

INVESTMENT ADVISER BROCHURE

AVESI PARTNERS LLC

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Avesi Partners LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (475) 333-3470. 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, and the rules and regulations promulgated thereunder (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.

MATERIAL CHANGES

Avesi Partners LLCs last filed an annual update to this Part 2A Firm Brochure (“Brochure”) on March 30, 2023. Since this last filing, there have been no material changes to this Brochure.

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ADVISORY BUSINESS

The Management Company, a Delaware limited liability company and a registered 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 February 2021 and Christopher Matthew Laitala is the Management Company's principal owner.

The Management Company's clients include Avesi Partners Fund I LP, Avesi Partners Fund I-A LP, and Avesi Partners Affiliates Fund I LP, each a Delaware limited partnership (each with any parallel or alternative investment vehicle formed in connection with the foregoing, a "Fund," and collectively, together with any future private investment funds to which the Management Company and/or its affiliates provide investment advisory services, the "Funds").

Avesi Partners GP I LP (together with any future general partners that may be formed from time to time, each a "General Partner," and together with the Management Company and their affiliated entities, "Avesi" or the "Advisers"), is affiliated with the Management Company and serves as the general partner of the Funds.

Each 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 Partners, which operate as a single advisory business together with the Management Company.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as "portfolio companies." Avesi'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. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Avesi or its affiliates generally 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.

The advisory services to the Funds are detailed in the relevant private placement memoranda or other offering documents (each, a "Memorandum"), limited partnership or other operating agreements of the Funds (each, a "Partnership Agreement" and, together with any relevant Memorandum, the "Governing Documents") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in the Funds 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 Avesi and any investor. The Funds or the General Partners generally 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 with respect to such investors.

Additionally, from time to time and as permitted by the Governing Documents, Avesi expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants, the Operations Group, including Executive Advisors (each as defined below), and other service providers, Avesi's personnel and/or certain other persons associated with Avesi and/or its affiliates (*e.g.*, a vehicle formed by Avesi's principals to co-invest alongside a particular Fund's transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on 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) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Avesi's sole discretion, Avesi reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of December 31, 2023, Avesi had regulatory assets under management of approximately \$1,109,898,574.

FEES AND COMPENSATION

In general, Avesi receives a management fee and a carried interest in connection with the provision of advisory services to its clients. Avesi and/or its affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to Avesi to the extent provided by the Governing Documents. In addition, Avesi reserves the right to receive compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in a Fund also bear certain expenses. A summary of a Fund's anticipated fees and expenses follows, but investors should review the applicable Governing Documents for details regarding fee structure and expenses.

Management Fees

The Fund will pay Avesi, quarterly in advance, a management fee (the "Management Fee") equal to 2.0% on an annual basis of aggregate investor capital commitments ("Commitments"). Investors participating in a closing after the initial closing date of the Fund that are not designated as "affiliated partners" bear the Management Fee. Upon the earlier to occur of (i) the date when all Commitments have been invested or otherwise used to pay expenses of the Fund, (ii) the sixth anniversary of the initial closing date, (iii) the date Avesi first receives or begins to accrue management fees with respect to a new equity investment fund with objectives, strategy and scope substantially similar to those of the Fund and (iv) the date that is six months after a cessation event,

as more fully described in the Governing Documents, the Management Fee will be reduced and will equal 2.0% of (a) the aggregate investment contributions, as reduced by (b) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or permanently written-down, in each case with respect to investors not designated as “affiliated partners.” Investors participating in a subsequent closing after the initial closing date generally will be assessed Management Fees retroactive to the initial closing date, with interest. 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. Where the Governing Documents calculate Management Fees based on the amount of Commitments or the amount of investment contributions, the amount of Management Fees generally will not be reduced based on reductions in investment value, except where specified by the relevant Governing Documents. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

To the extent specified in a Fund’s Governing Documents, Avesi will be permitted to receive certain supplemental fees and other amounts (“Supplemental Fees”) consisting of: (i) directors’ fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund investment; (ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) break-up fees with respect to Fund transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Governing Documents; but not including, in any event, any amount received by the General Partner, the Operations Group (as defined below) or other person from a portfolio company (A) as reimbursement for expenses directly related to such portfolio company, (B) as payment for services provided to any portfolio company in the ordinary course of such portfolio company’s business, (C) as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such portfolio company or (D) as compensation, including fees, incentive equity or other stock awards, for services rendered by the Operations Group (or a member thereof) to a portfolio company or prospective portfolio company or (E) any other fees or expenses approved by a Fund’s limited partner advisory board. A Fund’s Governing Documents generally will provide that Supplemental Fees received by Avesi and attributable to the Fund’s investment in a portfolio company will be credited against management fees otherwise owed to Avesi in a specified percentage (*e.g.*, 75%). The remaining amount of such Supplemental Fees will be retained by Avesi. To the extent that such an offset credit would reduce the Management Fee for a given quarterly period below zero, the credit will be carried forward for future application against payable Management Fees and 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).

As a matter of practice, Avesi 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. The receipt of such fees will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and, as a result, a Fund will, in most cases, only benefit with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee that relates to such co-investors or potential co-investors (which could include co-investment vehicles managed by Avesi, third parties, portfolio company management or employees and/or others), which have the potential to be significant. Supplemental Fee offsets generally are performed on a net basis, after giving effect to taxes and other expenses in connection with the receipt of such fees or the provision

of related services. Unless otherwise agreed with investors, Supplemental Fees generally will be payable without further offset during term extensions, even if Management Fees are reduced or eliminated during the extended term.

Additionally, as further described below and in the Governing Documents, Avesi expects to use or retain an Operations Group and/or Executive Advisors (each as defined below) to provide services to (or with respect to) certain portfolio companies in which a Fund invests. Members of the Operations Group and/or Executive Advisors will generally receive compensation and other amounts described herein from the relevant portfolio companies or Funds to which they provide services, but no such amounts will offset or reduce the Management Fee. For the avoidance of doubt, Avesi also will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Fund portfolio companies.

The Governing Documents generally permit the General Partner to waive or agree to reduce the Management Fee. Certain waived portions of the Management Fee are treated by the Governing Documents as a deemed capital contribution by the relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf, and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to the Fund. The limited partners of the Fund 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 General Partner 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

The Fund's General Partner will receive a carried interest with respect to the Fund equal to 20% of all realized profits subject to an 8% compound preferred return and subject to a General Partner catch-up provision, 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 life of the Fund if the General Partner has received excess cumulative distributions.

It is expected that any future Funds will have a similar fee structure.

Other Information

The General Partner is permitted, in its sole discretion, to exempt certain "affiliated partners" in the Funds from payment of all or a portion of Management Fees and/or carried interest, whether or not they are actual affiliates of Avesi, such as "friends and family" of Avesi 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 Avesi and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances

where an Avesi 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, the General Partner has the right to permit investors, affiliated with Avesi 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. Avesi 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).

The Funds generally invest on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of Avesi 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 Avesi or its affiliates.

