

a16z Perennial Management, L.P.

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**Part 2A of Form ADV: Firm Brochure
March 28, 2024**

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of a16z Perennial Management, L.P. (“a16z Perennial,” the “Firm,” or the “Adviser”). If you have any questions about the contents of this Brochure, please contact a16z Perennial at compliance@a16z.com. The information in this Brochure has not been approved or verified by the U.S. Securities and Exchange Commission (the “SEC”) or by any state securities authority.

a16z Perennial is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information regarding a16z Perennial is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2. Material Changes

This Brochure is dated March 28, 2024 and is the annual updating amendment to the prior Brochure dated May 27, 2023. Since the date of the prior Brochure, the Adviser has launched new products and is continuing to build out different components of its business. This Brochure is intended to include additional, enhanced, and more tailored or streamlined disclosure. While the following is a summary of material changes from the prior Brochure, please review the entirety of this Brochure for important information.

- Item 4 has been updated to (a) include up to date information about the Adviser's advisory business and services; and (b) provide more detail regarding the Adviser's current and expected investment products.
- Item 5 has been updated to describe the fees and expenses charged by the Adviser to its Clients pursuant to the current Governing Documents.
- Item 8 has been updated to include new risk disclosures tailored to the specific investment strategies of the Adviser's Clients (including but not limited to *Equity Risk*; *Fixed Income Risk*; *Structured Note Risk*; *Risks Inherent in Venture Capital Investments*; *Privately Held Middle-Market Companies*; and *General Real Estate Risks*). Certain other risk disclosures have been updated or enhanced.
- Item 11 has been updated to include new conflict disclosures tailored to the Adviser's strategy and relationship to AH Capital Management, L.L.C., including *Valuation of Investments*; *Investment Opportunities Sourced by Andreessen Horowitz and a16z Perennial*; *Conflicts with other a16z Perennial Clients*; and *Investments in Affiliate Funds*.
- Item 17 has been updated to reflect the Adviser's current proxy voting policies.

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Item 4. Advisory Business

A. Overview

a16z Perennial, a Delaware limited partnership established in 2022, is an asset management firm providing tailored financial advisory and wealth management services. The Adviser provides investment and advisory services to a diverse client base including families, family offices, endowments, foundations, and other long-term investors. a16z Perennial is owned by a16z Holdings, L.L.C., an entity owned by Marc Andreessen and Ben Horowitz, and a16z Perennial Employee Holdings, L.P., an investment vehicle formed for the benefit of employees of a16z Perennial and its affiliates.

B. Types of Advisory Services

The Adviser provides services primarily through two different channels:

a16z Perennial Funds

The Adviser currently manages privately offered investment vehicles (collectively, the “Funds”) across several asset classes. The Adviser currently advises a16z Perennial Diversifying Investments Fund, L.P. (“DI Fund”), which focuses on income-producing and diversifying strategies, a16z Perennial Real Assets Fund, L.P. (“RA Fund”), which invests in the real estate asset class, and a16z Perennial Venture Capital Fund, L.P. (“VC Fund”), which invests in the venture capital asset class. The RA Fund and DI Fund have not yet held initial closings admitting Limited Partners (as defined below), but plan to do so in the near future. In the future, the Adviser intends to manage additional Funds, including a16z Perennial Private Equity Fund, L.P. (“PE Fund”), which will invest in the private equity asset class.

The Funds are perpetual life, open-ended, private funds with investment strategies designed to maximize long-term capital appreciation by investing in investment vehicles, discretionary accounts, investment partnerships and direct investments focused within the applicable asset class or strategy. The DI Fund and VC Fund will largely invest in investment vehicles managed by third-party managers (an “External Fund”), but will likely also make direct investments (such direct investments together with the External Funds, “External Investments”). The VC Fund will also invest in investment vehicles sponsored by an affiliate of a16z Perennial (“Affiliate Funds” and together with the External Funds, the “Portfolio Funds”). Each Fund is designed to be a full solution for clients seeking a diversified portfolio within the applicable investment strategy or asset class.

