OF ACCOUNTS

The investments made by the Fund are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Town Lane monitors investments in which the Funds invest, and the Town Lane Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

The Fund generally will provide to its limited partners (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner's tax return and (iii) annual reports providing descriptive investment information for each portfolio investment.

ITEM 14 CLIENT REFERRALS AND OTHER COMPENSATION

Town Lane and/or its affiliates intend to provide certain business or consulting services to investments in a Fund's portfolio and expect to receive compensation from these investments in connection with such services. As described in the Governing Documents, this compensation in many cases will offset a portion of the Management Fees paid by such Fund. However, in other

cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio investment or fees paid for other services provided), these fees are in addition to Management Fees. *See* Item 5 “Fees and Compensation.”

Town Lane reserves the right from time to time to enter 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. These arrangements generally are disclosed in the Fund’s Form D. Any fees payable to any such placement agents generally will be borne by Town Lane indirectly through an offset against the Management Fee under the Governing Documents, 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 Fund.

ITEM 15 CUSTODY

Town Lane generally expects that it will be deemed to have “custody” (within the meaning of Advisers Act Rule 206(4)-2 (the “**Custody Rule**”)) of funds or securities held in the name of one or more Fund, subject to certain exceptions set forth in the Custody Rule and related guidance, and intends to maintain such assets with the following qualified custodians: U.S. Bank, Minneapolis, MN.

Town Lane complies with the Custody Rule by meeting the conditions of the pooled vehicle annual audit exemption. Upon completion of the relevant Fund’s annual audit by an independent auditor that is registered with, and subject to inspection by, the Public Company Accounting Oversight Board (“**PCAOB**”), Town lane will distribute the Fund’s audited financials to investors within 120 days of the Fund’s fiscal year end.

ITEM 16 INVESTMENT DISCRETION

Town Lane has discretionary authority to manage investments on behalf of each Fund. As a general policy, Town Lane does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, Town Lane and/or its affiliates have entered, and expect to enter, into Side Letters with certain limited partners whereby the terms applicable to such limited partner’s investment in ta Fund are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Town Lane assumes this authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of such Fund.

ITEM 17 VOTING CLIENT SECURITIES

Town Lane has adopted Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for the Funds (and any Fund’s) portfolio investments. The Proxy Policy seeks to ensure that Town Lane votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Town Lane generally believes its interests are aligned with those of each Fund’s investors, for example, through the principals’ beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Town

Lane may address the conflict using several alternatives, including by retaining the services of a proxy advisory firm to assist with its voting decision or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board is authorized to approve Town Lane's vote in a particular solicitation. Town Lane does not consider service on portfolio investment boards by Town Lane personnel or Town Lane's receipt of management or other fees from portfolio investments to create a material conflict of interest in voting proxies with respect to such investments. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Town Lane when voting proxies on behalf of the Fund. Clients or investors that would like a copy of Town Lane's complete Proxy Policy or information regarding how Town Lane voted proxies for particular portfolio companies may contact the Town Lane Chief Compliance Officer at info@townlane.com, and it will be provided at no charge.

ITEM 18 FINANCIAL INFORMATION

Town Lane does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.