In addition to the Management Fee and carried interest payable to Avesi, the Funds bear certain expenses. As set forth more fully in the Governing Documents, each Fund will pay, or reimburse the General Partner for all fees, costs, expenses, liabilities and obligations relating to such Fund's (and its subsidiaries' and intermediate entities') activities, business, portfolio companies or actual or potential investments, including with respect to any entity formed to effect the acquisition and/or holding of a portfolio company (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligence (including any subscriptions to any periodicals, databases and/or research services) acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving, or otherwise disposing of, as applicable, the Fund's portfolio companies and its actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, tax professionals, lenders, expert networks, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that have or may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful (including, in the case of any transactions or projects that are not consummated, any such amounts that would have been attributable to co-investors); (ii) indebtedness of, or guarantees made by, the Fund, the General Partner or any "affiliated partner" on behalf of the Fund (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v) brokerage, sale, custodial, depository, local paying agent, trustee, record keeping, account, registered office and similar services (including

any depositary appointed pursuant to the Alternative Investment Fund Managers Directive 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); (vi) legal, accounting, research, auditing, technology, administration (including fees and expenses associated with the Fund's third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals, fairness opinions or pricing services), consulting (including consulting and retainer fees, salary and other compensation paid to, and benefits or personnel costs provided to or on behalf of, the Operations Group (as defined below) or any of its members, consultants performing investment initiatives and other similar consultants), tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (vii) reverse breakup, termination and other similar fees; (viii) insurance, including directors and officers liability, fidelity bond, cybersecurity errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (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, and regulatory expenses; (ix) filing, title, transfer, survey, registration and other similar fees and expenses; (x) printing, communications, mailing, courier, marketing and publicity; (xi) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with limited partners, or any other administrative, compliance or regulatory filings or reports (including Form PF and any filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or the limited partners; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data; (xiv) to the extent provided in the Partnership Agreement, or otherwise approved by the General Partner in its sole discretion, activities or proceedings of the limited partner advisory board (including any costs and expenses incurred by representatives of the General Partner, the limited partner advisory board members, permitted observers and other persons in attending or otherwise participating in meetings of the limited partner advisory board); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any partner or other person pursuant to the Partnership Agreement and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Partnership Agreement), except as otherwise set forth in the Partnership Agreement; (xvi) 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; (xvii) any annual limited partner meeting or other periodic, if any, meetings of the limited partners and any other conference, meeting or webcast or other video conference with any limited 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), in each case to the extent incurred by the Fund, the General Partner or any other affiliate of the General Partner;

(xviii) except as otherwise determined by the General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with the Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the Fund to the extent not paid by the investors investing in such entities and any other costs related to structuring or restructuring of any alternative investment vehicle, portfolio company or portfolio company of any alternative investment vehicle; (xix) the termination, liquidation, winding up or dissolution of the Fund; (xx) defaults by partners in the payment of any capital contributions; (xxi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Fund, the General Partner and related entities and any alternative investment vehicle of the Fund, including the preparation, distribution and implementation thereof; (xxii) complying 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, related to the activities of the Fund (including regulatory expenses of the General Partner or any of its affiliates incurred in connection with the operation of the Fund and legal fees and expenses); (xxiii) any litigation or governmental inquiry, investigation or proceeding involving the Fund, including the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Partnership Agreement; (xxiv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a limited partner or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian; (xxv) any taxes, fees and other governmental charges levied against the Fund and all costs expenses incurred in connection with any tax audit, inquiry, investigation settlement or review of the Fund (except to the extent that the Fund is reimbursed therefor by a partner) and any costs of or related to the "partnership representative" of the Fund; (xxvi) distributions to the partners and other expenses associated with the acquisition, holding and disposition of the Fund's investments, including extraordinary expenses; (xxvii) unreimbursed expenses and unpaid fees of the Operations Group or its members, employees or other persons engaged by the Operations Group; (xxviii) compliance or regulatory matters related to the Fund, except as set forth in the Partnership Agreement; (xxix) any travel (including, where appropriate as determined by the General Partner, the cost of using private aircraft or other private air travel at a cost not in excess of the cost of first class commercial airfare), lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxx) any organizational expenses; (xxxi) any placement fees; (xxxii) compliance with any tax or financial account reporting regime, and any similar laws, rules and regulations, including any costs of any third-party service providers and professionals related to the foregoing; and (xxxiii) any other fees, costs, expenses, liabilities or obligations approved by the limited partner advisory board. As a general matter, broken deal expenses are allocated among Fund investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. Also generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which

generally are expected to be significant. In certain cases, these or similar expenses (and/or Supplemental Fees) are expected to be estimated and charged in advance, charged to portfolio companies, 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 portfolio company. To the extent holding or intermediate entities include one or more special purpose acquisition companies (“SPACs”), the relevant Fund(s) will bear the costs of organizing and offering such SPACs, as well as the amount and dilutive effect of any founders’ equity or similar interests issued thereby that are not held directly or indirectly by the Fund, and except where prohibited by the Governing Documents, such interests are permitted to be issued to Avesi and its personnel. Excluded from Fund expenses are ordinary administrative and overhead expenses of the General Partners incurred in connection with maintaining and operating its office(s), including employees’ salaries, rent and equipment expenses, as more fully described in the Governing Documents. Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund’s strategy, including in Side Letters relating thereto, and (where applicable) environmental, social, governance and other standards to which the relevant 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 companies and intermediate holding vehicles through which the Fund invests. As is typical for private equity 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 “Brokerage Practices.”

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Avesi’s related policies and practices and the Governing Documents and/or Side Letter(s). Where a co-investment vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial to the transaction, in the judgment of the General Partner, ultimately is not consummated, the full amount of any fees and all expenses relating to such proposed transaction generally would be borne by the Funds, and not by any potential co-investors that would 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 expenses. To the extent a Fund makes use of a credit facility to invest in a portfolio company or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility.

Avesi and/or its affiliates generally have discretion over whether to charge Supplemental Fees to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company’s holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of Supplemental Fees generally will give rise to potential

conflicts of interest between the Funds, on the one hand, and Avesi and/or its affiliates on the other hand.

Operations Group

Additionally, as further described herein and in the Governing Documents, Avesi is permitted to create an operations group (the “Operations Group”), comprised of persons employed or retained by Avesi, including certain executive advisors and other consultants referred to as “Executive Advisors,” primarily to provide manufacturing, sales, marketing, technology, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence, or similar services to the Advisers, the Funds, or any portfolio company or prospective portfolio company of a Fund. In certain circumstances, these services also include serving in management or policy-making positions (including board members) for portfolio companies. The Operations Group and/or its members, including Executive Advisors, receive compensation including, but not limited to, cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), transaction fees, a profits, participation or equity interest in a portfolio company or holding company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from Avesi and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Group member or Executive Advisor, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such portfolio company. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund’s investment, and the relevant Fund typically will bear the costs of all Operations Group compensation, including Executive Advisors, as well as fees, costs and expenses of structuring Operations Group and Executive Advisor arrangements. Members of the Operations Group and the Executive Advisors also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset or reduce the Management Fee. The use of the Operations Group, including Executive Advisors, subjects the General Partners to potential conflicts of interest, as discussed under “Conflicts of Interest,” below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” the General Partner generally receives 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 “Fees and Compensation.”

