



ADV Part 2A: Brochure

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This Brochure provides information about the qualifications and business practices of Z2 Investment Management, LP (“Z2”). If you have any questions about the contents of this Brochure, please contact us at (914) 504-2380. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority, and references in this Brochure to Z2 as a “registered investment adviser” are not intended to imply a certain level of skill or training.

Additional information about Z2 is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2: Material Changes

Form ADV Part 2 requires registered investment advisers to amend their brochure when information becomes materially inaccurate. If there are any material changes to an adviser's disclosure brochure, the adviser is required to notify you and provide you with a description of the material changes.

Since the last published brochure on May 6, 2023, there have been no material changes.

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Item 4: Advisory Business

Z2 Investment Management, LP (“Z2” or the “Firm”), a Delaware limited partnership, is an investment management company located in Stamford, Connecticut that provides investment advisory services to investment funds privately offered to qualified investors. The Firm commenced operations in September 2022. Z2 is principally owned by Scott Gold, Jacob Sussman and Vanadis Management LLC (Bobby Barrett). Old Orchard Capital, LLC, a Delaware LLC, acts as the general partner to the Firm, and is wholly owned by Scott Gold.

Z2 primarily focuses on investments within private or public credit, distressed, special situation or private equity markets in the United States and Canada. This includes, without limitation, cash flow and asset based senior secured credit debt, unitranche loans (including delayed draw term loans and revolving credit facilities), junior capital opportunities (including second-lien loans) and subordinated debt. Z2 also may invest in minority or control equity securities, derivatives, litigation finance, special purpose vehicles formed for the purpose of facilitating the acquisition of assets, investments the purpose of which is to identify, capitalize and launch new businesses and/or ventures, partnerships/joint ventures (and provide recourse or nonrecourse loans) with other third parties, and investments in private funds, other investment managers or pooled investment vehicles.

Z2 provides portfolio management and investment advisory services to private pooled investment vehicles or other investment vehicles (“Funds” or “Clients”). Each Fund relies upon an exemption from registration under Section 3(c)(7), exclusively for qualified purchasers (but reserves the right to rely on one or more other applicable exemptions as permitted by law).

Z2’s investment advisory services include identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and selling portfolio investments. Z2 manages each of its Funds within the guidelines and restrictions set forth, as applicable, in each Fund’s private placement memorandum, limited partnership agreement (or limited liability company or other applicable governing agreement), subscription agreements, advisory agreements, side letter agreements and other governing documents of the relevant Fund (collectively, as amended, “Governing Documents”) and within regulatory guidelines and limitations. See Item 8 for additional information regarding the Firm’s investment strategies and risks.

Each of the Funds are controlled by a general partner or managing member or similar governing entity as provided in the Governing Documents (“General Partner”). Each Fund’s General Partner has appointed Z2 (or an affiliate thereof) to serve as the Fund’s investment manager, pursuant to a written agreement. The General Partner in its discretion may offer co-investment opportunities to one or more Funds or their affiliates, and to other funds, private investors, groups, entities, or individuals. Co-investors will be determined by the General Partner in its sole discretion, and co-investment opportunities will be offered on a deal-by-deal basis.

Z2 does not participate in wrap fee programs.

Assets Under Management

As of December 31, 2023, Z2 managed \$859,579,074 in client assets (“AUM”) on a discretionary basis.

Item 5: Fees & Compensation

The following is a general description of the fees, compensation, and other expenses of the Funds. Each Fund's Governing Documents will generally describe fees, compensation and expenses in greater detail. Investors should refer to such Governing Documents of the applicable Fund for a complete understanding of how Z2 is compensated for its advisory services.

With respect to each Fund, the respective General Partner, in its sole discretion, is permitted to enter into side letters and other agreements granting more favorable rights or terms to specific investors. These rights or terms may include among other items: special rights with respect to future investment capacity, rights to receive additional, more frequent or specialized reports, and rights to reduced or waived performance fees, breakpoints, limits, co-investments and/or management fees.

Management Fee Payable to Z2

The Funds generally compensate Z2 for its advisory services through the payment of a management fee (the "Management Fee") as detailed in each Fund's Governing Documents. The Management Fee for Z2 Opportunities Fund I, LP is equal to 2.0% per annum of the Fund's invested assets (or other relevant percentage as set forth in the applicable Governing Documents); other Funds may bear a larger or smaller Management Fee. The Management Fee is payable in quarterly installments in arrears throughout the term of each Fund. The Management Fee is waivable by the applicable General Partner in its sole discretion, in respect to any investor.

Certain Funds and/or direct or indirect investors in such Funds may bear higher or lower or no Management Fee from time to time. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how Z2 is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety to those documents.

Carried Interest

As more fully described in the applicable Governing Documents, a Fund's General Partner will generally receive a carried interest (the "Carried Interest") with respect to such Fund generally, while subject to change, equal to 20% of realized profits in excess of a set compound preferred return. The Carried Interest distributed to the General Partner would usually be subject to a potential clawback at the end of a Fund's life if such General Partner has received excess cumulative distributions, and at certain interim intervals as provided in the Governing Documents. Each Fund's Carried Interest arrangement differs and is further described in full detail in the relevant Fund's Governing Documents.

Certain Funds and/or direct or indirect investors in such Funds can incur higher or lower or no Carried Interest from time to time. Firm personnel, as well as partners, members, employees, officers, directors, business associates and their respective affiliates of Z2 (and its affiliates) may invest in the Funds indirectly through the Funds' General Partners (or other affiliates), and in certain cases may not pay Carried Interest with respect to their indirect investments in the Funds.

Expenses

Z2 and/or the relevant General Partner will generally, in accordance with and subject to each Fund's

Governing Documents, bear all ordinary administrative and overhead expenses incurred in connection with maintaining and operating its offices, including compensation for employee salaries, rent and equipment expenses and utilities.

The Funds will generally, in accordance with and subject to a Fund's Governing Documents, bear all costs and expenses incurred in purchases, sales or exchanges made in connection with the Funds' investment activities.

In good faith and in its fair and reasonable discretion, Z2 determines on a case-by-case basis whether an expense should be borne by the Firm, a Fund, multiple Funds or a portfolio company, if applicable and in accordance with the Governing Documents. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, Z2 will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its policies and procedures on expense allocation, unless another method is more equitable in Z2's discretion.

Item 6: Performance-Based Fees & Side-by-Side Management

Each Fund's items of income, gain, and loss are initially allocated among the investors of the Fund in proportion to their investment percentage interest. To the extent that investors in each Fund have combined distributions from the Fund in excess of invested capital and the preferred return, if any (and subject to regulatory investor eligibility requirements) the Fund will pay the performance-based fees.

Performance-based fees may create an incentive for the General Partner of the Funds to make more speculative investments and make different decisions regarding the timing and manner of the realization of such investments, than would be made if such fees were not allocated to the General Partner. Such arrangements also create an incentive for Z2 to favor higher fee-paying Funds over other Funds in the allocation of investment opportunities. Z2 seeks to ensure allocation of investment opportunities among Funds occurs on a fair and equitable basis at all times.

Item 7: Types of Clients

Z2 provides investment advisory services to pooled or other investment vehicles. Z2 may also provide investment or other advisory services to persons, entities or to pooled investment vehicles on a managed account basis and in such cases, the "Funds" will include such managed accounts to the extent applicable. The Funds are offered privately to a limited number of qualified investors, which may include institutional investors and individuals qualified to invest in the Fund (depending on the applicable exemptions under the federal securities and other applicable laws). Each Fund's minimum capital and investor qualification requirements are set forth in the Fund's Governing Documents and each investor is furnished with a copy of the partnership agreement (or equivalent - e.g., operating agreement) and other Governing Documents which detail the terms, conditions and risks regarding the investment.

Z2's Clients may include investment vehicles designed to aggregate third-party investments, alongside a Fund, directly into a single portfolio asset. The General Partner may offer co-investment opportunities in its sole discretion, to one or more (but not necessarily all or even any) Fund investors, affiliates of Z2, and/or third parties if it determines that (i) an investment requires additional capital, (ii) all or a portion of the

applicable opportunity is not required to be offered to a Fund, (iii) the full investment opportunity is not appropriate for a Fund, whether due to concentration restrictions contained in a Fund's Governing Documents or otherwise or (iv) Z2 believes a Fund will benefit from the participation of the co-investor(s). Please refer to the "Co-Investments" description in Item 8.

In determining whether to offer any portion of an investment opportunity as a co-investment, Z2 will take into account its fiduciary duties of loyalty and care to its Funds and Fund investors. Furthermore, co-investment opportunities are made available to select Fund investors and third parties, including, without limitation, management or founders of the applicable portfolio company, cosponsors, strategic investors, lenders, investment bankers, deal sources (including finders and consultants), other sponsors (including other private equity or venture capital Firms), sector experts, strategic advisors, other persons or entities affiliated, associated or otherwise known to Z2 or its personnel. Also, certain service providers, including lenders and individuals who source transactions, may in the future negotiate co-investment rights or co-investment priority rights as a component of their compensation in connection with the services provided.

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

The following is a summary of Z2's significant investment strategies, material risks and methods of analysis. This Brochure is not intended to address every potential strategic nuance or possible risk of every Fund Z2 offers. Investors in Funds are encouraged to carefully review additional information about investment and other risks in the Funds' Governing Documents.

Z2 and the General Partner will seek to acquire, hold, manage and sell portfolio investments within the North American private or public credit, distressed, special situation or private equity markets (United States and Canada), including, cash flow and asset based senior secured debt; unitranche loans (including delayed draw term loans and revolving credit facilities); junior capital opportunities (including second-lien loans); and subordinated debt. The Funds may additionally invest in minority and control equity securities; derivatives; litigation finance; special purpose vehicles formed for the purpose of facilitating the acquisition of assets; investments for the purpose of which is to identify, capitalize and launch new businesses and/or ventures; partnerships/joint ventures (and provide recourse or nonrecourse loans) with other third parties; and investments in private funds, other investment managers or pooled investment vehicles.

Z2 Due Diligence

Upon the identification of an investment opportunity, Z2's investment process generally includes a multi-step due diligence review of quantitative and qualitative attributes of potential portfolio investments. Each investment is subject to approval by the Fund's investment committee. Once an investment is made, the responsible team will perform regular investment monitoring.

Fund investors and prospective investors should thoroughly review the information contained in the relevant Fund Governing Documents.