The Funds are offered to investors including families, family offices, endowments, foundations, and other long-term investors, as well as to Managed Account Clients (defined below). The Adviser’s investment personnel have economic interests in the general partnerships that manage the Funds (each, a “General Partner”). The Funds are primarily structured as limited partnerships, in which investors are limited partners (each, a “Limited Partner” and collectively, “Limited Partners”) and a16z Perennial, or an affiliate, serves as the general partner. a16z Perennial provides investment advisory services to the Funds in accordance with the limited partnership agreement of each Fund and a separate management services agreement (each, an “Advisory Agreement”), as applicable.

The Funds are not registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”), or the U.S. Investment Company Act of 1940, as amended (the “1940 Act”). Investors in the Funds are required to satisfy certain eligibility and suitability requirements. They must all be: (1) “Accredited Investors” (as defined in Rule 501 of Regulation D under the Securities Act), (2) “Qualified Clients” (as defined in Rule 205-3 under the Advisers Act), and (3) “Qualified Purchasers” (as defined in Section 2(a)(51)(A) of the 1940 Act), unless otherwise waived by the Adviser.

Managed Account Clients

The Adviser helps clients steward their wealth and accomplish other life objectives by managing their portfolios of liquid and illiquid investments (“Managed Account Investments”) on a discretionary basis as informed by the relevant investment management agreement (each, an “Investment Management Agreement” and such portfolios managed by the Adviser on behalf of each Managed Account Client, a “Managed Account Portfolio”). Adviser’s client services are designed to act as an outsourced Chief Investment Officer for families, family offices, high-net worth individuals and others (together, “Managed Account Clients”). The Adviser provides these advisory services in conjunction with an investment in the Funds, Portfolio Funds, accounts or other arrangements with third-party managers, and direct investments with the goal of maximizing expected returns on a risk-adjusted basis. The Adviser also offers services to assist in developing and implementing estate and charitable giving plans.

Depending on a Managed Account Client’s objectives, the Adviser may invest directly or indirectly through Portfolio Funds in a broad mix of U.S. and foreign securities and financial instruments, in both traditional and alternative asset classes. In addition to investments in the Funds, the Adviser typically invests in pooled vehicles (*i.e.*, hedge funds, private equity funds, venture capital funds, mutual funds and exchange-traded funds) managed by other investment advisers (including affiliates of the Adviser) (*i.e.*, External Funds and Affiliates Funds), accounts managed by other investment advisers, public equities, fixed income securities, cash equivalent instruments, currencies, real assets, natural resources, privately offered securities, private equity and co-investments in private equity, private debt, sponsors or general partners of private investment funds, warrants, derivatives and commodities, among other public and private instruments.

When the Adviser recommends that Managed Account Clients invest in the Adviser’s Funds, it faces actual and potential conflicts of interest, many of which are discussed further in this Brochure, in Part 1A of our Form ADV, and in the related offering documents.

C. Tailoring of Advisory Services or Client Imposed Restrictions

With respect to Managed Account Clients, although the Adviser provides these services on a discretionary basis, Managed Account Clients are permitted to impose restrictions on their investments by, for instance, limiting exposure to certain asset classes or certain securities or assets, or by identifying other specific investment restrictions.

With respect to the Funds, the Adviser provides advisory services to the Funds based upon the criteria set forth in the Fund Governing Documents (as defined below). Each Fund’s investment

strategy and any applicable investment restrictions are set forth in detail in those documents. Because the Adviser manages these pooled investment vehicles on a fully discretionary basis, the Adviser generally does not take the specific circumstances of individual Limited Partners into account in making investment decisions for the applicable Fund. The general partners of the Funds are authorized, but do not expect to in the ordinary course, to enter into side letters with certain Limited Partners providing for additional rights or varying the terms of the applicable Fund Governing Documents with respect to such Limited Partners (the effect of which might, in summary and amongst other matters, provide such side letter Limited Partners with more favorable terms or treatment than other Limited Partners).

D. Wrap Fee Programs

Not applicable to the Adviser.

E. Assets Under Management

As of December 31, 2023, the Adviser managed approximately \$812,165,651 in client assets on a discretionary basis.