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 Avesi generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

Avesi provides investment advice solely to its Fund clients, and references throughout this Brochure to “clients” and to Avesi’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 domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder. 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 Avesi and its affiliates and members of their families, members of the Operations Group, including Executive Advisors, or other service providers retained by Avesi, as well as executives of portfolio companies.

The relevant General Partner also generally is permitted from time to time to establish Funds that are 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. There generally is 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 related Fund.

The Funds generally has a minimum investment amount of \$5 million for third-party investors, and the Funds interests are generally offered and sold solely to (i) “accredited investors,” as that term is defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended, (ii) “qualified clients,” as that term is defined under the Advisers Act and the rules and regulations promulgated thereunder, and unless waived in the discretion of the General Partner, “qualified purchasers,” as that term is defined under the Investment Company Act and the rules and regulations promulgated thereunder (or certain qualified knowledgeable Avesi personnel). Avesi generally is permitted to waive such minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Avesi is a private investment firm focused on making lower middle-market investments in the healthcare services, business services, and healthcare information technology and tech-enabled services sectors that are believed to benefit from Avesi’s in-house operating professionals and experience. Avesi’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 of non-public companies, although investments in public companies are permitted.

Avesi, on behalf of the Funds, will primarily target equity and equity-related investments between \$50 and \$100 million in initial transaction size or in multiple investments made over time, typically with \$10-30 million in EBITDA, and are headquartered in the United States. Companies in which the Funds seek to invest are typically low capital intensity businesses with recurring

revenue and operating leverage that have a path to significant revenue growth and/or margin expansion through multiple tactical initiatives. Once an investment opportunity has been identified, Avesi seeks to implement an effective operating strategy to improve the performance of the acquired company by (i) leveraging the competitive strengths of companies and accelerating organic growth through the expansion of products, services and/or geography, and/or (ii) accelerating top-line growth and profitability through strategic, value-add acquisitions.

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

Investment and Operating Strategy

Avesi, on behalf of the Funds, will seek to employ a disciplined screening process that focuses on the types of opportunities that fit within the Funds' investment criteria, casting a wide, but thoughtfully focused net. In summary, Avesi's three key tenets of value creation expect to guide the Funds' investment strategy: buying well, building well and selling well.

- **Buying Well:** Avesi intends to target companies valued at a relative discount to comparable transactions and below the likely exit multiple. Avesi seeks to partner with well-established founders and management teams and implement thoughtful management incentives, such as rollover equity, seller notes, contingent payments and preferred equity. Avesi intends to target companies valued at a relative discount to comparable transactions, with low capital intensity, predictable revenue and strong operating leverage.

Prior to making an investment, Avesi expects to thoroughly analyze the potential risks associated with the opportunity. The investment team will seek to identify and quantify potential risks and expects to establish a risk mitigation process before making an investment.

- **Building Well:** Avesi expects to focus on the growth of the portfolio company, while mitigating risks to the business and improving operational efficiency. Avesi seeks to leverage the competitive strengths of portfolio companies to accelerate growth through the expansion of products, services and/or geographic presence, and mitigate risk by implementing operational excellence through strong people, systems and processes. Avesi expects growth to be organic (*e.g.*, same store sales, de novo location expansion/geographic expansion, expansion of customer wallet share, new products/services) or acquired by accelerating top-line growth and profitability through acquisitions.
- **Selling Well:** Prior to exit, Avesi seeks to position portfolio companies as “de-risked,” with limited downside and at a larger scale, having demonstrated significant growth through the course of Avesi's ownership. Avesi believes that its portfolio companies will have strong management teams upon exit that can drive continued growth for the next owner and successfully execute on in-process growth plans with ample upside for future growth.

Risks of Investment

Each Fund and its investors bear the risk of loss that Avesi's investment strategy entails. The risks involved with Avesi's investment strategy and an investment in a Fund include, but are not limited to:

Business Risks. The Fund's investment portfolio is expected to consist primarily of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Future and Past Performance. The performance of the principals' prior investments is not necessarily indicative of the Fund's results. While the General Partner intends for the Fund to make investments that have estimated returns commensurate with the expected risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Investment in Junior Securities. The securities in which the 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 the Fund's investment once made.

Concentration of Investments. The Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified.

Investments in the Healthcare Services and Related Sectors. The Fund's investments may be concentrated in the healthcare services sector, including IT services in support of this sector. Concentration in a single sector or related sectors may involve risks greater than those generally associated with a more diversified strategy, including significant fluctuations in returns. A number of factors contribute to challenging conditions for businesses in the healthcare services sector, which such factors also apply to businesses providing IT services in support of this sector, including: (i) new competing products and improvements in existing products which may quickly render existing products or technologies obsolete; (ii) short product life cycles; (iii) scarcity of and high demand for management, technical, scientific, research and marketing personnel with appropriate training; (iv) the possibility of lawsuits related to patents and other intellectual property and their associated rights; and (v) rapidly changing investor sentiments and preferences with regard to investments in the healthcare services and supporting sectors. Some or all of the Fund's portfolio companies may compete in this volatile environment, and such competition may result in significant downward pressure on the prices of such portfolio companies' products and/or services. As a result of the potential concentration of the Fund's investments in the healthcare services and supporting sectors, any instability, fluctuation or general decline in the healthcare services sector may not be offset by investments in other industries not similarly affected.

Bridge Financings. The Fund is permitted to provide bridge financing to facilitate portfolio company investments. It is possible that all or a portion of a bridge financing will not be recouped within the time period specified in the Partnership Agreement, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the investment limitations set forth in the Partnership Agreement, certain of which exclude bridge financing investments.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring, completing, buying and selling private equity transactions is highly competitive and involves a high degree of uncertainty. The Fund will encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, strategic industry acquirers, companies, governments, private equity market participants, individuals, financial institutions and other investors, investing directly or through affiliates. Over the past several years, an ever-increasing number of private equity funds have been or are being formed, and many existing funds have grown in size. Additional funds with similar investment objectives may be formed in the future by other unrelated parties. Some of these competitors may have more relevant experience, greater financial resources, a greater willingness to take on risk, and/or more personnel than the General Partner, the Fund and their affiliates.

In a highly competitive environment, valuations of potential target companies may increase. The General Partner expects that competition for appropriate investment opportunities may require the Fund to participate in competitive auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to the Fund and/or adversely affecting the terms upon which portfolio investments can be made.

To the extent that the Fund encounters competition for investments, the acquisition costs of such investments may increase, and returns to the limited partners may decrease. In addition, it is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, regardless of the extent to which the Commitments of the limited partners are invested (or drawn down to be invested), limited partners will be required to bear Management Fees through the Fund during the investment period based on the entire amount of the limited partners' Commitments and other expenses as set forth in the Partnership Agreement.

Dynamic Investment Strategy. While the General Partner generally intends to seek attractive returns for the Fund primarily through making private equity investments as described herein, the General Partner is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. The General Partner is permitted to pursue investments outside of the industries and sectors in which the principals have previously made investments or have internal operational experience.