Risk Factors

Investing in the Funds involves risk of loss up to and including the loss of an investor's entire investment. Prospective investors or their advisors should carefully read the Risk Factors in the confidential private

placement memorandum of each Fund in which they may invest.

Long-Term and Illiquid Investments; Limited Transferability of Interests; Market Risks. An investment in the Funds will generally be expected to require a long-term commitment with no certainty of return. Interests in the Funds have not been registered under the Securities Act of 1933, as amended, or any other applicable securities laws, and therefore are subject to restrictions on transfer. In addition, the Funds are not obligated to redeem any investor's interest and the investment agreements of each Fund contain significant restrictions on the ability of any investor to assign, sell, exchange or transfer any of their interests, rights or obligations with respect to their investments in a Fund without the prior written consent of the general partners/managers, which may give or withhold consent in their sole and absolute discretion. No market exists for the interests in the investment vehicles and none is expected to develop. Consequently, an investor should not expect to liquidate its investment in any Fund readily and must be able to bear the economic risk of its investment in a Fund for a substantial period of time. Many of each Funds' investments will be highly illiquid, and there can be no assurance that a Fund will be able to realize on such investments in a timely manner. Distributions in kind of illiquid securities to investors may be made in certain circumstances. Although certain investments by the Funds may generate current income, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. While an investment may be sold at any time, this will occur typically a number of years after the investment is made. In addition, in some cases, the dispositions of a Fund's investments may be subject to contractual, regulatory 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. Certain investments by the Funds may be in securities that are or become publicly traded (but there can be no assurances that such securities will ever be listed on a securities exchange). Such investments may involve economic, political, interest rate and other risks, any of which could result in an adverse change in the market price and other adverse factors such as, for example, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, increased risk of regulatory action by the SEC, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including employees and representatives of Z2, and increased costs associated with each of the aforementioned risks. In addition, in some cases the Funds may be prohibited by contract, legal or regulatory reasons or other limitations from selling such securities for a period of time so that the investment vehicles are unable to take advantage of favorable market prices. Investments in publicly-traded companies or assets held by the Funds also may be subject to legal, contractual, regulatory, practical, applicable company policy or other restrictions on resale, including the possibility that Z2 or the investment vehicle will be in possession of material non-public information about a company as well as statutory volume limitations. In addition, the ability to exit an investment through the public markets (and the terms of such exit) will depend on market conditions, and particularly the market for public offerings.

Identification of Investment Opportunities. The success of the Funds depends on the availability and identification of suitable investment opportunities. The availability of investment opportunities will be subject to market conditions and other factors outside the control of Z2. There can be no assurance that Z2 or its affiliates will be able to identify sufficient attractive investment opportunities to meet the Funds' respective investment objectives.

Private Equity Investment Risk. The types of investments that the Funds make involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. Investments with Z2 should be undertaken only by investors that have the financial sophistication and expertise to evaluate the merits and risks of an investment in such vehicle and for which the investment vehicle does not represent

a complete investment program. Private equity portfolio companies (and/or equity or debt securities thereof) are acquired through privately negotiated transactions and there can be no assurance that Z2 will acquire (or subsequently dispose) them at an optimal price. Additionally, there can be no assurance that any investment due diligence process will uncover all latent defects. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that the Funds will be adequately compensated for the risks taken. Losses are likely to occur early in the Funds' terms, while successes often require a long maturation. The portfolio companies (and/or equity or debt securities thereof) in which the Funds invest may have complex and/or non-optimal capitalization structures and may be in need of assistance to expand or reorganize operations, acquire other businesses, or develop new products and markets. These activities by definition involve a significant amount of change in a company, which if not properly implemented could give rise to potentially significant decreases in enterprise value. Changes in regulations by the federal government carry potentially significant tax and legal uncertainties, even retroactively. Investment in any investment vehicle should only be made by investors that can afford a loss of their entire investment. Prospective investors should consult their own legal, tax and/or financial advisors prior to investing in an investment vehicle.

Non-Payment of Principal and Interest; Adequacy of Collateral. The Funds' investments in debt securities are subject to the risk of non-payment of scheduled interest or principal by the applicable issuers. Such non-payment would likely result in a reduction of income to the Funds and a reduction in the value of the loans experiencing non-payment. Although a Fund may invest in debt securities of portfolio companies that Z2 believes are secured by specific collateral the value of which typically exceeds the principal amount of the investment at the time of initial investment, there can be no assurance that the liquidation of any such collateral would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments with respect to such investment, or that such collateral could be readily liquidated. In addition, in the event of bankruptcy of a borrower, a Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing an investment a portfolio company. Under certain circumstances, collateral securing an investment in a portfolio company may be released without the consent of a Fund. Moreover, a Fund's first lien loans (if any) may be unperfected for a variety of reasons, including the failure to make required filings by lenders and, as a result, a Fund may not have priority over other creditors as anticipated.

Many secured credit loan documents contain accordion and other provisions allowing the borrower to increase borrowing capacity under such credit facilities and/or incur additional debt outside of such credit facilities, which could dilute the value of the collateral securing such borrowing and increase the risk that the Fund's loans would be undersecured. The loan documents may also allow the borrower to sell or otherwise transfer assets outside of the collateral package (and cause the release of liens thereon), which could result in reduction of enterprise value of the borrower and/or increase the risk that the Fund's loans would be undersecured.

In certain cases, the borrower and a majority (or other requisite subset of lenders) may also agree to amend the loan documents to permit certain actions that may be adverse to the interests of a Fund, in each case, without the Fund's consent. These actions may include, without limitation, (i) the sale or other transfer of material assets outside of the collateral package securing the Fund's loans, (ii) the release of liens on such material assets, (iii) an increase to debt incurrence capacity, (iv) the incurrence of superpriority debt, or (v) the subordination of payment and/or lien priority of any existing loans, including the Fund's loans. Furthermore, in the event of a filing by an issuer under chapter 11 of the US Bankruptcy Code, the borrower is authorized to obtain additional financing by granting creditors a superpriority lien on its assets, senior even to liens that were first in priority prior to the filing, as long as the borrower provides "adequate protection"

(as determined by the presiding bankruptcy judge) that may consist of the grant of replacement or additional liens or the making of cash payments to the affected secured creditor (the foregoing and other similar actions, collectively, the "Specified Actions"). The transfer of material assets outside of the collateral package, incurrence of additional indebtedness, subordination of payment and/or lien priority on a Fund's collateral, both before or in a bankruptcy would adversely affect the priority of the liens and claims held by a Fund and could adversely affect a Fund's recovery on its debt investments.

In other circumstances, a Fund and/or its affiliates may lead and/or participate in the subset of lenders taking one or more Specified Actions, which may adversely affect the priority of liens and claims held by the non-participating lenders or claimholders, adversely affect the recovery of their investments, or otherwise have an adverse effect on their interests or claims. A Fund may be subject to litigation in connection with its participation in Specified Actions. The outcome of such proceedings may materially adversely affect the value of a Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of Z2's time and attention, and that time and allocation of resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Corporate Debt. Bonds, notes, and debentures issued by corporations that may pay variable or floating rates of interest. Corporate debt instruments may be subject to credit ratings downgrades. Other instruments may have the lowest quality ratings or may be unrated. In addition, the Funds may be paid interest in kind in connection with their investments in corporate debt and related financial instruments (e.g., the principal owed to the Funds in connection with a debt investment may be increased by the amount of interest due on such debt investment). Such investments may experience greater market value volatility than debt obligations that provide for regular payments of interest in cash and, in the event of a default, the Funds may experience substantial losses.

Mezzanine Debt. Mezzanine debt is typically junior to the obligations of a company to senior creditors, trade creditors and employees. The ability of a Fund to influence a company's affairs, especially during periods of financial distress or following an insolvency, will be substantially less than that of senior creditors. Mezzanine debt instruments are often issued in connection with leveraged acquisitions or recapitalizations in which the issuers incur a substantially higher amount of indebtedness than the level at which they had previously operated. Default rates for mezzanine debt instruments have historically been higher than for investment-grade instruments. In the event of the insolvency of a portfolio company of a Fund or similar event, a Fund's debt investment therein will be subject to fraudulent conveyance, subordination and preference laws.

Market Conditions. Capital markets around the world have experienced great volatility and financial turmoil and may experience such turmoil again in the near future. 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 Funds and may affect their 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 a Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. Performance of a Fund can be affected by deterioration in the capital markets and by market events, 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. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments. Such adverse effects may include the requirement of a Fund to pay termination or other fees and expenses if such vehicle 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 such Fund to dispose of investments at prices that Z2 believes reflect the fair value of such investments. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective and also the level of profitability (if any) achieved on realizations of investments.

Impact of Government Regulation, Reform. Certain industry segments in which Funds invest, including various segments of the consumer product, retail, tourism/travel, healthcare, education, housing, energy/services, environmental services, financial services, insurance, government contracts, manufacturing, telecommunications, media and infrastructure industries (the "regulated industries"), are (or may become) (i) highly regulated and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs.

The Funds may make investments in portfolio companies operating in industries that are subject to greater amounts of regulation than other industries generally. These more highly-regulated industries may include the following (although this list is not exhaustive): energy, communications, technology, health care, financial services (including banking and mortgage servicing), insurance, transportation (e.g., aviation), shipping, wildlife, food services, and also businesses that serve customers that are governmental entities, including in the defense industry (collectively, the "regulated industries"). Investments in portfolio companies that are subject to greater amounts of governmental regulation pose additional risks relative to investments in other companies generally. Changes in applicable laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures and/or regulatory capital requirements in the case of banks or similarly regulated entities. A portfolio company also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company. Governments have considerable discretion in implementing regulations that could impact a portfolio company's business and governments may be influenced by political considerations and may make decisions that adversely affect a portfolio company's business. Additionally, certain portfolio companies may have a unionized work force or employees who are covered by a collective bargaining agreement, which could subject any such portfolio company's activities and labor relations matters to complex laws and regulations relating thereto. Moreover, a portfolio company's operations and profitability could suffer if it experiences labor relations problems.

While a 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 regulated industries, are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a Fund invests.

Limitations on Ability to Exit Investments. Z2 expects to exit from Fund investments through private sales (including acquisitions of its portfolio companies by third parties) and, to a lesser extent, public offerings. At any particular time, one or both of these avenues may not be open to a Fund, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any particular time. A Fund may also make investments that may not be advantageously disposed of prior to the date that that Fund will be wound-up and dissolved, either by expiration of the Fund's term or otherwise. A Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of dissolution.