Item 5. Fees and Compensation

A. Advisory Fees and Compensation

Detailed information with respect to how the Adviser is compensated for the advisory services is contained in the governing documents for the Funds (which may include, but are not limited to, the limited partnership agreement, subscription agreement and private placement memorandum, collectively “Fund Governing Documents”) and the Investment Management Agreements in the context of Managed Account Clients (collectively with the Fund Governing Documents, the “Governing Documents”).

Managed Account Client Fees

In exchange for its investment management services, a16z Perennial charges Managed Account Clients fees at the investment level. As a result, the fee will vary based on (i) investment approach (*i.e.*, the Funds, third-party managed accounts and other investments) and (ii) the allocation of a Managed Account Client’s assets, as determined by the Adviser. Investment level fees will generally include a tiered fee, generally equal to an annual percentage of assets under management (“Advisory Fee”) ranging from 0% to 0.5% depending on the strategy, third-party manager and other variables, and fees and other expenses as detailed in each Fund’s Governing Documents, when assets are allocated to Funds.

At present, a16z charges Advisory Fees to Managed Account Clients at consistent rates. In the future, a16z may charge a lower Advisory Fee to Managed Account Clients with higher amounts of assets under management or a higher Advisory Fee if additional services are, or are expected to be, provided. Managed Account Clients in certain circumstances can receive a reduction or waiver of Advisory Fees and other fees otherwise payable by such clients. Advisory Fees charged by a16z Perennial are detailed in the relevant Investment Management Agreement with each Managed

Account Client and will generally be deducted directly from accounts in advance on a quarterly basis.

Managed Fund Fees

a16z Perennial receives investment management fees (“Investment Management Fees”) and performance fees from the Funds (and therefore each of the Limited Partners in the Funds), generally based on a percentage of the value of the securities owned by each Fund as further described in the Fund Governing Documents. Where a Fund invests in an Affiliate Fund, the Fund will not be subject to an Investment Management Fee or a performance fee on the net asset value of such investments, as the Fund will be subject to the fees of the Affiliate Fund. In such instances, a16z Perennial will receive all or a portion of the fees assessed by the Affiliate Fund with respect to such investments pursuant to a separate agreement.

The Governing Documents of certain Funds allow a16z Perennial to accept alternative Investment Management Fee arrangements on a case by case basis with particular Limited Partners and affiliates of the applicable general partner, although to date, a16z Perennial has not done so. The Governing Documents for certain Funds provide for temporary waivers of Investment Management Fees for early investors while the Governing Documents for certain other Funds provide for different Investment Management Fee rates for different classes of interests.

The accrual and billing of Investment Management Fees varies between the Funds. The Investment Management Fee for the DI Fund accrues monthly and is generally payable at the end of each fiscal year. The Investment Management Fee for the VC Fund is payable quarterly in advance. The precise amount and the manner of calculation is established in each Fund’s Governing Agreement. With respect to Funds with prepaid Investment Management Fees, upon redemption, an investor’s prepaid Investment Management Fee will be returned on a prorated basis. For information about the Funds’ performance fees, see Item 6 below.

B. Other Client Fees and Expenses

Managed Account Clients pay fees and expenses, directly or indirectly, in addition to the Advisory Fee described above. These other fees and expenses can include, among others, expenses incident to the organization of the Managed Account Client’s account, custodial fees, brokerage fees, transaction fees, mutual fund expenses, fees for third-party managers and other expenses incurred by the Adviser in connection with the operation of the Managed Account Client’s portfolio. Such expenses are more fully described in the applicable Investment Management Agreement. The Adviser also may charge fees for services that are not advisory in nature, such as charitable giving planning, that the Adviser offers to Managed Account Clients that will be detailed in agreements that address such non-advisory services. For information about brokerage and other transaction fees, please see Item 12.

The Funds will also, from time to time, make payments to the Firm or its affiliates. Consistent with the Fund Governing Documents, the Funds bear certain expenses incurred by the Firm in connection with the services provided to the Funds.

In calculating both the Advisory Fees and Investment Management Fees, a16z Perennial values client investments in accordance with generally accepted accounting principles in the U.S.