Growth Equity Transactions. The Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with

substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which the Fund intends to invest, including various segments of the healthcare industry, 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. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While the Fund intends to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries, including in particular the healthcare industry, are complex, 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 or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Fund invests. In addition, the healthcare industry has been, and will likely continue to be, significantly impacted by recent legislative changes, and various U.S. federal, state or local or non-U.S. legislative proposals related to such industries are introduced from time to time, which, if adopted, could have a significant impact on such industries in general and/or on companies in which the Fund may invest.

Illiquidity; Lack of Current Distributions. An investment in the 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 Fund's ability to dispose of investments may be limited for several reasons. Illiquidity may result from the absence of an established market for the investments, as well as legal, contractual or other restrictions on their resale by the Fund. Dispositions of investments may be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In view of these limitations on liquidity, the Fund generally will not be able to return capital or realize gains, if any, on an investment in a privately-held entity until the partial or complete disposition of such entity. 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 the Fund (including the Management Fee payable to the General Partner, the Management Company or its designated affiliate) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

Leveraged Investments. The Fund is permitted to and typically expects to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment, and the magnification of the risk of loss may be substantial. 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. The use of leverage by the Fund will also result in interest expense and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments and is also subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) may restrict or otherwise discourage lending that results in companies carrying large amounts of debt.

The use of leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of the Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, the Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Additionally, lenders would typically have a claim that has priority over any claim by the Fund to the assets of such portfolio company in an insolvency event or proceeding. Should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness or maintain a desired or optimal amount of financial leverage, the Fund may hold a larger than expected equity investment in such portfolio company and may realize lower than expected returns from such portfolio company, which would adversely affect the Fund's ability to generate attractive returns for the Fund as a whole. Any failure by lenders to provide previously committed financing could also expose the Fund to potential claims by sellers of businesses which the Fund may have been contracted to purchase. Moreover, the companies in which the Fund will invest generally will not be rated by a credit rating agency.

The Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that the Fund would be compensated for providing such guarantee or exposure to such liability. Any use of leverage by the Fund also will result in interest expense and other costs to the Fund that may exceed, or otherwise may not be covered by, distributions made to the Fund or appreciation of its investments. The Fund is permitted to incur leverage on a joint and several basis with one or more other investment funds and/or other entities managed by or otherwise affiliated with the General Partner or any of its affiliates and, in connection with incurring such indebtedness, the General Partner reserves the right, in its sole discretion, to cause the Fund to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. However, it is possible that, if and when the Fund were to seek to enforce any such right, any such entity could default on its obligation and/or such right may otherwise be unenforceable. In addition, to the extent the Fund incurs leverage (or provides such guaranty), such amounts may be

secured by the Commitments of the limited partners and other Fund assets. The inability of the Fund to repay any leverage secured by the Commitments of the limited partners could enable a lender to issue a capital call on behalf of the General Partner.

Capital Calls and Credit Facilities. The Fund intends to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate Commitments available to be called. The Fund's use of such facilities will be determined by the General Partner, and the performance of the Fund may be impacted by how the General Partner causes the Fund to utilize such facilities. Although the use of such a facility may increase the Fund's ability to swiftly invest capital, it also will cause the Fund to incur interest expense and other costs and subject limited partners to certain risks. For example, because amounts borrowed under a subscription line typically are secured by pledges of the 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.

Fund-level borrowing will result in incremental expenses that will be borne by the limited partners. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the limited partners and the terms of the Partnership Agreement, it may be higher than the interest rate a limited partner could obtain individually. Conflicts of interest have the potential to arise in that the use of such facilities generally will delay the need for limited partners to make certain contributions to the Fund, which generally would enhance the Fund's internal rate of return calculations and thereby benefit the marketing efforts of the General Partner and its affiliates. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the 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 may contain other terms that restrict the activities of the Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the General Partner's ability to consent to the transfer of a limited partner's interest in the Fund. In addition, in order to secure a subscription line, the 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.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay Fund expenses without calling capital, potentially for extended periods of time. Furthermore, borrowings by the Fund could cause a portion of the Fund's investments to be considered debt-financed and some or all of a tax-exempt partner's distributive share of income from the Fund (including dividends, interest and capital gains) could be UBTI. To the extent provided in the Partnership Agreement, any such borrowing is permitted to remain outstanding for such time as the General Partner deems appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that decrease net returns of the Fund. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the General Partner called smaller amounts of capital incrementally over time as needed by the 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.

If an investment appreciates in value and is disposed of prior to repayment of the borrowing, the disposition proceeds would be applied to repay the borrowing (and related interest and expenses), and the net proceeds would be distributed to the limited partners without a preferred return accrual on the amount invested by the Fund (due to the absence of invested capital funded by limited partners) prior to the determination of carried interest distributions. Accordingly, borrowings by the Fund or portfolio companies might support the distribution of proceeds to limited partners and increase the potential carried interest for the General Partner; however, the interest incurred due to such borrowing would reduce the carried interest received by the General Partner. Subject to the limitations in the Partnership Agreement, if any, this conflict of interest incentivizes the General Partner to permanently fund the acquisition and ongoing capital needs of investments of the Fund 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 repaid out of disposition proceeds).

Notwithstanding the foregoing, to the extent that the Fund is unable to obtain a credit facility, determines that the terms of such facility would not be appropriate for the Fund, or otherwise determines not to use such facility or access to such facility otherwise becomes unavailable, the General Partner may determine to draw down capital contributions in advance and hold them in reserve in order to make investments and/or satisfy fees and expenses and other capital needs as such needs arise in the future.

Key Service Provider Risks. The Management Company and Funds rely on various third-party service providers including but not limited to auditors, custodians, banks, financial institutions, and information technology-related service providers to conduct business. As such, the Management Company and Funds are subject to the risk of any key service provider becoming insolvent, filing for bankruptcy, or ceasing operations.

Limited Transferability of Fund Interests. There will be no public market for the Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the Governing Documents and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of the Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners 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 Partnership Agreement, including the value used to determine the amount of carried interest available to the General Partner with respect to such investment.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of the Fund will be vested with the General Partner, and the Fund's future profitability will depend largely upon the business and investment acumen of the principals. The loss or reduction of service of one or more of the principals could have an adverse effect on the Fund's ability to realize its investment objectives. In addition, the principals may in the future, manage or advise other investment funds besides the Fund and the principals may need to devote substantial amounts of their time to the investment activities of such other funds, which may pose conflicts of interest in the allocation of the time of the principals. Limited partners generally have no right or power to take part in the management of the Fund, and as a result, the investment performance of the Fund will depend on the actions of the General Partner. In addition, certain changes in the General Partner or circumstances relating to the General Partner may have an adverse effect on the Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

Although the General Partner will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Fund generally intends to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the Fund's objectives.