Lack of Diversification. The Funds typically invest in relatively few assets and as a result, the risk of loss (or success) is more concentrated in fewer investments. Moreover, to the extent that the Funds allocate exclusively or significantly to discrete asset classes, industries, or geographies, the lack of portfolio diversification investment portfolios will typically be viewed as creating an increased risk of loss. For a concentrated and/or non-diversified portfolio, an increase or decrease in the value of a single asset held by a Fund may have a greater impact on a Fund's performance.

No Assurance of Additional Financing for Investments. A portfolio company may not be able to obtain additional financing to support its working capital or expansion capital, which could materially and adversely affect the value of the portfolio company, and thus, the value of the Funds.

Use of Leverage at the Portfolio Company Level. Funds will frequently make use of leverage by, for example, having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Funds' opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. In these circumstances, a Fund may be required to deploy additional commitments, to the extent available, which would further increase concentration. The use of leverage also typically 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 a Fund's investments to any deterioration in a portfolio company's condition or industry sector, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flows to meet its debt service, the Funds may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such vehicle. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

Principal and interest payments on indebtedness (including loans having "balloon" payments) may be required regardless of the sufficiency of cash flow from the investments. Loans requiring "balloon" payments may involve greater risks than loans where the principal amount is fully or partially amortized over the term of the loan, since the ability to repay the outstanding principal amount of a "balloon" loan may be dependent upon the liquidity of the portfolio company or the ability to obtain adequate replacement financing, which will, in turn, be dependent upon interest rates and lenders' policies at the time of refinancing, economic conditions in general and the value of the underlying investment. There is no assurance that replacement financing will be available to make "balloon" payments or that any replacement financing available will be on favorable terms. Lenders or other holders of senior positions to a Fund's equity will be entitled to a preferred cash flow prior to a Fund receiving a return on leveraged portfolio companies, and in the event a portfolio company is unable to generate sufficient cash flow to meet the principal and interest payments on its indebtedness or where there is a breach of a performance covenant, the value of a Fund's equity investment in such portfolio company could be significantly reduced or even eliminated and distributions may be reduced or suspended to repay the borrowings.

Use of Leverage at the Investment Vehicle Level. Z2 has, and expects in the future, that one or more Fund or

subsidiary thereof will obtain one or more revolving or other credit facilities, which may be secured by commitments as well as other assets of such vehicles, to borrow money and/or guarantee certain obligations. In the event of a failure to pay or other event of default under any such credit facility, the lenders could require investors to fund their entire remaining unpaid commitments, and, in the event of default, such investors' contributions may be required to be made directly to the lenders instead of to the Funds. In addition, such borrowings have the potential to limit the investors' ability to use their interests in the Funds as collateral for other indebtedness and/or to transfer their interests.

Although borrowing by a Fund may enhance overall returns, it may further diminish returns (or increase losses) to the extent returns during the borrowing are less than a Fund's interest costs and expenses of such borrowing or in the event of default. Required repayments of debt and related interest can adversely affect a Fund's operating performance. The use of leverage by a Fund will generally result in fees, interest expense and other costs to such vehicle that may not be covered by distributions made to such vehicle or appreciation of its investments. In the event that a Fund is unable to repay any credit facility borrowings from its cash flows, such vehicle may be required to dispose of investments to repay the lender(s). If a Fund is required to dispose of investments in order to repay lender(s) at an inopportune time or on an expedited basis, it may not realize as much value upon such disposition as it would receive in connection with an orderly disposition. To the extent any Fund uses borrowed funds in advance or in lieu of capital contributions or a portfolio company borrows funds directly through a Fund facility, such Fund's investors generally make correspondingly later capital contributions and that Fund bears the expense of interest on such borrowed funds. As a result, the use of borrowed funds at the Fund level can impact the calculation of returns and reduce the preferred return hurdle thereby accelerating the timing of the payment of carried interest.

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

The Funds may have significant credit facilities as well as holding and operating company debt for which a Fund provides a guarantee or equity support agreement, each of which may be subject to these various risks. The Funds may also incur additional debt in connection with future acquisitions or investments by such vehicle or portfolio companies. The Funds, in some instances, are permitted to borrow under an existing

credit facility or borrow new funds to acquire investments. In addition, the Funds are permitted to incur or increase leverage by obtaining loans secured by a portfolio of some or all of the portfolio investments acquired. The Funds also utilize various borrowing arrangements whereby a Fund will borrow to fund a co-investment party's pro rata share of an investment or expense related to an investment. In connection therewith, co-investment parties are generally not required to act as guarantors under the relevant credit facility or borrowing arrangement and will not bear any portion of the costs of establishing and maintaining the relevant Fund's credit facility or borrowing arrangement, which will be borne entirely by the relevant Fund. Z2 reserves the right to allocate any interests and any other expenses, costs and/or liabilities associated with any such extension of credit among all parties in its sole discretion considering such factors it deems relevant, including allocating a non-pro rata share (including 100%) of such interests, expenses, costs and/or liabilities to the relevant Fund(s). Additionally, a Fund borrowing in this capacity will bear a disproportionate amount of the credit risk in incurring the debt on behalf of the other parties.

A Fund may engage in financings where several investments (including investments held through one or more asset-level entities) are cross-collateralized, thereby subjecting multiple investments to the risk of loss. As a result, such Fund could lose its interests in performing investments in the event such investments are cross-collateralized with poorly performing or non-performing investments. Additionally, a Fund may use back leverage for certain portfolio investments including back leverage that is guaranteed by such Fund. The use of back leverage potentially enhances the return profile of investments, and accordingly, of such Fund overall, but also increases the risk profile of such investments.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the investors therein or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant general partner/manager's ability to consent to the transfer of an investor's interest in the Funds or impose concentration or other limits on the vehicle's investments and/or financial or other covenants that could affect the implementation of a Fund's investment strategy. In addition, in order to secure a subscription line, the relevant general partner/manager may request certain financial information and other documentation from investors to share with lenders. The general partner/manager 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 investors. The Funds' credit facilities will likely contain restrictions, requirements and other limitations on such vehicles' ability to incur indebtedness, including financial covenants and asset-level covenants in the case of non-recourse financing and potentially other covenants. A Fund's ability to borrow under its credit facilities and, in certain cases, its ability to respond to changes in the performance of its investments are subject to these financial and other covenants. The Funds may also have to pay break funding costs if it satisfies a debt fully or partially within a certain period of incurring the debt. A Fund may be limited in its ability to respond to changing operational circumstances with respect to an investment in ways it would have done had it not been subject to asset-level covenants. A Fund is permitted to incur leverage on a joint and several basis with one or more other Funds and/or other entities managed by Z2 and may have a right of contribution, subrogation or reimbursement from or against such entities.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the relevant general partner/manager to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had the relevant general partner/manager called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for an investor 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 investor to meet the accumulated, larger capital calls at the same time. Generally, the general partner/manager is authorized to use Fund-level borrowing to pay management fees and to reimburse Z2 for expenses incurred on behalf of a Fund. A Fund is also permitted to utilize Fund-level borrowing when the general partner/manager expects to repay the amount outstanding through means other than investor capital, including when using the proceeds of such borrowing to finance a bridge for equity or debt capital with respect to an investment with the expectation that such borrowing will be repaid using proceeds from the future realization of the bridge investment. If a Fund ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses.

Failure of Counterparties to Perform Obligations Risk. In the ordinary course of business, the Firm and Funds rely on various financial counterparties, which include, but are not limited to, banks and custodians (“Counterparties”). These Counterparties may, from time to time, default on their obligations with or without notice. Such defaults may include, but are not limited to, a Counterparty’s bankruptcy, insolvency, or other failure. There is a risk of loss of assets on deposit at a Counterparty. Although government agencies or other organizations provide insurance coverage to depositors in the event of a Counterparty failure, coverage is limited to a specified amount and subject to rules and regulations. Prior events where a government agency or other organizations made depositors whole over their excess deposits at select Counterparties, which may or may not have a current or prior relationship with the Client, should not be construed as a guarantee that such action will be taken in the future. There is no guarantee that any excess deposits are recoverable and, moreover, even if recoverable, there may be a significant delay in the ability to access all or part of these recoverable amounts. Access to capital is subject to a variety of external factors that are outside of Z2’s control. A Client’s ability to access capital may have an impact on its ability to conduct operations in the normal course including, but not limited to paying expenses, funding investment opportunities resulting in delayed or missed opportunities, and calling capital from or making distributions to limited partnerships. Deposits concentrated at one or a limited number of Counterparties may amplify these risks and may result in the complete loss of capital.

Competitive Marketplace. The marketplace for private equity investing and leveraged buyouts has become increasingly competitive. Participation by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at high levels. The Funds will be competing for investments with other investment vehicles, as well as individuals and companies, publicly traded operating or investment companies, special purpose acquisition companies, financial institutions (such as mortgage banks and pension funds), hedge funds and investment funds affiliated with other financial sponsors or institutional investors, private equity and debt investors, and credit vehicles. Other funds may have investment objectives that overlap with the Funds, which may create competition for investment opportunities. Some competitors may have a lower cost of funds and access to funding sources that are not available to the Funds, and may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments and establish more relationships. There can be no assurances that Z2 or the General Partners will locate or acquire an adequate number of attractive investment opportunities to invest all capital committed by investors to the Funds. The competitive pressures could impair the Funds’ business, financial condition and results of operations. As a result of this competition, the Funds may not be able to take advantage of attractive investment opportunities. To the extent that the Funds encounter competition for investments, returns to investors will vary. Please see each Fund’s Governing Documents for a more comprehensive description of the different risk factors associated with making private equity investments.