(“GAAP”). Valuations generally rely on third parties, among other inputs, to value or provide meaningful inputs to value client assets. Such inputs may include market data vendors, external pricing services, comparable transactions, custodians, brokers, administrators or other discretionary investment managers. Additionally, some assets will be fair-valued by Adviser’s internal valuation committee or marked-to-market, in accordance with GAAP.

The information contained herein is a summary only, qualified in its entirety by the relevant Governing Documents, and does not preclude materially different fee and expense terms for future Funds sponsored or managed by Adviser and its affiliates.

Allocation of Expenses

It is the Firm’s policy to ensure that expenses charged to, and allocated among, various Funds are consistent with applicable Governing Documents relating to such entities, and that appropriate disclosure is made to investors with respect to such expenses, consistent with the Firm’s fiduciary duties under the Advisers Act. Additionally, only those expenses incurred by a16z Perennial that are for the direct benefit of a Managed Account Client will be borne by that Managed Account Client.

Certain Types of Expenses

Firm Expenses

Unless included as a Fund expense in the Fund’s limited partnership agreement or Investment Management Agreement for a Managed Account Client, a16z Perennial will directly bear expenses that relate to operating the Firm, including:

- salaries and wages of employees of the Funds, their General Partners, the Firm and their respective affiliates (other than performance fees),
- travel and entertainment expenses unrelated to Fund operations of a Fund’s General Partner, the Firm and their respective members, officers and personnel,
- rents payable for office space used by the Firm or the Funds, and
- expenditures for equipment by the Firm or the Funds.

Fund Expenses

Pursuant to the limited partnership agreement of a Fund, a16z Perennial charges to the Fund all expenses related to the operation of the Fund (to the extent not otherwise borne by its portfolio investments and investments). Such Fund expenses may include, but are not limited to:

- costs and expenses (including travel) incurred in respect of the investigation, purchase, holding or sale or exchange or other actual or proposed disposition of securities, including reasonable private placement and finder’s fees in contemplation of an investment by a Fund paid to persons other than the Fund’s General Partner or members of the Fund’s general partner or any of their affiliates;

- costs and expenses incurred in respect of real property or personal property taxes on investments;
- brokerage fees;
- taxes applicable to a Fund on account of its operations;
- fees incurred in connection with the maintenance of bank or custodian accounts;
- legal, audit and other expenses incurred in connection with the registration of a Fund's portfolio securities under the Securities Act;
- legal and accounting fees and expenses incurred in connection with the investigation, purchase or sale or exchange or other disposition of securities (whether or not such purchase, sale or exchange or other disposition is ultimately consummated);
- fees and expenses of investment advisers and independent consultants incurred in investigating and evaluating investment opportunities;
- fees of the independent certified public accountant incurred in connection with the annual audit of a Fund's books and the preparation of a Fund's annual tax return;
- costs of independent appraisers;
- legal expenses of a Fund;
- accounting, bookkeeping and similar expenses, including accounting software expenses, paid to third parties for the maintenance of a Fund's books and records and preparation and delivery of reports and notices;
- premiums associated with insurance, if any, to insure against any claims that could be made directly against a Fund, a Fund's General Partner, the Firm or any persons indemnified pursuant to a Fund's limited partnership agreement or that could give rise to a Fund liability pursuant to such Fund's limited partnership agreement;
- preparation and other expenses associated with annual and other reports to a Fund's partners;
- costs associated with any Fund information meetings;
- all expenses that are not normal administrative and overhead expenses, including all legal fees and expenses incurred in prosecuting or defending administrative or legal proceedings relating to a Fund brought by or against a Fund, the Firm or a Fund's General Partner, or the members, partners, employees or agents or former members, partners, employees or agents of any of the foregoing, including all costs and expenses arising out of or resulting from a Fund's indemnification (subject to any limitations set out in such Fund's limited partnership agreement);

- all of the organization costs, fees and expenses incurred by or on behalf of a Fund, a Fund's General Partner or the Firm in connection with the formation and organization of such Fund, such Fund's General Partner and any parallel Funds, if any, including legal and accounting fees and expenses incident thereto;
- all placement fees incurred in connection with the offer sale and/or syndication of limited partnership interests in a Fund, which will offset dollar-for-dollar such Fund's Investment Management Fees; and
- all liquidation costs, fees and expenses incurred by or on behalf of a Fund, a Fund's General Partner, the Firm or members of a Fund's General Partner in connection with the liquidation of a Fund's assets, specifically including legal and accounting fees and expenses.