Absence of Operating History. The Fund has no operating history and will be entirely dependent on the General Partner. While the principals of the General Partner have previous experience making and managing investments similar to those contemplated by the Fund, only certain of the principals have limited experience helping to manage and/or investing a committed pool of funds. Furthermore, there can be no assurance that the Fund's investments will achieve results similar to those attained by previous investments of the principals. In addition, the Fund's investments may differ from previous investments made by the principals in a number of respects, including target return levels, level of risk associated with a particular investment, amount invested in a particular company, types of companies within a particular industry sector, amount of leverage used, structure, and holding period.

Risks in Effecting Operating Improvements. In some cases, the success of the Fund's investment strategy will depend, in part, on the ability of the General Partner to assist in sustaining the growth rates of, and/or effecting improvements in, the operations of certain portfolio companies. The activity of identifying and implementing operational improvements at portfolio companies entails a high degree of uncertainty. In addition, executing operational improvements may divert the attention of key portfolio company personnel and disrupt normal business. There can be no assurance that the General Partner will be able to successfully assist in sustaining growth rates and/or identifying and implementing such improvements, or that any such successfully implemented improvements will result in a return on invested capital with respect to such portfolio companies.

Projections. Projected operating results of a company in which the Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the General Partner in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. 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 effect on the reliability of projections.

Conflicting Investor Interests. Limited partners are expected, from time to time, to have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring and timing of investment acquisitions and dispositions. As a consequence, potential conflicts of interest will arise in connection with decisions made by the General Partner regarding an investment that may be more beneficial to one limited partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment, tax and other relevant objectives of the Fund and its partners as a whole, not the investment, tax, or other objectives of any limited partner individually.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19, have and are resulting in market volatility and 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 Fund.

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

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the 2007-2008 downturn in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

In light of the heightened regulatory environment in which the Firm operates and the ever-increasing regulations applicable to private investment funds and their investment advisers, it has become increasingly expensive and time-consuming for Avesi and its affiliates to comply with such regulatory reporting and compliance-related obligations. Any further increases in the regulations applicable to private investment funds generally or the Fund, the General Partner or the Management Company in particular may result in increased expenses associated with the Fund's activities and additional resources of Avesi being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for investors in the Fund or have an adverse effect on the ability of the Fund to effectively achieve its investment objective. Increased reporting, registration and compliance requirements may divert the attention of personnel and the management teams of the General Partner, and may furthermore place the Fund at a competitive disadvantage to the extent that Avesi is required to disclose sensitive business information.

As private equity firms and other alternative asset managers become more influential participants in the U.S. and global financial markets and economy generally, the private equity industry has recently been subject to criticism by some politicians, regulators and market commentators. Elements of organized labor and other representatives of labor unions have embarked on a campaign targeting private equity firms on a variety of matters of interest to organized labor, including with respect to affording favorable treatment or significant deference to organized labor and labor unions in dealings with portfolio companies. There can be no assurance that the foregoing will not have an adverse impact on Avesi or the Fund or otherwise impede the Fund's activities.

Privacy, Data Protection and Information Security 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 the General Partner, the Fund and/or its portfolio companies, 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 the General Partner, the Fund and/or its portfolio companies, are likely to increase,

particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, as amended, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly 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 the General Partner, the Fund and/or its portfolio companies.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. The Fund and its portfolio companies' information and technology systems may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquake. Although the General Partner intends to implement various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Management Company, the General Partner, the Fund and/or a portfolio company may be required to spend time and/or incur expenses 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 the Management Company's, the General Partner's, the Fund's and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data (including information relating to limited partners and/or the beneficial owners of limited partners, prospective Fund investments and/or portfolio company performance, follow-on investments and/or exits). Such a failure could harm the Management Company's, the General Partner's, the Fund's, a portfolio company's, a limited partner's and/or a beneficial owner of a limited partner's reputation, subject any such person or entity and its respective affiliates to legal claims and/or regulatory actions or otherwise affect their business and financial performance.

To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks. Any of such circumstances could subject a portfolio company, or the Fund, to

substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the General Partner or one of its affiliates or service providers holding its financial or investor data, the General Partner, its affiliates or the Fund may also be at risk of loss.

European Union Alternative Investment Fund Managers Directive. The European Union (“EU”) Alternative Investment Fund Managers Directive (the “AIFMD”) regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area (“EEA”). To the extent that the Fund is actively marketed to investors domiciled or having their registered office in the EEA: (i) the Fund, the General Partner and/or 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 may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which would result in the Fund incurring additional costs and expenses or may otherwise affect the management and operation of the Fund; (iii) the Fund, 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 portfolio companies, including, in some circumstances, the Fund’s ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership, which may in turn affect operations of the Fund generally. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the Fund to raise its target amount of Commitments.

In the future, it may be possible for non-EEA alternative investment fund managers (“AIFMs”) to market an alternative investment fund (“AIF”) within the EEA pursuant to a pan-European marketing “passport”, instead of under national private placement regimes. Access to this passport may be subject to the non-EEA AIFM complying with various additional requirements under the AIFMD, which may include one or more of the following: additional conduct of business and organizational requirements; rules relating to the remuneration of certain personnel; minimum regulatory capital requirements; restrictions on the use of leverage; additional disclosure and reporting requirements to both investors and EEA home state regulators; independent valuation of an AIF’s assets; and the appointment of an independent depository. Certain EEA Member States have indicated that they will cease to operate national private placement regimes when, or shortly after, the passport becomes available, which would mean that non-EEA AIFMs to whom the passport is available would be required to comply with all relevant provisions of the AIFMD in order to market to professional investors in those jurisdictions. As a result, if in the future non-EEA AIFMs may only market in certain EEA jurisdictions pursuant to a passport, the General Partner may not seek to market interests in the Fund in those jurisdictions,

which may lead to a reduction in the overall amount of capital invested in the Fund. Alternatively, if the General Partner sought to comply with the requirements to use the passport, this could have adverse effects including, amongst other things, increasing the regulatory burden and costs of operating and managing the Fund and its investments, and potentially requiring changes to compensation structures for key personnel, thereby affecting the General Partner's ability to recruit and retain these personnel.

United Kingdom Exit from the EU. On March 29, 2017, the United Kingdom ("UK") formally notified the European Council of its intention to leave the EU ("Brexit"). The UK formally left the EU on January 31, 2020, and entered a transition period that ended on December 31, 2020. On December 24 2020, the UK government and the EU Commission provisionally agreed 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. Although provisionally agreed, the terms of the UK's ongoing and future relationship with the EU are still uncertain, including the extent to which UK businesses will have access to the EU single market and the extent to which EU businesses have access to the UK market. There is also risk of significant disruption to trade between the UK and the EU, particularly as new trade arrangements are intended to be ratified and implemented.

There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on the Fund and its investments, including the ability of the Fund to achieve its investment objectives. The legal, political and economic uncertainty generally resulting from the UK's exit from the EU may adversely affect both EU- and UK-based businesses, including the Fund and its portfolio companies, as applicable. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

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

Non-U.S. Investments. The Fund is permitted to, subject to certain limitations set forth in the Governing Documents, invest in portfolio companies that are organized or headquartered 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 to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency

exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Fund and/or the partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or the partners.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Public Company Holdings. The Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject the Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the principals, and increased costs associated with each of the aforementioned risks.