Cyber and Disaster Recovery Risks. The Funds and Z2 must rely in part on digital and network technologies, including electronic mail (collectively, “Cyber Networks”), to maintain substantial computerized data and other information about the Funds, including personal identifying data and information relating to investors as well as sensitive, confidential and/or proprietary data and information relating to prospective and existing portfolio companies of the Funds (collectively, “Sensitive Information”). Such Cyber Networks, along with the Cyber Networks of prospective and existing portfolio companies or those of Z2’s third-party service providers, might in some circumstances be subject to a variety of possible cybersecurity incidents or similar events that could potentially result in the inadvertent disclosure of Sensitive Information to unintended parties, or the intentional misappropriation or destruction of Sensitive Information by malicious hackers seeking to compromise Sensitive Information, corrupt data, or cause operational disruption. Cyber-attacks might potentially be carried out by persons using techniques that could range from, among others, efforts to circumvent network security electronically or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Z2’s and its portfolio companies’ Cyber Networks also may be vulnerable to damage or interruption from computer viruses, network, computer and telecommunication failures, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes, earthquakes and other catastrophic events. Cyber-attacks might potentially be carried out by persons using techniques that could range from efforts to circumvent network security electronically or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Cyberattacks may also take the form of socially-engineered frauds, such as “phishing.” Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Z2’s systems to disclose sensitive information in order to gain access to Z2’s data or that of the Funds’ investors or portfolio companies. Companies and service providers have also been subject to “ransomware” attacks.

To the extent that Z2, any Fund, a portfolio company or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their information technology systems, substantial losses may occur in the form of stolen, lost or corrupted (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; (v) cash; or (vi) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, the Firm, the Funds and/or portfolio companies may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Firm’s, the Funds’, portfolio companies’ and/or service providers’ operations, including the ability to make distributions to investors, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors and the beneficial owners of investors. In certain events, Z2’s, any Fund’s and/or a portfolio company’s failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Such cybersecurity and disaster recovery incidents could also result in reputational harm to Z2, the Funds and/or any affected portfolio company. Any of such circumstances could subject Z2, the Funds or its portfolio companies 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 Z2 or one of its service providers holding its financial

or investor data, Z2, its affiliates or the Funds may also be at risk of loss.

Inflation. Changing demand patterns from economic and political volatility and uncertainty, including as a result of the COVID-19 pandemic, a worsening of the ongoing labor shortage, and sustained higher prices across the board, changes in global trade policies, increasing geopolitical tensions and trends such as populism and economic nationalism continue to have a significant impact resulting in a rise in inflation. The uncertain nature, magnitude and duration of hostilities stemming from the Russia-Ukraine conflict, including the potential effects of sanctions and retaliatory cyber-attacks on the world economy and markets, have contributed to such rise in inflation.

If a portfolio company is unable to increase its revenue in such times of higher inflation, its profitability will be adversely affected. The Funds' portfolio companies could in some cases have long-term rights to income linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangements. Typically, as inflation rises, a portfolio company will earn more revenue but also will incur higher expenses; as inflation declines, a portfolio company might be unable to reduce expenses in line with any resulting reduction in revenue. A rise in real interest rates would likely result in higher financing costs for portfolio companies and could therefore result in a reduction in the amount of cash available for distribution to limited partners. There can be no assurance that inflation will not continue to be a serious problem in the future and thereby negatively affect the Funds' investment returns.

Pay-to-Play Laws, Regulations and Policies. A number of states and municipal pension plans have adopted so-called "pay-to-play" laws, regulations or policies which prohibit, restrict or require disclosure of payments to (and/or certain contacts with) state officials by individuals and entities seeking to do business with state entities, including those seeking investments by public retirement funds. The SEC has adopted a rule that, among other things, prohibits an investment adviser from providing advisory services for compensation to a government client for two years after such adviser or certain of its executives or employees makes a contribution to certain elected officials or candidates. If Z2, its professionals and employees or any service provider acting on their behalf, fails to comply with such laws, regulations or policies, such non-compliance could have adverse effects on the Funds. Limited partners may also seek to pursue individual remedies, including withdrawal rights, which may be included in side letters or otherwise imposed by statute.

Anti-Money Laundering, Economic Sanctions and Anti-Terrorism Measures. The Funds or Z2 are, and/or may become, subject to certain economic sanctions, anti-money laundering and/or anti-terrorism measures under applicable laws, which could restrict the ability to make investments in certain countries and/or entities. Z2 and the Funds will take such steps as each deems reasonably necessary or desirable to comply with economic sanctions, anti-terrorism and anti-money laundering laws and regulations applicable to any of them or to any of the portfolio companies, or as Z2 deems reasonably necessary or desirable to comply with the anti-money laundering regulations or policies of financial institutions or service providers or others providing financing or other services to the Funds or a portfolio company.

Such steps are expected to include requesting limited partners provide additional documentation verifying, among other things, such limited partners' or their beneficial owners' identities and source of funds used to purchase limited partner interests. Z2 may decline to accept a subscription if this information is not provided or on the basis of such information that is provided. Z2 will also become obligated by applicable law or regulation to "freeze" or hold in suspense a limited partner's contribution and any distributions due to that limited partner, for example, if the limited partner becomes the subject of applicable sanctions or similar anti-terrorism measures. Z2 reserves the right to freeze accounts and distributions and to file an appropriate regulatory notification when it is required to do so by law or regulation. Requests for documentation and

additional information are expected to be made at any time during which a limited partner holds an interest in the Funds, and failure to provide such information may result in additional curative action. Z2 may be required to provide this information, or report the failure to comply with such requests, to appropriate governmental authorities, in certain circumstances without notifying the limited partners that the information has been provided. Z2 will take such steps as it determines are necessary to comply with applicable law, regulations, orders, directives, or special measures. At this point it is unclear what steps Z2 will be required to take; however, these steps may include prohibiting a limited partner from making further contributions of capital to the Funds, depositing distributions which a limited partner would otherwise be entitled to in an escrow account or causing the withdrawal of a limited partner from the Funds.

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

Regulation of the private investment fund industry in the U.S. has recently been the subject of increased focus from, among others, existing and prospective public officials. In particular, multiple members of the U.S. Congress have put forth bills and/or outlined proposed legislation intended to, among other things, impose certain requirements on the economic, governance and transparency of private investment funds, their investors, their portfolio companies and their managers. It is unclear whether any of these (or other) proposals will be enacted and what the terms of any enacted legislation would provide. Prospective investors should note, however, that any such legislation could increase the compliance and similar burdens on the Funds, the general partners and Z2 or otherwise limit the ability of the general partners and Z2 to manage the Funds and their investments in the manner that the general partners and Z2 believe to be in the Funds' best interests. Any such consequences could materially and adversely affect the Funds and their performance.

Financial Institution Risk; Distress Events. An investment in an investment vehicle is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a "Financial Institution") of some or all of the investment vehicle's (or any portfolio company's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including, but not limited to, eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, the Firm, the general partner/manager, an investment vehicle or one or more of the portfolio companies may be unable to access deposits, borrowing facilities or other services, either permanently or for an extended, potentially indeterminate, period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by government-sponsored organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the stated amounts are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose comparable risk of loss. While in recent years governmental intervention has resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that such intervention will occur in connection with any future Distress Event or that any such intervention undertaken will be successful or avoid the risks of loss, delays or negative impacts on banking or brokerage conditions or markets.

Any Distress Event could have a potentially adverse effect on the ability of the general partner/manager to manage an investment vehicle and its investments, and on the ability of the general partner/manager, an investment vehicle and any portfolio company to maintain operations, which, in each case, could result in significant losses and in unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event an investment vehicle is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of an investment vehicle to access capital contributions or otherwise); the inability of an investment vehicle to acquire or dispose of investments, including at prices that the general partner/manager believes reflect the fair value of such investments; and the inability of the Firm or the portfolio investments to make payroll, fulfill obligations or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that an investment vehicle or a portfolio investment will incur additional expenses or delays, or incur additional expenses, in putting in place alternative arrangements, or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, availability, access to capital or otherwise). To the extent the general partner/manager is able to exercise contractual remedies under agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses, delays or other negative impacts. Investment vehicle and their portfolio companies are subject to similar risks if a Financial Institution utilized by investors in an investment vehicle or by suppliers, vendors, contractors, service providers or other counterparties of an investment vehicle or a portfolio company becomes subject to a Distress Event, which could have a material adverse effect on an investment vehicle and/or one or more of its portfolio companies.

Many Financial Institutions require, as a condition to using certain of their services (often including lending services), that the general partner/manager and/or investment vehicles maintain all or a set amount or percentage of their respective accounts or assets with that Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the general partner/manager seeks to do business with Financial Institutions that it believes are established, well-capitalized and capable of fulfilling their respective obligations to the investment vehicle, the general partner/manager is under no obligation to use a minimum number of Financial Institutions with respect to an investment vehicle or to maintain account balances at or below the relevant insured amounts, and the rapid collapse in the first quarter of 2023 of several seemingly well-capitalized and established institutions demonstrates that there are limits to the effectiveness of this approach in avoiding counterparty exposure. Under certain circumstances, such as receiving capital contributions pursuant to a capital call or proceeds from a disposition, an investment vehicle will not be able to maintain account balances at or below any relevant insured amounts.

Certain Conflicts of Interest

Z2, its affiliates 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 investment vehicles and providing transaction-related, investment advisory, legal, management and other services to investment vehicles, SPACs and their respective portfolio companies. Accordingly, various potential and actual conflicts of interest will arise from time to time with respect to the overall investment activities of the general partners/managers and their affiliates, including other Funds and their respective portfolio companies. The following paragraphs summarize some of these conflicts, but are not intended to be an exclusive list of all such conflicts. For purposes of this section, (i) "Z2 Personnel" shall mean partners, members, shareholders, officers, directors, managers, employees and other personnel of Z2, and (ii) all references to Z2 will be deemed to include Z2 Personnel unless the context otherwise requires. Z2 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. Unless restricted by the investment agreements, Z2 Personnel are permitted to serve on boards or act in other roles unaffiliated with Z2, any Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles.

Allocation of Expenses. Z2 and its respective affiliates will from time to time, and in their discretion, incur fees, costs and expenses, including in connection with consummated and unconsummated transactions, on behalf of the Funds and/or one or more other investment vehicles managed by Z2. To the extent practicable, any fees, costs and expenses that are incurred in connection with a consummated investment will be charged to the applicable investing entity. To the extent such fees, costs and expenses are incurred for the account or for the benefit of the Funds and one or more other Z2-managed investment vehicles (but not including any co-investment vehicles), the Funds and such other Z2-managed investment vehicles will typically bear an allocable portion of any such fees, costs, and expenses in proportion to the size of the investment made or proposed to be made by each in respect of the entity to which the expense relates or in such other manner as Z2 considers fair and equitable under the circumstances. Although Z2 will endeavor to allocate such fees, costs and expenses on a fair and equitable basis over time, there can be no assurance that such fees, costs and expenses will in all cases be allocated appropriately, including in circumstances in which a pro rata allocation based on relative investment size would be more or less advantageous to certain vehicles than a pro rata allocation by number of participating vehicles. Any such determinations typically involve inherent matters of discretion and conflicts of interest.