The list of Fund expenses referenced herein is non-exhaustive, and a prospective investor in a Fund should reference the relevant limited partnership agreement for a full list of expenses borne, or expected to be borne, by the Fund.

Vendor Expenses

The Firm expects to engage third-party service providers for the Managed Account Clients, Funds, or the portfolio investments of the Funds, on either a long-term basis or in connection with a specific transaction. Such third-party service providers include, without limitation:

- Outside legal counsel
- Pension consultants
- Accountants
- Custodians
- Auditors
- Administrators
- Tax Preparers
- Compliance Consultants
- IT Consultants
- Software Vendors
- Brokers

Certain Expenses

The Adviser has entered into an agreement with its affiliate, AH Capital Management, L.L.C. (“Andreessen Horowitz”), to share the cost, expense, or similar fee of the affiliate’s employees for time spent by the affiliate’s employees working for the benefit of the Adviser or Clients. These employee costs may be allocated to Managed Account Clients and Funds by the Adviser when providing services that would not be the Adviser’s responsibility under the Governing Documents and would be a client expense if performed by a third party (e.g., legal, tax, and accounting services). The Adviser will, in its sole discretion, endeavor to make such allocations in a reasonably accurate and fair manner based on the work performed on behalf of each Client. To date, the Adviser has not allocated any employee costs to Managed Account Clients or Funds but may do so in the future.

Prospective Investment and Broken Deal Expenses

Prior to making an investment, a Fund will typically incur expenses in order to conduct appropriate due diligence related to such investment opportunities that may include, among other things, legal fees, consultant fees and employee travel, meal and accommodations. Once the Firm determines that an investment opportunity will no longer be pursued or a transaction is not consummated, it is deemed to be a “broken” or “dead” deal (a “Broken Deal”).

Expenses incurred in connection with a Broken Deal shall be charged to the Fund that initiated the particular investment or, if to multiple Funds, to each of the respective Funds in accordance with Fund Governing Documents. In the absence of contractual provisions to the contrary, co-investors shall not bear any expenses from a transaction (including Broken Deals) unless and until they are contractually required to invest in that transaction.

Nothing described in the foregoing paragraphs or elsewhere in this brochure is intended to imply that the Adviser will be required at any time to charge or allocate to a Fund any costs, fees, or expenses in a manner that is inconsistent with Rule 211(h)(2)-1 under the Advisers Act.

Item 6. Performance-Based Fees and Side-by-Side Management

In general, the terms of the respective Fund limited partnership agreement authorize a16z Perennial to earn performance-based compensation upon the achievement of certain specified investment return thresholds. Additionally, in certain accounts or strategies, the Firm and/or third-party managers earn performance-based compensation with respect to certain investments held by Managed Account Clients.

Performance-based compensation creates a conflict of interest in that it could provide an incentive for a16z Perennial to make more speculative investments than it might otherwise make. While this conflict is inherent in incentive-based compensation tied to returns, a16z Perennial seeks to address this risk by maintaining a core focus on asset allocation and investment diversification, as well as a core focus on underlying portfolio manager selection and portfolio construction in the Funds.

To the extent the performance-based or asset-based fees payable to a16z Perennial by one or more Funds are higher or more likely to occur for some Funds versus others, a16z Perennial will have an incentive to allocate investment opportunities to the Funds with more attractive fee arrangements, or to devote more resources to managing such Funds’ investments. a16z Perennial seeks to manage such conflict through a strategic and comprehensive asset allocation plan for

Managed Account Clients and Funds across a broad spectrum of factors. Investment decisions are made in accordance with a16z Perennial's fiduciary duty to clients and in a manner it deems to be consistent with the asset allocation guidelines and investment objectives memorialized in the investment policy statement developed in coordination with the client.