SPAC Investments. Avesi and/or one or more of its affiliates (including, potentially, the Fund) is permitted to participate in one or more entities (each such entity, a "SPAC Sponsor") that is formed for the primary purpose of forming, sponsoring, controlling and/or managing a publicly-traded special purpose acquisition company (a "SPAC"). Any such SPAC would register its shares with the SEC in an initial public offering and seek to use the funds raised in such offering to effect a business combination and, thereafter, operate as a public company. To the extent a SPAC is sponsored by a SPAC Sponsor owned by the Fund (either entirely or in part), the Fund will be required to contribute significant capital to the SPAC, including in respect of underwriting fees, deal expenses and working capital (collectively, the "at-risk capital"). If, following a SPAC's initial public offering, the funds held in a SPAC's trust account are insufficient to allow it to operate until it consummates its initial business combination, a SPAC will depend on loans from its SPAC Sponsor or its management team (which management team could include employees (including certain principals), advisors and/or consultants of Avesi and/or its affiliates and individual members of the Operations Group) to fund its search for a business combination, to pay income taxes, if any, and to complete its initial business combination. If the Fund does not control the SPAC Sponsor, there can be no assurance that the other owners of the SPAC Sponsor will loan the SPAC sufficient capital to fund the SPAC's continued search for a suitable target. If a SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by the Fund) loans any amounts to its applicable SPAC, the Fund (if applicable) may bear a significant amount of the risk of any such loan and any related expenses. There can be no assurance or guarantee that any SPAC will be able to identify a suitable target business and consummate an initial business combination within the limited completion window of 18-24 months established in connection with the SPAC's initial public offering, and in such case, the SPAC will be forced to cease operations and liquidate,

any loans it received (including indirectly from the Fund) will not be repaid and the SPAC Sponsor (including any SPAC Sponsor owned, entirely or in part, by the Fund) will lose the at-risk capital it contributed, which may be substantial. Moreover, following the initial public offering of a SPAC, the trading price of its securities may materially increase or decrease, whether before or after the initial business combination, and none of Avesi, the Fund, the General Partner, the applicable SPAC Sponsor or any of their respective affiliates will be able to control or predict the movement of such price. The Fund could also make a direct investment in connection with the initial business combination transaction of a SPAC (including a SPAC sponsored by Avesi, its principals or their respective affiliates).

Distressed Investments. The 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 the General Partner 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 company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, the 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 the Fund invested.

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

To the extent the 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 companies may be controlled or influenced by persons and/or entities who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Fund or the limited partners. Such third parties may be in a position to take action contrary to the 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, the Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that the 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.

Director Liability. The General Partner expects that the Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests (each, a “Board Representative”). In those instances where the Fund is not the sole shareholder of the applicable portfolio company, a Board Representative may have duties to persons and/or entities other than the Fund. Serving on the board of directors (or similar governing body) of a portfolio company will expose a Board Representative, and ultimately the Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Fund’s investment activities.

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. Leading up to the 2020 U.S. federal elections, increased political polarization became a defining feature of U.S. politics. The hyper-partisan political environment in the U.S. has further intensified as a result of the COVID-19 related economic shutdowns and civil unrest following protests against police brutality. An erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional or global health crises including but not limited to the rapid pandemic spread of novel viruses commonly known as SARS, MERS and COVID-19. Such health crises could exacerbate political, social and economic risks previously mentioned and result in significant breakdowns, delays and other disruptions on a local, regional and global scale, which are likely to have adverse effects on the operating performance of affected portfolio companies. A climate of uncertainty, including the spread of infections viruses or diseases, 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 the 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 the Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Fund’s portfolio companies.

General Economic and Market Conditions. The private equity 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) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Fund and may affect the Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Fund's investments and could have a negative impact on the performance and/or valuation of the Fund's portfolio companies. The Fund's performance can be affected by deterioration in the capital markets and by market events, including events similar to the credit crisis in the summer of 2007 or the downgrading of the credit rating of the U.S. in 2011 or the recent downturn in the U.S. and global financial markets, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and the Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of the Fund to sell and/or partially dispose of its portfolio company investments. Such adverse effects may include the requirement of the Fund to pay break-up, topping, 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 may 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 portfolio investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. The ability of the Fund and the portfolio companies to effectively execute their respective strategies will be dependent on the health of the U.S. and global credit markets. The recent deterioration of the global credit markets has made it more difficult for investment funds such as the Fund to obtain favorable financing for its investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or only to offer committed financing for these investments on unattractive terms. A persistent credit market deterioration may result in limited availability of credit to consumers, homeowners and/or businesses, which may lead to an overall weakening of the U.S. economy and/or global economies. In such a situation, portfolio company performance may decline and/or the value of portfolio companies may be diminished. As a result, the Fund's ability to realize its investments at favorable times and/or for favorable prices may be negatively impacted, one effect of which may be longer-than-anticipated holding periods for investments. Accordingly, a deterioration in credit markets may negatively affect the Fund's ability to achieve its investment objectives and/or generate attractive returns for limited partners.

Material, Non-Public Information. As a result of the operations of the Management Company and its affiliates, as well as in connection with officerships and directorships of Avesi personnel, the Management Company may come into possession of confidential or material, non-

public information. The Management Company and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by the Fund, and the 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 the Management Company's internal policies and practices. Due to these restrictions, the Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Unfunded Pension Liabilities of Portfolio Companies. A recent court decision found that, in certain circumstances, a fund could be treated as a "trade or business" for purposes of determining pension liability under ERISA. Therefore, where an investment fund owns 80% or more (or possibly, under certain circumstances, less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. The Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where the Fund may own an 80% or greater interest in such a portfolio company. If the Fund (or other 80%-owned portfolio companies of the Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which the Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Memorandum, which may change in the future as the case law and guidance develops.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner gives rise to potential conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees.

Co-Investments. The General Partner reserves the right, in its sole discretion, to provide or commit to provide co-investment opportunities to one or more limited partners and/or other persons, in each case on terms to be determined by the General Partner in its sole discretion. Potential conflicts of interest are expected to arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which may be made to one or more persons for any number of reasons as determined by the General Partner in its sole discretion, may not be in the best interests of the Fund or any individual limited partner. In exercising its sole discretion in connection with such co-investment opportunities, the General Partner reserves the right to consider some or all of a wide range of factors, which are expected to include factors which benefit the General Partner such as the likelihood that an investor may invest in a future fund sponsored by the General Partner or its affiliates.

The Fund is permitted to co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments are expected to involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Fund, may cause the investment to be reviewable by U.S. Committee on Foreign Investment in the United States or another U.S. or other national security investment clearance regulator, or may be in a position to take action contrary to the investment objectives of the Fund. In addition, the Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that the Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

The General Partner has the sole discretion to determine the terms of any co-investment by the Fund. The terms on which strategic co-investors and other co-investors (including co-investors affiliated with the General Partner) may co-invest in an investment opportunity typically will be substantially different, and potentially more favorable, than the terms on which the Fund invests.