There are occasions when one Fund (the “Payor Fund”) pays an expense common to multiple Funds (the “Allocated Funds”). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. There are also occasions where Z2 or a Payor Fund pays an expense on behalf of a portfolio company. On such occasions, the portfolio company will reimburse Z2 or Payor Fund for the expense, without interest, and such reimbursement will not be subject to the Management Fee offset provision. Further, portfolio companies reimburse Z2 for various fees and expenses.

Some expenses are incurred on behalf of one Fund which have the potential to benefit other Funds. For example, information Z2 obtains in connection with a Fund’s research, due diligence and investment activities is expected to be valuable to other Funds. Additionally, tools and resources developed at Z2’s expense will be the intellectual property of Z2 and not the Funds.

A conflict of interest could arise in Z2’s determination of whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund operational expenses for which the Funds are responsible, whether such expenses should be borne by Z2 or the manner in which Z2 allocates expenses. The Funds will be reliant on the determinations of Z2 in this regard. Because the allocation process can be subjective, from time to time, it is possible that subsequent review of allocations could result in an identification of expenses that should have been allocated in a different manner, in which case measures will be undertaken to correct such circumstance, which might include a reversal of the original expense allocation, if possible, or such other equitable adjustment believed by Z2 to be the most appropriate corrective measure to ensure allocations are equitable on an overall basis in Z2’s good faith judgment.

Allocation of Investment Opportunities. Z2 and their respective affiliates, members, managing members, officers or employees provide investment management advice and services to multiple entities and clients,

including, without limitation, other managed accounts, collective investment vehicles and/or affiliated investment funds (the “Other Accounts”), which (subject to the terms of the Governing Documents) generally also follow investment programs substantially similar to those of the Funds. Such Other Accounts (subject to the terms of the relevant Governing Documents) often pursue, within a specific business or geographic sector, an investment program that invests in financial instruments of a type acquired by the Funds. Z2 and/or its affiliates can also provide (i) investment management services to Other Accounts that follow investment programs that differ from the Funds and (ii) specific advice and recommend financial instruments to Other Accounts that can differ from advice given to, or financial instruments recommended or bought for, the Funds, even though their investment objectives are the same or similar. Other present and future activities of Z2 and/or its affiliates can give rise to additional conflicts of interest. In the event that a conflict of interest arises, Z2 will attempt to resolve such conflicts in a fair and equitable manner over time.

While there will be limitations in the relevant Governing Documents on Z2’s ability to form or sponsor such Other Accounts, the formation and management of such Other Accounts can create a conflict of interest in that the time and effort of the officers and employees of Z2 will not be devoted exclusively to the business of the Funds, but will be allocated between the business of the Funds and the management of any such Other Accounts. In addition to the above, to the extent permitted under the applicable Governing Documents, Z2 is generally permitted to engage in other investment and business activities, including the establishment of Other Accounts that have one or more overlapping investment strategies with those of the Funds. Such activities can raise conflicts of interest for which there can be no guarantee that the resolution will be currently determinable.

Co-Investments. Co-investment opportunities can be offered to one or more investors and/or other persons, in each case in accordance with Z2’s co-investment policies and guidelines on the allocation of investment opportunities. To the extent that Z2 has discretion to allocate co-investment opportunities, conflicts of interest can arise in respect of any exercise of such discretion, and any allocation resulting therefrom would not necessarily be in the best interests of the Funds or any individual investor. Furthermore, decisions regarding whether and to whom to offer co-investment opportunities can be made by Z2 in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities can be offered to some and not to other investors. Allocations of co-investment opportunities made in Z2’s discretion generally will not result in allocations that are proportional to the amounts committed, if any, by the relevant potential co-investors to the Funds, or any other co-investment vehicle, and such allocations can be more or less advantageous to some persons than to others.

Co-investments with any co-investor through partnerships, joint ventures or other entities or arrangements can involve risks and conflicts of interests that would not otherwise be present, including the possibility that any other co-investor will at any time have economic or business interests or goals that are inconsistent with those of the Funds, have financial difficulties (which can increase the possibility of default), or be in a position to take or block action in a manner that is contrary to the Funds’ investment objectives. There can be no assurance that a Fund’s return from a transaction involving a co-investment will be equal to and not less than the return of any co-investor in such transaction.

Secondary Transfers. Where the Firm or its affiliates have discretion over a secondary transfer of interests in a Fund pursuant to such vehicle’s investment agreement or is asked to identify potential purchasers in a secondary transfer, Z2 will do so in its sole discretion and in accordance with any requirements set forth in the investment agreements for the applicable Fund. Factors considered in performing these activities include, but are not limited to, one or more of the following: Z2’s evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations; Z2’s past experiences and

relationships with the potential purchaser, including a consideration of whether the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds or Z2; the existence of investments by the prospective purchaser in other Funds or the likelihood that the prospective purchaser may commit to a future Fund, the expected amount of negotiations required in connection to a potential purchaser's investment; whether the potential purchaser would subject Z2, the applicable Fund or its or their affiliates to legal, regulatory, reporting, public relations, media or other burdens; and such other facts and considerations as Z2 deems appropriate under the circumstances in exercising such discretion. The relevance of each factor will vary in each circumstance, with no single criteria expected to consistently outweigh others.

Other Fees. Z2 and its affiliates have received, and in the future expect to receive, from prospective portfolio companies, actual portfolio companies or their respective affiliates or third parties, acquisition and disposition, directors', financial consulting, advisory, M&A advisory, commitment, monitoring, set-up, financial advisory, operational consulting, origination and other fees, as well as break-up fees. There is no guarantee these fees will be negotiated on an arm's-length basis, particularly where Z2 controls the portfolio company and the payment of such fees could negatively impact the performance of the relevant portfolio company. In addition, certain of these fees may be calculated on the basis of estimated financial results of a portfolio company over a particular time period, with no provisions requiring a true-up for actual financial results over such time period. Moreover, in many cases, fees charged or received by Z2 or its affiliates are based on enterprise value or other metrics relating to a portfolio company, the acquisition of or investment in such company, or the ongoing monitoring thereof, and there can be no assurance that the amount of fees charged will be tied to or proportional to the amount of hours of work performed on behalf of the portfolio company.

In the case of directors' fees, the Management Fee will not be reduced or offset to the extent any Firm employee or professional receives directors' fees relating to continued director service after a Fund has exited the portfolio company and/or following the termination of such employee's employment with Z2.

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, Z2 reserves the right to accrue, defer or forego payments of various fees, and reserves the right to charge interest at then-available rates with respect to such amounts.

The right of Z2 and its general partners/managers and affiliates to receive other fees may create a conflict of interest between Z2, on the one hand, and the various investment vehicles and their investors, on the other hand, because the fees may be substantial, and the investment vehicles and their investors do not have a direct interest in the fees. Z2 believes, however, that the equity commitments made by owners of the Firm and other Z2 Personnel in the investment vehicles, significantly mitigates this potential conflict. In addition, Z2 believes this potential conflict is often further mitigated by the fact that other fees may become limited as the result of negotiations involving third parties, such as with sellers, buyers, and management teams or boards of directors of, or lenders to, portfolio companies.

Cross-Fund Investments. One or more investment vehicles managed by Z2 or its affiliates may in the future make a "cross-fund investment." A cross-fund investment means an investment in a portfolio company in which another Fund, or an investment vehicle sponsored by a Z2 affiliate (including another Z2 affiliated registered investment adviser), already has an investment or will be making an investment at the same time. Historically, cross-fund investing has occurred very rarely. Cross-fund investments may occur when the vehicle with the existing investment does not have sufficient capital to make a follow-on investment or is at

or approaching the end of its commitment period or term, or where Z2 is investing out of two Funds at the same time and must allocate the investment opportunity across both vehicles.

Cross-fund investing raises conflicts of interest for a variety of reasons. Often, the security that will be purchased by the later-investing Fund may have more attractive terms and conditions than the securities issued to the earlier Fund and may be higher in the capital structure than those held by the earlier vehicle. For example, the earlier vehicle may hold equity securities of a company and the later vehicle may purchase convertible debt securities of such company. In such a situation, the interests of the two Z2 Funds may not always be aligned, which may give rise to actual or potential conflicts of interest or the appearance of such conflicts of interest. For example, questions may arise as to whether payment obligations and covenants at the portfolio company level should be enforced, modified or waived, or whether debt should be refinanced or restructured. The fact that one Fund's interests sit higher in a company's waterfall, or the stage of maturity of each Fund (i.e., how close to the end of the vehicle's life it may be) also could impact decision-making regarding potential sales processes, including what valuation to target and whether an exit should be pursued. Questions may arise about what action should be taken when a company is in financial distress, including whether to enforce claims and whether to initiate 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 investment vehicles 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, investment vehicles 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 Z2 in its sole discretion.

Conflicts also may arise when 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. To the extent a Fund has insufficient unfunded capital available to support its investment, then such Fund may suffer dilution, while the other Fund may continue investing. A Fund also 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. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds. 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. Z2 and its affiliates reserve the right 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 may be taken for one or more investment vehicles that adversely affect other Funds.

Transactions between Z2 Investment Vehicles. The Firm may cause a Fund to enter into a transaction whereby such Fund purchases securities from, or sells securities to, other Funds (including a newly formed continuation vehicle) managed by the Firm. Such transactions raise potential conflicts of interest including where the investment of one Fund supports the value of portfolio companies owned by another Fund or where, in the case of a continuation vehicle, Z2 determines to pursue such transaction as opposed to other liquidity alternatives and in determining the terms and participants in connection with such transaction. In addition, conflicts can arise given that the general partner/manager of the selling or transferring Fund likely has, or its affiliates have, an economic or other interest in the purchasing 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 represents what

would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' investment agreements or otherwise in the sole discretion of the Firm, the Firm may 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 applicable, the consent of a Fund's advisory committee) to such transactions. In certain circumstances, the Firm may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to a Z2 Fund under then-current market conditions. The Firm intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each such vehicle under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund, but in any case, in its sole discretion.