Item 7. Types of Clients

a16z Perennial's clients are the Funds and the Managed Account Clients who receive the Adviser's investment management services (each, a "Client"). Managed Account Clients are typically, but not limited to, families, family offices and high-net worth individuals. The Adviser does not have a minimum account size for Managed Account Clients, but anticipates that they typically will have greater than \$100,000,000 in investable assets. a16z Perennial generally requires certain minimum initial investment and capital commitment amounts for Limited Partners in the Funds. The initial investment and capital commitment minimums for the Funds are subject to reduction or waiver at the discretion of the Adviser.

The Adviser maintains investor qualifications, including that investors be "Accredited Investors," "Qualified Purchasers" and "Qualified Clients," as set forth in the applicable Investment Management Agreements and Fund Governing Documents.

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

A. Methods of Analysis and Investment Strategies

The Adviser monitors the capital markets on both a macro and micro level and utilizes analytical frameworks, such as fundamental, technical and cyclical analysis, to develop investment strategies. These investment strategies, combined with the Adviser's experience and judgment, form the foundation for the advice a16z Perennial provides. The Adviser further considers potential investment returns and risks (*e.g.*, variance, drawdown, etc.), covariances among different asset classes, tax considerations, liquidity, leverage constraints, client risk tolerance and objectives, as well as other factors in constructing and managing portfolios.

Managed Account Clients' objectives dictate the strategies the Adviser employs, including but not limited to, allocations to the Funds. Discussions with Managed Account Clients and the development of their mandates provide the foundation for the Adviser to construct an investment strategy, which will resemble diversified, endowment-style portfolios for many Managed Account Clients. Some Managed Account Clients may have more limited mandates, including, for instance, those that can be constructed with portfolios composed solely of Funds, or those where the Adviser manages existing liquid and illiquid portfolios in conjunction with investments in Funds.

The Adviser maintains long-term portfolio allocation targets on behalf of Clients, and may rebalance allocations in a portfolio to capture or avoid market events, participate in unique investment opportunities, address impacts of market volatility, or to maintain alignment of the portfolio with the Clients' objectives and risks. The Adviser also regularly monitors risk levels in Clients' portfolios to ensure they continue to be positioned as designed. The Adviser selects and monitor investments, including those in third-party pooled funds or other investment vehicles or accounts in which Clients may invest, based on research, interviews, and the Adviser's analyses and assessments. a16z Perennial selects and monitors these investments based on diligence, which,

for primary fund investments, includes, but is not limited to, available market data, investment performance, risk management techniques, performance volatility, investment philosophies and factors relating to their senior managers and investment professionals such as experience, industry relationships, insight, and commitment. Direct investments are analyzed on a risk-adjusted basis and relative to other investment opportunities available at that time. Actively managed fund investments, such as allocations to hedged equity strategies, are based on numerous factors, including the investments' historical and expected risk-return profile, fees and expenses, covariance with other investments and the market, and fund terms, among other factors.

The description above of methods, strategies, and factors considered by the Adviser is neither a comprehensive list or description, and the Adviser can utilize additional or a combination of other methods or strategies in developing its advice and providing advisory services. Additionally, for investors in the Funds, a description of methods, strategies and factors is provided to investors in the Fund Governing Documents.

B. General Risks

Investing in Securities Involves a Substantial Degree of Risk. A Fund or Managed Account Client may lose all or a substantial portion of its investments, and Managed Account Clients and investors in the Funds must be prepared to bear the risk of a complete loss of their investments.

Past Performance is not Indicative of Future Results. Past investment performance by the investing personnel, whether in their individual or collective capacities, provides no assurance of future results. There can be no guarantee that competing investment firms will permit a Client to co-invest in prospective portfolio investments, even if such investment firms historically allowed the investing personnel to participate in such co-investments.