In addition, from time to time, the General Partner in order to consummate a transaction or facilitate the acquisition of a portfolio company and ensure the Fund is afforded an investment opportunity or otherwise, is authorized to cause the Fund to fund (or commit to fund) on behalf of certain co-investors with a view to selling down a portion of such investment to such co-investors or other persons at a later time or prior to or within a period after the closing of the acquisition. The Fund may or may not receive compensation for such activities. If the Fund does not find co-investors and/or in the event that the co-investors breach their covenant to purchase the investment from the Fund, the Fund will have an allocation to an investment that is larger than originally anticipated. In addition, the Fund will bear the risk that any or all of the excess portion of such investment could only be sold on unattractive terms. The Fund may also bear the entire portion of any breakup fees, costs or expenses or, if the excess portion of such investment has not been sold, the Fund may bear the entire portion of any other fees, costs and expenses related to such investment, hold a larger than expected investment in such portfolio company and could realize lower than expected returns from such investment.

Furthermore, the General Partner or its related persons reserve the right to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will be, offered to some and not to other limited partners. When and to the extent that employees and related persons of the General Partner make capital investments in or alongside the Fund, the General Partner is subject to conflicting interests in connection with these investments. The General Partner's allocation of co-investment opportunities among the persons and entities and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons and entities relative to others.

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, ultimately is not consummated, all broken deal expenses relating to such unconsummated transaction will be borne by the Fund, and not by any prospective co-investors that were to have participated in such transaction.

Conflicts of Interest

Avesi and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. Avesi 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 Avesi conducting its activities, the interests of a Fund likely will conflict with the interests of Avesi, one or more other Funds, portfolio companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general matter, Avesi will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the investment period of a Fund, all appropriate investment opportunities will be pursued by the Advisers principals through such Fund, subject to certain limited exceptions set forth in the Governing Documents and Avesi's allocation policy. Without limitation, Avesi's principals expect in the future to manage several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Avesi's personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. Avesi's principals and Avesi's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Avesi's 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, Avesi's principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments. Unless restricted by the Governing Documents, Avesi's personnel are permitted to serve on boards or act in other roles unaffiliated with Avesi, the Funds or their portfolio companies, including boards of charitable and educational institutions, private and public companies and former portfolio companies, and receive compensation in connection with such services and roles.

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

Avesi must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Avesi generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Governing Documents, as well as factors including, but not limited to, investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure size and nature of investment, anticipated duration/hold period and other relevant factors (including agreements with co-sponsors) 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 Avesi in the manner set forth in the Governing Documents and Avesi's allocation policy. Avesi 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 Avesi's obligations and reserves the right to take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, Avesi will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and Avesi reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Governing Documents, Side Letters and Avesi's allocation policy. Avesi's procedures permit it 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 (*e.g.*, qualified purchaser or qualified institutional buyer status); 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; Avesi'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 Avesi'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; and whether Avesi 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 company, other portfolio companies, the Funds or Avesi. Although Avesi 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 Avesi in identifying co-investors.

Furthermore, Avesi or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or 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 likely will result in certain investors receiving multiple opportunities to co-invest while others expressing

interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of Avesi and its affiliates make capital investments in or alongside certain Funds, Avesi and its affiliates are 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.

Avesi'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 Avesi 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 Avesi expects to be subject, discussed herein, did not exist.

In certain cases, Avesi 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, Avesi 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.

In the event that multiple Funds invest at the same, different or overlapping levels of a portfolio company'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, may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, 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 the Avesi in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, if such overlapping investments exist, Avesi 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 applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, Avesi 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 Avesi 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. Avesi 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, without undue favoritism over time.

Potential conflicts 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, terms, leverage and associated costs. In the event that multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no assurance that the relevant 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. Avesi and its affiliates reserve 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 Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents, Avesi 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, Avesi 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 Avesi or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their 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 number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or Avesi. The Funds generally 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 companies, Avesi and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Avesi 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 company board members approve compensation and/or other amounts payable to Avesi 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 Avesi. Avesi's authority to appoint or influence the appointment of portfolio company board members who may be involved in approving compensation payable to Avesi subjects Avesi and any such portfolio company board appointees to potential conflicts of interest.

Additionally, a portfolio company typically will reimburse Avesi or service providers retained at Avesi's discretion for expenses (including, without limitation, travel expenses) incurred by Avesi or such service providers in connection with its performance of services for such portfolio company. This subjects Avesi and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Avesi determines 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 is expected to be reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Avesi or such service providers generally is typically subject to, as applicable: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; 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, Avesi, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Avesi's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Avesi and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Avesi Information"). In many cases, Avesi Information will include tools, procedures and resources developed by Avesi to organize or systematize Avesi Information for ongoing or future use. Although Avesi expects its Funds and their portfolio companies generally to benefit from Avesi's possession of Avesi Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio companies and not by the Fund or portfolio company from which Avesi Information was originally received. Avesi Information will be the sole intellectual property of Avesi and solely for the use of Avesi. Additionally, expenses relating to the Funds or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not *de minimis* or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds or their respective investors; no such rewards will offset Management Fees.

Avesi generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) Avesi or a related person of Avesi (which may include

a portfolio company of such Fund); (ii) an entity with which Avesi or its affiliates or current or former members of their personnel has a relationship or from which Avesi or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers; or (iii) certain Fund limited partners or their affiliates. For example, Avesi expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Avesi to conflicts of interest, because, although Avesi selects service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Avesi has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Avesi, because of such incentive 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 the Funds or Avesi), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Avesi will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although Avesi generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Avesi has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In addition, as described above, portfolio companies and the Funds typically pay certain fees to the members of the Operations Group, including Executive Advisors, and such fees do not offset or reduce the Management Fee as described herein. Such members generally make use of Avesi's resources or otherwise are associated with Avesi. Avesi and/or its affiliates reserve the right to agree to compensate certain of such members to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Additionally, such members generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein. To the extent that members of the Operations Group, including Executive Advisors, are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of the services at a time when fewer portfolio companies or Funds make use of such members. Although the use of the Operations Group, including Executive Advisors, and the allocation of compensation paid to them by Avesi, its affiliates and/or the portfolio companies subjects Avesi and/or its affiliates to potential conflicts of interest, Avesi believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the Funds) that will result if the cost of the Operations Group, including the Executive Advisors, is lower than market rates for the services provided and/or if the services of the Operations Group, including the Executive Advisors, align with Avesi's model for the portfolio company and improve portfolio company performance. Although Avesi seeks to retain the Operations Group, including the Executive Advisors, with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Avesi also seeks to reduce potential conflicts of interest resulting from such

arrangements by structuring compensation packages for such persons in a manner that Avesi believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only members of the Operations Group, including the Executive Advisors, and 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.

Although uncommon, Avesi reserves the right from time to time to cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by Avesi, or co-investors or co-investment vehicles. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do 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 underlying investment's fair value. To the extent required by the Governing Documents or otherwise in the sole discretion of Avesi, Avesi reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, Avesi reserves the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Fund under then-current market conditions. Avesi intends that any such transactions be conducted in a manner that it 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.