Side Letters. The Funds, Z2 and its general partners/managers routinely enter into written agreements, or side letters, with certain investors, including Z2 Personnel. These side letters provide investors with customized terms, which results in preferential treatment or could economically incentivize Z2 to provide preferential treatment, with respect to, among others: (i) the fee structure, including modified waterfall mechanics, cross-collateralized Carried Interest structures across multiple investment vehicles and/or reduced Carried Interest and/or economic or other incentives tied to the making of commitments to one or more other Funds, including future Funds; (ii) the reporting obligations of the particular investment vehicle; (iii) the right to transfer interests in the applicable Fund; (iv) the offering of secondary and future investment opportunities; (v) the right to withdraw from the applicable investment vehicle in the event of adverse tax or regulatory events or violations of law or policies; (vi) additional confidentiality protections; (vii) the right to disclose certain information to underlying investors or to the public; (viii) structuring rights with respect to certain types of investments; (ix) modification of default remedies; (x) prior review of a Fund's investment opportunities; (xi) investment pacing restrictions; or (xii) certain other terms whether economic, procedural or otherwise. Furthermore, the Firm or its affiliates have permitted, and may in the future permit, certain Z2 Personnel, business associates and "friends and family" of Z2 to invest directly or indirectly in investment vehicles on terms that are more favorable than those offered to other investors, including with respect to Carried Interest.

Z2 is likely to have its own economic and/or other business incentives to provide certain terms to certain investors (e.g., based on commitment amount to a Fund or the timing thereof, the ability of an investor to provide sourcing or other services to the Firm, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Firm, its affiliates and personnel, or the Funds). Further, side letters may also relate to strategic relationships under which an investor agrees to make commitments to multiple Funds. Except where required by the applicable investment agreements, 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, Z2 or any of its affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters. Side letters subject Z2 to potential conflicts of interest. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. As a consequence of one or more investors being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, the aggregate returns realized by participating or non-participating investors could be adversely affected in a material manner by the unfavorable performance of particular investments.

Furthermore, the Firm or its affiliates have permitted, and may in the future permit, certain Z2 Personnel, business associates and "friends and family" of Z2 to invest directly or indirectly in investment vehicles on

terms that are more favorable than those offered to other investors, including with respect to the non-payment or reduction in payment of Carried Interest.

Continuation Vehicles. Z2 is permitted to establish one or more funds, vehicles, accounts or other arrangements for purposes of acting as a continuation vehicle with respect to a Fund and holding investments for longer than the then-current term of a Fund, among other purposes. In such situations, Z2 typically expects to seek to raise capital from third parties as well as Fund investors who directly or indirectly acquire interests in one or more portfolio companies from such Fund, including through the creation of a new investment fund or similar continuation vehicle which would be advised by Z2, in which Z2 invests, and from which Z2 would receive fees and/or Carried Interest. Z2 is permitted, but will not be obligated, to offer investors an opportunity to invest in the relevant continuation vehicle by “rolling” their interest in a Fund and/or the underlying portfolio companies (although there can be no guarantee that such an opportunity will be made available). Z2 reserves the right to seek to require the new investors (including existing investors) to make commitments to the continuation vehicle or a successor fund advised by Z2, which generally reduces the purchase price new investors are willing to pay for a Fund’s assets.

Certain risks that are generally associated with an investment in a private equity fund can potentially be heightened and magnified. For instance, portfolio investments that are held for a longer period of time can be more likely to experience employee and/or management turnover during the holding period with respect thereto as compared to many other private equity funds. Z2 has the potential to be more incentivized to make portfolio investments with the view of holding such investment for a longer period of time and accordingly, can make investments that it believes will not meet the target returns of a Fund if it did not have the flexibility to hold such portfolio investments for a longer period of time. While investors will likely have the option to elect to have their interests in such investments disposed of by Z2, the value of such investments at the time of disposition can be materially less than if Z2 had not made and/or held such investment with the view of such investment having a longer holding period. Additionally, investors that elect to continue to hold a direct or indirect interest in such portfolio investments will have their interest attributable thereto adjusted as if distributed (i.e., a portion of such interest will be allocated to the relevant general partner to the extent of its right to receive Carried Interest, if any), thereby diluting their interests in such portfolio investments. Such investors that elect to continue to hold an interest in such investments can also be subject to Management Fees and Carried Interest for a longer period and/or in a greater aggregate amount than if such investments were not held for such longer period of time.

In addition, although the valuation of any such investment has the potential to be based on a third-party valuation, valuations are inherently subjective in certain respects and rely on a variety of assumptions. Furthermore, valuations are based in large part on information as of the applicable period, and market conditions can change materially after that date. Accurate valuations are more difficult to obtain in times of low transaction volume because there are fewer market transactions that can be considered in the context of the appraisal. In addition, the process of valuing portfolio investments for which reliable market quotations are not available is based on inherent uncertainties and the resulting values will, on occasion, differ from values that would have been determined had an active market existed for such portfolio investments and at times will differ from the prices at which such portfolio investments ultimately can be sold. As such, the carrying value of an investment will not necessarily reflect the price at which the investment could be sold in the market, and the difference between carrying value and the ultimate sales price could be material. Accordingly, such values will, at times, not accurately reflect the actual market values of the investment, and, thus, investors can make decisions as to whether to continue to hold an interest in an investment without complete and accurate valuation information. As a result, the valuation of such an investment and the distributions to each of a Fund’s investors, including a Fund’s general partner, will not necessarily accurately

reflect the fair value of the interests.

Z2 or its affiliates also have the ability to invest in any such continuation vehicle, including, but not limited to, through a rollover of its existing ownership interest and/or Carried Interest entitlement, including on a tax-free basis. Z2 is expected to face conflicts of interest in such transactions because it or its affiliates will have the opportunity to earn additional Management Fees and/or receive additional Carried Interest (in addition to any Carried Interest earned as a result of the sale of one or more portfolio companies by a Fund to such new continuation vehicle) and other economic benefits in respect of such transactions, and because new investors potentially will make investments in other Funds. In addition, the terms of any continuation vehicle typically vary from those of the Funds, and any investors that “roll” their existing Fund interests will generally be subject to such new terms, which potentially will be less favorable. Z2 is also expected to face potential conflicts in determining to pursue such transaction as opposed to other liquidity alternatives, and in determining the terms and eligible participants in connection with such transaction. Such transactions will likely present other additional inherent conflicts of interest.

Below-the-Fund Platforms. From time to time, a Fund may establish or invest in platform companies or similar platform investments that seek to acquire interests in other companies and/or assets. While the relevant Fund would typically be involved in the strategy and oversight of any platform investment, a platform investment typically would retain its own management team to operate, administer and manage the platform on a daily basis. In such cases, the relevant Fund generally will directly or indirectly bear the expenses related to developing and operating the platform investment, including overhead expenses (such as real estate, technology, salaries, bonuses and incentive-based compensation (e.g., equity, profits interests, options and warrants)), investment sourcing and diligence expenses, transaction fees and other related expenses, such that investors ultimately bear the costs of such expenses.

Such platform investments create potential conflicts of interest. For example, management teams sometimes provide services that are similar to, and that may overlap with, services provided by the Firm and its personnel to the Funds, and certain Z2 Personnel are expected to serve on the boards of, or otherwise provide services to, platform investments. Because the Firm (and not the Funds) otherwise generally pays the salaries of its employees, the Firm has an incentive to cause a platform investment to retain its own management team instead of relying on Z2 Personnel to provide managerial services, or to deploy existing Z2 Personnel as members of such platform investment’s management team. In addition, the Firm generally will have the ability to influence significantly the form and amount of compensation paid to such management teams. Members of platform investment management teams also may render services exclusively to the platform or provide the same or similar services to other Funds and/or portfolio companies.

Valuation of Assets. There is no actively traded market for most of the securities owned by the Funds. When estimating fair value, Z2 will apply a valuation methodology based on its best judgment that is appropriate in light of the nature, facts and circumstances of the investments, consistent with the requirements of Z2’s valuation policy. Including, but not limited to, a summary of all material developments or changes with respect to the portfolio investment occurring since the prior valuation, any market quotations that are available for the particular portfolio investment, any market quotations that are available for reference assets for the particular portfolio investment and an analysis of any adjustments made thereto to estimate the fair value of the portfolio investment, other financial valuation analyses such as a market comparable analysis, discounted cash flow analysis and/or a liquidation analysis, any other information that Z2 believes is important or material, such as an update on potential exits and investment monetization, financial statements, source documents and capitalization tables, and an estimate of the fair value of the portfolio investment based on the foregoing. These valuation methodologies may evolve over time depending on the

nature, facts and circumstances of the investment and Z2's view of the market, which valuation methodology changes may impact the overall valuation of an asset. While valuations are subject to extensive review, 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. There can be no assurance that Z2 will have all the information necessary to make valuation decisions, that third-party pricing information will be available, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. The valuation process includes a significant level of professional judgment on the part of Z2 with respect to assumptions, estimates and inputs into each specific valuation, which judgment could lead to inherent conflicts, including that valuations impact Z2's track record. The valuation decisions made by Z2 may cause it to ineffectively manage the relevant Z2 investment vehicle's investment portfolios and risks, and may affect the diversification and management of such Z2 Fund's portfolio of investments.

Generally, Z2 will determine the value of all of its Fund portfolio companies for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of such vehicles portfolio company investments because, among other things, the securities of portfolio companies held by a Fund generally will be illiquid and not quoted on any exchange. Reported unrealized values are determined based upon Z2's then current valuation policy and are based upon a number of inputs and assumptions made at the time such unreported values are reported, the ultimate results of which may vary materially from such factors at the time of a realization. While Z2 determines the valuation of unrealized investments pursuant to its valuation policy, the valuation process includes a significant level of professional judgment on the part of Z2 with respect to assumptions and inputs into each specific valuation, which judgment could lead to inherent conflicts and is subjective. Realized returns on such investments will depend on many factors, including many outside of Z2's control, including future operating results and cash flows of the portfolio company, legal and contractual restrictions on transfer that may limit liquidity, transaction costs, economic, operational, political, legal, tax and other circumstances, monetary and fiscal policies, interest rates, foreign exchange rates, inflation, the level and volatility of trading markets, the availability and cost of short-term or long-term funding and capital, the market conditions at the time of disposition, the manner of disposition and other potential risks and uncertainties. There can be no assurance that Z2 will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of Z2 with respect to an investment will represent the value realized by a Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by Z2 may cause it to ineffectively manage the Funds' investment portfolios and risks, and may also affect the diversification and management of the Funds' portfolio of investments.