Competition For Investments. Each Client will compete with other entities for the acquisition of investments. Such competition will come from groups, such as institutional investors, investment managers, industrial groups, operating companies, merchant banks and other venture capital and private equity funds that are owned by large and well-capitalized investors and have greater resources than Clients. There will be intense competition for investments of the type in which Clients intend to invest, and such competition may result in less favorable investment terms than would otherwise be the case. Additional competitors with similar investment objectives may be formed in the future by other unrelated parties. It is possible that competition for appropriate investment opportunities may increase, which may also require Clients to participate in competitive bidding situations, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to Clients and adversely affecting the terms upon which investments can be made. Participation in competitive bidding situations will also increase the pressure on Clients with respect to pricing of a transaction. Moreover, Clients may incur bid, due diligence or other costs on investments which may not be successful. As a result, Clients may not recover all of their costs, which would adversely affect returns. The Firm may be unable to find a sufficient number of attractive opportunities to meet a Client's investment objectives. Therefore, there can be no assurance that a Client's investments will meet all of such Client's investment objectives, or that a Client will be able to invest all of its available capital.

Unspecified Investments. Initial capital commitments received from Fund investors at the time each Fund is launched are generally placed into a blind pool. Accordingly, each investor in a Fund must rely upon the ability of its General Partner in making investments consistent with such Fund's investment objectives and policies. The General Partners of each Fund, in their sole discretion, may cause the Funds to make investments in portfolio assets in which other affiliated or nonaffiliated persons or funds are investing. General Partner personnel may form one or more investment vehicles to invest, in whole or in part, alongside the Funds. The economic and other terms and conditions of such other investment vehicles are permitted to be more beneficial than those offered to the investors in the Funds. An investor in a Fund is not being offered the opportunity to invest in any other such investment vehicle. Moreover, the investment guidelines set forth in each Fund's limited partnership agreement are subject to the good faith interpretation of the applicable General Partner, and transactions within such objectives may be affected using a broad array of transaction types, structures and techniques. Notwithstanding the foregoing, in limited circumstances and subject to the relevant provisions of the Advisers Act, a General Partner is permitted to cause its Fund to purchase from an affiliated entity securities that were initially acquired ("warehoused") by such affiliated entity prior to the first closing of such Fund.

Issuer and Non-Issuer Transactions. Clients will acquire their investments through both issuer and non-issuer transactions. In the case of a non-issuer transaction, a Client will purchase securities from existing shareholders (either directly or by means of a secondary market). In many cases, the price that a Client must pay to acquire securities in a non-issuer transaction will exceed the price that it would have paid if it were able to have acquired such securities directly from the issuer. Furthermore, in the event of a non-issuer transaction, there is no guarantee that a Client will accede to the same rights (e.g., information, voting, right of first refusal, etc.) as the selling shareholder.

No Assurance of Investment Return. The Firm's task of identifying investment opportunities for Clients, managing such investments and realizing a significant return for investors is difficult. Many such organizations previously have been unable to make, manage, and realize such investments successfully. There is no assurance that each Client's capital will be invested on attractive terms, or that investments will generate returns for Clients. There is no assurance that each Client's investments will be profitable, and there is a risk that a Client's losses and expenses will exceed its income and gains. As such, there is no assurance of any distribution to Fund investors prior to, or upon, liquidation of a Fund, or with respect to Managed Account Clients, the liquidation of any or all Managed Account Investments.

Valuation of Investments. Different methods of valuing securities and real property provide materially different results. There can be no assurance that the Adviser or a General Partner will have all the information necessary to make valuation decisions in respect of illiquid 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 the Adviser or a General Partner with respect to an investment will represent the value realized by the relevant Client 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. Actual realized returns on all unrealized investments will depend on, among other things, the value of the assets at the time of disposition, any related transaction costs and the manner of sale. Accordingly, the actual realized return on all unrealized investments may differ materially from the values presented to a Client. Accordingly, the valuation decisions made by the Adviser or a General Partner may cause it to ineffectively manage the relevant Client's investment

portfolio and risks, and may also affect the diversification and management of such Client's portfolio of investments.

Liquidity Risks Generally

Certain Funds will invest largely in restricted securities and illiquid investments in which no secondary market for the interests exists and accordingly, liquidity of the Fund's portfolio positions is expected to be limited. In addition, such Funds may from time to time hold large positions with respect to a specific type of financial securities, which may reduce such the Fund's liquidity. During such times, the Fund may be unable to dispose of certain securities or other assets, including longer-term instruments, which would adversely affect its ability to rebalance its portfolios or to meet withdrawal requests. In addition, such circumstances may force the Fund to dispose of securities or other assets at reduced prices, thereby adversely affecting its performance. If there are other market participants seeking to dispose of similar assets at the same time, the may be unable to sell such assets or prevent losses relating to such assets. In addition, in conjunction with a market downturn, the Fund's counterparties could incur losses of their own, thereby weakening their financial condition and increasing the Fund's credit risk to them. The Portfolio Funds and Managed Account Clients are also subject to similar risks in connection with their portfolio holdings.