Avesi and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Avesi and/or its affiliates; conversely, former personnel or executives of Avesi and/or its affiliates are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by Avesi. Similarly, Avesi, its affiliates 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 company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Avesi and/or its affiliates 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 Avesi entities) to Avesi's personnel and their estate planning vehicles. Avesi 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 company 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 Avesi information about markets and industries in which Avesi operates (or is contemplating operations) or will provide other services that are beneficial to Avesi or one or more Funds. Avesi expects to be subject to a potential conflict of interest in making such recommendations, in that Avesi has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

Avesi, its affiliates, and equity holders, officers, principals and employees of Avesi and its affiliates reserve the right to buy or sell securities or other instruments that Avesi has recommended to a Fund. In addition, officers, principals and employees reserve the right to buy securities in transactions deemed unsuitable for a Fund. Any such transactions are subject to any restrictions in the Governing Documents (if any) and any related policies and procedures set forth in Avesi's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Avesi are expected to have capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

Because there is a fixed investment period after which capital from investors in a 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 Avesi may not otherwise have done so.

Since Avesi is permitted to retain certain Supplemental Fees (as described under "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, Supplemental Fees are based on enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company. Additionally, Avesi, its personnel, affiliates or others designated by Avesi expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the Governing Documents are applied, Avesi and/or such other recipients will be permitted to retain such securities as Supplemental 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 company and/or Avesi) 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 company 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 a Fund's relative ownership of the portfolio company awarding such compensation.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial

stress, Avesi reserves the right to accrue, defer or forego payments of Supplemental Fees. In such cases, in accordance with the Governing Documents, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

Avesi 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 (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make Commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, 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. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

Additionally, Avesi reserves the right to institute a program under which portfolio companies owned by the Funds may be given the option to participate with other portfolio companies in purchasing, vendor, or similar arrangements whereby they may receive discounts negotiated with various vendors and service providers on a group-wide basis. Avesi, the Funds, and/or their affiliates may also participate in such arrangements and receive similar benefits and discounts as the portfolio companies participating therein. No such amounts will result in additional offsets to or reduce the Management Fee. Avesi believes the potential for conflicts relating to such arrangements is mitigated by the anticipated cost savings to portfolio companies, which is expected to be to the benefit of the Funds as a result of receiving discounted rates for goods and services relative to those widely available in the market.

Avesi has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Avesi has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements. From time to time Avesi, its affiliates and personnel and persons selected by them expect to receive the benefit of “friends and family” and similar discounts from portfolio companies owned by the Funds under which such portfolio companies make their goods and/or services available at reduced rates. Discounted prices or better terms than typically available to independent customers offered by a portfolio company to Avesi, its affiliates and personnel and persons selected by them, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Any of these situations subjects Avesi and/or its affiliates to potential conflicts of interest. Avesi attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Avesi’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 Funds under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, Avesi will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Avesi consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

DISCIPLINARY INFORMATION

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

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Management Company is affiliated with the General Partners, which are 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.

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

Avesi has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "Code"), which sets forth standards of conduct that are expected of Avesi principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Avesi 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 Avesi personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the 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 S. Lindsay Koltay, the Chief Compliance Officer, at (475) 333-3474. 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.

Avesi 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, Avesi 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 Avesi.

Accordingly, should Avesi or any of its affiliated persons come into possession of material, non-public or other confidential information with respect to any public and non-public company,

Avesi generally would be prohibited from communicating such information to clients, and Avesi 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 Avesi personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Avesi 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 Avesi, 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 "Methods of Analysis, Investment Strategies and Risk of Loss."

Avesi 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, a General Partner reserves the right to advance funds on behalf of a Fund and contribute such amounts to the relevant 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 borne by the relevant Fund, consistent with the Governing Documents.

In borrowing on behalf of the Funds, Avesi 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. The General Partner generally will not participate in a Fund-level borrowing facility, and generally will not bear the related costs attributable thereto, including interest expenses or costs payable, in which case such amounts will be borne solely by

the limited partners. In addition, where 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.

Avesi 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 Funds.

BROKERAGE PRACTICES

Avesi focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Avesi reserves the right to distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although Avesi does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If Avesi sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Avesi. In such event, Avesi will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Avesi reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

Avesi 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 Avesi 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 Avesi 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 Avesi generally does not make use of such services at the current time and has not made use of such services since its inception.

Avesi does not anticipate engaging in significant public securities transactions; however, to the extent that Avesi engages in any such 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 Funds are completed independently, Avesi also reserves the right to purchase or sell the same securities or instruments for several Funds simultaneously. From

time to time, Avesi expects, but is not obligated, to purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Avesi is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Funds.

The Funds generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible; provided Avesi believes they are fair and equitable to its clients under the circumstances over time.

In Avesi’s private company securities transactions on behalf of the Funds, Avesi reserves the right to retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, Avesi 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 Avesi generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

REVIEW OF ACCOUNTS

The investments made by the Funds 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, Avesi monitors companies in which the Funds invest, and the Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) annual audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner’s tax return and (iii) period reports providing a narrative summary of the status of each portfolio company investment.

CLIENT REFERRALS AND OTHER COMPENSATION

Avesi and/or its affiliates intend to provide certain business or consulting services to companies in a Fund’s portfolio and expect to receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (e.g., payments to the Operations Group, including Executive Advisors, and reimbursements

for out-of-pocket expenses directly related to a portfolio company), these fees are in addition to Management Fees. *See* “Fees and Compensation.”

Avesi 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. Any fees payable to any such placement agents generally will be borne by Avesi 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 relevant Fund(s).

CUSTODY

Avesi conducts all business operations in such a way that each Fund’s cash and securities, other than privately offered, non-certificated securities, are held in custody by an unaffiliated bank that is a qualified custodian. Each Fund is subject to an annual audit by a Public Company Accounts Oversight Board-registered accounting firm. Audited financial statements, prepared in accordance with generally accepted accounting principles, are distributed within 120 days of the Fund’s fiscal year end, as applicable. Each Fund investor should carefully review these financial statements.

INVESTMENT DISCRETION

Avesi will have discretionary authority to manage investments on behalf of each Fund. As a general policy, Avesi does not allow clients to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, Avesi 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 a 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. Avesi assumes this authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of such Fund.

VOTING CLIENT SECURITIES

Avesi has adopted proxy voting policies and procedures (the “Proxy Policy”) to address how it will vote proxies, as applicable, for the Funds’ portfolio companies. The Proxy Policy seeks to ensure that Avesi votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Avesi 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 Avesi may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund’s advisory board is authorized to approve Avesi’s vote in a particular solicitation. Avesi does not consider service on portfolio company boards by Avesi’s personnel or Avesi’s receipt of management or other fees from portfolio companies to create a material conflict of interest in

voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Avesi when voting proxies on behalf of a Fund. Clients or Fund investors that would like a copy of Avesi's complete Proxy Policy or information regarding how Avesi voted proxies for particular portfolio companies may contact S. Lindsay Koltay, the Chief Compliance Officer, at (475) 333-3474, and it will be provided at no charge.

FINANCIAL INFORMATION

Avesi 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.