Conflicts with Portfolio Companies. Z2 Personnel will serve as directors of certain portfolio companies and, in that capacity will be required to make decisions that consider the best interests of the portfolio company. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interest of that portfolio company may not be in the best interests of a Fund, and vice versa. Accordingly, in these situations, conflicts of interest may arise between such individual's duties as an officer or employee of Z2 or its affiliates and such individual's duties as a director of a portfolio company.

In certain cases, one Fund's portfolio company may compete with another Fund's portfolio company. A conflict of interest may arise in these instances because advice and recommendations provided by Z2 to a portfolio company may have adverse consequences to a competitor portfolio company owned by another Fund or an investment vehicle sponsored by a Z2 affiliate. When providing advice to any such portfolio company that is a competitor of another Fund's portfolio company, Z2 may consider the interests of one portfolio company and is not obligated to, and need not, consider the interests of, or potential consequences to, such competitor portfolio company.

In connection with its services to the Funds, Z2, its affiliates and Z2 Personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Z2's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Z2 and Z2 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, "Z2 Information"). In many cases, Z2 Information will include tools, procedures and resources developed by Z2 to organize or systematize Z2 Information for ongoing or future use. Although Z2 expects its Funds and their portfolio companies generally to benefit from Z2's possession of Z2 Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio companies or by the Firm and its personnel and not by the investment vehicle or portfolio company from which Z2 Information was originally received. Z2 Information will be the sole intellectual property of Z2 and solely for the use of Z2. Z2 reserves the right to use, share, license, sell or monetize Z2 Information and the relevant Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds or their respective investors.

Z2 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 Z2 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, Z2, its affiliates and Z2 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. Because its portfolio companies offer such discounts to customers other than Z2 and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Z2 believes that the potential for conflicts of interest relating to such discounts is mitigated. Discounted prices or better terms offered by a portfolio company to Z2, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Confidential Information. As a result of the operations of Z2 (including serving on boards of directors of various companies), Z2 frequently comes into possession of confidential or material, non-public information. Therefore, Z2 may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Such vehicle will not be free to act upon any such information. Due to these restrictions, such vehicle may not be able to initiate a transaction that it otherwise might have initiated and

may not be able to sell an investment that it otherwise might have sold. Notwithstanding the foregoing, Z2 may determine, in its sole discretion at any time, that such information could impair its ability to effect certain transactions on behalf of a Fund, whether for legal, contractual, or other reasons. Accordingly, Z2 may elect not to receive such information. Lack of access to any such information may adversely affect such vehicle's investments that in some cases may have been avoided had the relevant Fund or Z2 had such information.

Reliance on Z2 and Portfolio Company Management. Control over the operation of each Fund will be vested with Z2, and such vehicle's future profitability will depend largely upon the business and investment acumen of Z2 and the Z2 principals. The loss or reduction of service of one or more of the Z2 principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, Z2 currently, and will in the future, manage other vehicles besides the Funds and the Z2 principals will need to devote substantial amounts of their time to the investment activities of such other vehicles, which is expected to pose conflicts of interest in the allocation of the time of such investment professionals. Investors generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend on the actions of Z2. In addition, certain changes in Z2 or circumstances relating to Z2 may have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

Although Z2 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 a 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 a Fund's objectives. Additionally, portfolio companies will need to attract, retain and develop executives and members of their management teams. The market for executive talent is, notwithstanding general unemployment levels or developments within a particular industry and/or geography, extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate or retain suitable members of their management teams and, as a result, a Fund and its investments may be adversely affected.

Z2's Carried Interest. The fact that Z2's Carried Interest is based on a percentage of net profits may create an incentive for Z2 to cause an investment vehicle to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case.

In addition, certain 2017 U.S. tax legislation treats certain allocations of capital gains to U.S. service providers by certain Z2 investment vehicles as short-term capital gain (taxed at higher ordinary income rates) unless the vehicle has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of U.S. individuals associated with a Z2 investment vehicle and the relevant Z2 general partner/manager who were or may in the future be granted direct or indirect interests in such general partner/manager, which could make it more difficult for Z2 to incentivize, attract and retain individuals to perform services for a Z2 investment vehicle. This is also expected to create an incentive for Z2 to cause a Z2 investment vehicle to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist.

Potential Conflicts Relating to Non-Cash Distributions. Z2 Funds permit non-cash distributions of marketable securities to be made to investors (and in the case of liquidation of the vehicle, other types of in-kind distributions), which may create a conflict of interest as hereinafter described. When distributions are made in kind, the value of any such distributions will be accounted for purposes of a Fund's distribution waterfall in accordance with the terms set forth in the relevant investment agreement, which often provides that it

must be the fair market value of the distributed property (which determination is made in accordance with valuation procedures specified in a Z2 Fund's investment agreement). The amounts that an investor in such Fund ultimately realizes from amounts distributed in kind may be less than the fair value determined at the time of the distribution from a Z2 Fund. Because the Firm (or an affiliate thereof) typically receives Carried Interest distributions based upon the fair value of assets at the time of distribution, there could be an incentive for Z2 to make distributions in kind rather than liquidating an investment and distributing the net cash proceeds to investors. Each investment agreement has specific procedures governing distributions in kind, including their valuation. With respect to marketable securities, the investment agreement typically requires Z2 to value the investment by averaging inputs taken over a multi-day or multi-week period before and sometimes after the determination date. Z2 believes this and other procedures set forth in the investment agreement mitigate the potential conflicts associated with this risk by limiting the Firm's ability to make in kind distributions and/or reducing the potential incentive to do so. In addition, the amount that an investor in a Fund might ultimately realize from amounts distributed in kind may exceed the fair value determined at the time of the distribution, further mitigating the risk associated with this potential conflict.

Diverse Investor Group May Have Conflicting Interests. Prospective investors also should be aware that conflicting investment, tax and other interests and circumstances may exist among the investors in connection with a Z2 Fund's activity. For example, the investors are expected to include taxable and tax-exempt entities and persons and may include persons or entities organized in various jurisdictions. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by a Z2 Fund, the structuring or the acquisition of investments and the timing of disposition of investments and investments by such investors in other Z2 Funds. As a consequence, conflicts of interest may arise in connection with decisions made by Z2 regarding an investment (including with respect to the nature or structuring of investments of a Z2 Fund) that may be more beneficial for one type of investor than for another, including investors affiliated with Z2, and especially with respect to tax matters, and which create conflicts of interests. In selecting and structuring investments appropriate for a Z2 Fund, Z2 will consider the investment and tax objectives of such vehicle, the general partner/manager and the investors as a whole, not the investment, tax or other objectives of any investor individually.

Use of Seconded/Interim Employee Arrangements, Executive Advisors and Other Consultants. In certain circumstances, current or former Z2 Personnel serve in interim or part-time roles at one or more portfolio companies or provide services to portfolio companies as secondees or in similar capacities, while maintaining certain benefits, support services or indicia of employment at Z2. Under such arrangements, Z2, a Fund and/or the relevant portfolio company is authorized to pay or reimburse Z2 all or a portion of the personnel costs (including expenses) of the seconded employee. Due to the nature of these secondee relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold. Employees may or may not return to Z2 at the end of such secondee arrangements.

Z2 allocates the compensation, expense reimbursement and/or other payments received by its operating professionals, executive advisors and or seconded employees to the applicable Fund(s) and/or applicable portfolio companies. As a result, such amounts will be treated as a Fund or portfolio company expense, and will not be deemed paid to or received by Z2. Accordingly, such amounts are borne by the investors.

These arrangements have the potential to create conflicts of interest, in that amounts paid by a portfolio company in connection with these types of relationships ultimately are borne by Z2 investors, rather than the Firm or its affiliates. The fees and expenses described above and the manner in which they are handled

increase the overall cost of a Fund's investment program from the perspective of an investor, and could negatively impact financial returns. In addition, these payments (other than equity incentives and expense reimbursement) will generally reduce retainer or other amounts otherwise payable to such persons by Z2. As such, this can create an incentive for Z2 to set higher compensation rates to be paid by a portfolio company so as to reduce the amounts that would otherwise be payable by Z2. Moreover, Z2 may be incentivized to allocate the time of such persons to portfolio companies and/or a Z2 investment vehicle rather than to the Firm. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on a Fund's investment, and the relevant investment vehicle typically will bear the costs of all such compensation as well as fees, costs and expenses of structuring such arrangements. To the extent such professionals, executives and employees 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 these individuals' services at a time when fewer portfolio companies or Funds make use of such persons. Additionally, portfolio companies may provide opportunities for such persons to invest in such portfolio company and reimburse costs and expenses incurred by such persons (although this has not occurred to date). These professionals, executives and employees also have and may in the future have an equity interest in Z2's general partners/managers and/or Z2 investment vehicles, may receive remuneration from Z2 and/or its Funds or affiliates and/or be entitled to other forms of compensation, including a portion of the Carried Interest. Z2 expects from time to time that its operating professionals and/or executive advisors will include former employees of Z2 or certain portfolio companies, and in some circumstances such persons are expected to become Z2 employees or employees of portfolio companies. Consequently, the determination of whether individuals are operating professionals or executive advisors is expected to vary and/or be revisited from time to time, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that Z2 otherwise would be required to bear.

While the foregoing practices have the potential to raise conflicts of interest, Z2 believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to portfolio companies (for the ultimate benefit of the investors). Cost savings may be achieved, for example, if the market rates for such professionals and executives is lower than market rates for the services provided and/or if the services of such persons align with Z2's model for the portfolio company and improve portfolio company performance. Although Z2 seeks to retain operating professionals and 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 or improved performance from such retention. Z2 also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Z2 believes will align such persons' interests with those of the Funds' investors. Additionally, Z2 strives to retain operating professionals and executive advisors whom we believe provide a level of service at a value generally consistent or better than 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.

Payments to Service Providers. A portfolio company typically will reimburse Z2 or service providers retained at Z2's discretion for expenses (including travel, lodging, meal and entertainment expenses) incurred by Z2 or such service providers in connection with the performance of services for such portfolio company, including for consultative operational services. In respect of controlled investments, Z2 Personnel often have the right to appoint portfolio company board members and may determine or influence decisions by the portfolio company with respect to expense reimbursements. This subjects Z2 to conflicts of interest because a Fund generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the investment agreements and Z2's

internal reimbursement policies and practices, Z2 determines the amount of these reimbursements for such services in its own discretion, subject to internal reimbursement policies and practices. Any fee paid or expense reimbursed to Z2 or such service providers is generally subject to: agreements with 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 conflicts of interest.

Z2 reserves the right to agree with operating personnel, service providers, portfolio company management or other parties that all or a portion of certain expense reimbursements, payments or other amounts owed to such persons relating to one or more portfolio companies will be paid in the form of a profits interest granted in the relevant portfolio companies or related intermediate entities. While such an arrangement could be more favorable to the relevant Fund if the investment does not increase in value, in the event of appreciation in the relevant portfolio company, any such profits interest generally would have a dilutive impact on such Fund's investment, as well as the potential to result in economic gains greater than the original amount of compensation.

Shared Interest in Professionals and Employees. Z2 may, from time to time, employ personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by a particular Fund advised by Z2; conversely, current or former personnel or executives of Z2 (and/or its affiliates) are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by Z2. Similarly, Z2, its affiliates and/or Z2 Personnel maintain relationships with (or may 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 the particular Fund, Z2 and/or its affiliates or other investment vehicles Z2 advises. 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 Z2 entities) to Z2 Personnel and their estate planning vehicles. Z2 expects to be subject to a conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to such investment vehicle 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 the Funds or any future investment vehicles advised by Z2, will provide Z2 information about markets and industries in which Z2 operates (or is contemplating operations) or will provide other services that are beneficial to Z2. Z2 may have a conflict of interest in making such recommendations, in that Z2 has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds. In certain circumstances where Z2 commits or has committed to seek "market" or "arms-length" rates or terms, Z2 will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Z2 reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arms-length." Consequently, Z2 undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relates specifically to the assets, services or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, Z2 reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential

conflicts of interest. Whether or not Z2 has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Except to the extent prohibited by the relevant investment agreements, Z2 and Z2 Personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder, or manager) for other pooled investment vehicles or accounts and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity, or similar interests) relating thereto. Subject to any limitations imposed by the relevant Investment Agreements and anti-"assignment" provisions of the Advisers Act, Z2 and Z2 personnel are also permitted to offer, restructure and monetize interests in Z2.

Outsourcing Arrangements. Services required by a Fund (including some services historically provided by Z2 or its affiliates to the Funds) may, for reasons including efficiency and economic considerations, be outsourced as a whole or in part to third parties in the discretion of Z2. In such case, the cost and expenses of these outsourcing arrangements typically will be paid for by an investment vehicle or portfolio company such that investors ultimately bear such costs. Z2 has an incentive to outsource such activities at the expense of the Funds. The performance of a service for a Z2 investment vehicle in-house by Z2 Personnel does not and will not preclude a later decision to outsource such services (or any additional services) as a whole or in part to a third-party service provider in the future. The costs and expenses of any such third-party service providers will, where otherwise permissible under the investment agreements for the Funds, be borne by the Funds.

Item 9: Disciplinary Information

Z2 is required to disclose all material facts regarding any legal or disciplinary events that would be material to an investor's evaluation of the Firm or the integrity of Z2's management. Z2 has no legal or disciplinary information to disclose at this time.

Item 10: Other Financial Industry Activities & Affiliations

Z2's Funds are typically formed as Delaware limited partnerships which are controlled by a general partner or managing partner, respectively (in each case, a "General Partner", and collectively, the "General Partners"). Below is a listing of those entities which are affiliated with Z2, and which serve as a general partner for each of the Funds.

- Z2 Opportunities GP I, LLC
 - Z2 Opportunities Fund I, LP
- Prosecco Capital I GP, LLC
 - Prosecco Capital I, LP

The General Partners and each Z2 Fund have entered into management agreements with Z2 to document the delegation of management of each Fund to the Firm. Z2's employees, advisors, and managing members may devote portions of their time to existing portfolio companies and other related investment activities and are not limited to the activities of Z2 and the Funds' different portfolio companies.

Bobby Barrett serves on the Board of Directors for a public company, Independence Contract Drilling, Inc. (NYSE: ICD). Mr. Barrett serves on the company's audit and corporate governance & nominating committee.

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

Z2 holds its employees to a high standard of integrity and business practice. Z2's Code of Ethics is intended to serve as a guide to administering and overseeing procedures relating to the professional conduct and personal trading practices of Z2 personnel.

Z2's Code of Ethics ("Code"), pursuant to Rule 204A-1 of the Advisers Act, is intended to serve as a guide to the administration and oversight of professional conduct and personal trading practices of Z2's employees. The Code sets forth a standard of business conduct that takes into account Z2's status as a fiduciary and requires access persons ("Access Persons") to place the interests of the Funds and Fund investors above their own interests and the interests of Z2. Access Persons must adhere to the highest standards with respect to any potential conflicts of interest, and as a fiduciary, must always act in the Client's best interest. All employees will act with competence, dignity, integrity, and in an ethical manner, when dealing with Clients, investors, the public, prospects, third-party service providers and fellow employees. Access Persons must use reasonable care and exercise independent professional judgment when conducting investment analysis, making investment recommendations, trading, promoting Z2's services, and engaging in other professional activities.

Z2's policy prohibits any employee from acting upon, misusing, or disclosing any material, non-public information, known as insider information, and any violations of this policy will result in prompt disciplinary action and/or termination. Z2's policy is to protect the confidentiality, integrity, and security of any non-public, personal information of its clients and prospects and to prevent unauthorized access to, or the use or disclosure of, such information.

Z2's policies and procedures related to personal trading activity of employees aim to demonstrate Z2's commitment to placing its Funds' interests ahead of employees' personal trading interests. All Access Persons are prohibited from maintaining personal trading accounts with discretionary authority. Z2 employees and their close family members are only permitted non-discretionary accounts that are maintained by a third-party.

The Code also includes policies regarding disclosure of political and charitable contributions, gifts and entertainment, and outside business activities. Access Persons are prohibited from making political contributions for the purpose of soliciting investments from state or local governments. Access Persons are also prohibited from giving or receiving gifts and/or entertainment or participating in outside business activities that may pose a conflict of interest to Z2 or its Clients.

Z2 makes its Code of Ethics available to any investor or prospective investor for review upon request.

Item 12: Brokerage Practices

Z2 focuses on making investments in private securities and therefore does not ordinarily deal with any financial intermediary such as broker-dealers. When Z2 does transact in public securities for the Funds, it will select brokers based upon the broker's ability to provide best execution for the Funds. In seeking best execution for the Funds, Z2 will consider a variety of factors that include the Broker's ability to effect prompt and reliable executions at favorable prices, the operational efficiency, the financial strength and stability of the broker-dealer, or any other factors Z2 believes is critical in the selection of a broker dealer.

Z2 does not maintain relationships with broker-dealers that feature soft-dollar benefits or referral arrangements.

Item 13: Review of Accounts

Z2 monitors each of the investments it makes in portfolio investments on an ongoing basis to monitor the progress of such investments and seek to ensure that such investments remain consistent with the Funds' investment strategies, objectives, and investment restrictions (as applicable).

On an annual basis, investors in each Fund will receive audited financial statements of the Fund, valuations of the Fund's investments and tax information necessary for the completion of U.S. tax returns.

Z2 shall determine the fair value of each Fund's assets in its discretion as provided in such Fund's operating agreement.

Item 14: Client Referrals and Other Compensation

Z2 may, from time to time, enter into arrangements in which persons who are not supervised persons (such as placement agents or financial advisors) to assist in the capital-raising efforts. Z2 will not engage a placement agent that is not duly registered with the Financial Industry Regulatory Authority (or, if applicable, corresponding non-U.S. authorities)

Other than compensation and expense reimbursements from portfolio companies described under Item 5, Z2 does not accept economic benefits from a person who is not a client for providing investment advice or other advisory services.

Item 15: Custody

Because Z2 generally expects to act as general partner or managing member of the Funds, it will in such cases expect to be deemed to have custody of the assets of those Funds because the general partners, or managing members, as applicable, a related person of Z2, will typically serve in a capacity that gives them access to the assets (including with respect to deduction of advisory fees payable to Z2). Z2 is not deemed to have custody of assets for any uncalled capital where Z2 does not have discretion over the assets (See Item 16: Investment Discretion for additional information).

Z2 complies with Rule 206(4)-2 of the Advisers Act (“Custody Rule”) by meeting the conditions of the pooled vehicle annual audit provision of the Custody Rule by obtaining an annual audit of the Funds’ financial statements by an independent auditor who is a member of and subject to inspection by the Public Company Accounting Oversight Board (“PCAOB”), with such audited financial statements made available to investors in compliance with the SEC’s Custody Rule. The audited financial statements will be prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) distributed within 120 days of each Fund’s fiscal year end, or otherwise as required by law.

Item 16: Investment Discretion

Z2 maintains the authority to manage the Funds on a discretionary basis, subject to the overall supervision of the applicable General Partner, in accordance with the investment guidelines, objectives, limitations and other provisions and terms set forth in the Governing Documents, as applicable; provided, for certain Funds, Z2 provides non-discretionary investment advice where it must receive prior written approval prior to making an investment, in accordance with the applicable Governing Documents.

Each Fund’s investment strategy (and restrictions, if any) are set forth in such Fund’s Governing Documents. Investment advice is provided directly to the funds, subject to the discretion and control of the relevant general partner, and not to the individual investors in such funds.

Item 17: Voting Client Securities

Z2 generally does not trade in individual publicly traded securities that require it to vote traditional proxies. Z2 does routinely act through its positions on private company boards of directors, or via written shareholder/member consent (or other similar instruments) with respect to the funds’ private investments. However, on an infrequent basis, Z2 may receive traditional proxy solicitations.

To the extent Z2 votes proxies, it will exercise voting authority in accordance with its proxy voting policies and procedures and will seek to vote any such proxies in the best interests of the Funds and Fund investors (as applicable).

Z2 will provide a copy of its proxy voting policy to investors upon request. Investors may also obtain how Z2 voted any previous public proxies, if any.

Item 18: Financial Information

Z2 does not have a financial condition that is likely to impair its ability to meet contractual commitments to clients. Z2 has not been subject to any bankruptcy proceedings.