Discretionary Power to Choose Investments and Strategies; Possible Future Activities. The Adviser has broad discretionary power to decide what investments the Funds and Managed Account Clients will make and what strategies to employ. While the Adviser currently intends to use the strategies described herein, it is not obligated to do so and the Adviser may employ other investment techniques and cause Clients to invest in other instruments that the Adviser believes will help achieve the Client's investment objective or hedge unforeseen risks, whether or not such investment techniques or instruments are specifically described herein. Additionally, consistent with their respective investment objectives, certain of the Adviser's Funds and Managed Account Clients may invest in financial instruments of any and all types which exist now or are hereafter created. Such investments may entail risks not described herein, any of which may adversely affect the applicable Client.

Derivatives. Derivatives, such as options, swaps, futures, structured securities and other instruments and contracts derive their performance, at least in part, from the performance of an underlying asset, index or interest rate and generally involve a higher degree of risk. Derivatives typically allow an investor to hedge or speculate on the price movements of a particular security, financial benchmark, currency, index or commodity at a fraction of the cost of investing in the underlying asset itself. The decision as to when and to what extent to hedge or follow other trading strategies depends on many factors. There can be no assurance that hedging or other trading strategies will be available or effective or that the performance of the hedge will correspond appropriately to that of the assets hedged. Most of these instruments are not traded on exchanges, but rather through a network of banks and dealers that have no obligation to make markets in them and can apply essentially discretionary margin and credit requirements (and thus in effect force a Client to close out positions). Some derivatives carry the risk of failure to perform by the counterparty to the transaction.

Market movements are difficult to predict, and financing sources and related interest rates are subject to rapid change, which may produce significant, rapid and unpredictable changes or price instability,

market illiquidity, or credit distress. Price movements of futures contracts and other derivative contracts are influenced by, among other things, interest rates, inflation, changing supply and demand relationships, trade, fiscal, monetary and exchange control programs and policies of governments, and national and international political and economic events and policies. In addition, governments from time to time intervene, directly and by regulation, in certain markets, particularly those in currencies, financial instruments and interest-rate-related futures and options. Such intervention is often intended to directly influence prices and may, together with other factors, cause markets to move rapidly in the same direction. Certain derivatives also involve embedded leverage, and a relatively small price movement in the underlying reference security may result in substantial losses to the Client. Non-performance by counterparties could create losses, whether or not the transaction itself was profitable. The market for derivatives instruments is developing, and Clients may invest in derivatives that currently are not available but that may be developed. Special risks may apply to instruments that cannot be determined at this time or until such instruments are developed.

Short Selling. Clients may engage in, or incorporate, short selling in connection with their respective investment strategies. Short selling involves selling securities that the seller may or may not own, and borrowing the same securities for delivery to the purchaser, with an obligation to replace the borrowed securities at a later date. Short selling allows the investor to profit from declines in the price of securities. A short sale creates the risk of a theoretically unlimited loss, in that the price of the underlying security could theoretically increase without limit, thus increasing the cost of buying those securities back to cover the short position. There can be no assurance that the securities necessary to cover a short position will be available for purchase. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss.

Equity Risk. Investments in ownership stakes of public or private companies or in mutual funds or ETFs which seek to provide investors with exposure to the equity markets are subject to a risk of significant capital loss due to the unpredictable nature of corporate earnings and their low hierarchical position in the capital structure.

Fixed Income Risk. Investments in bonds, credit, and other types of fixed income-like securities are subject to a variety of risks, including credit risk or the risk of default of the issuer, interest rate risk, or the risk of a decline in value due to changes in interest rates, and reinvestment risk or the risk that proceeds from a fixed income security will be reinvested later at lower interest rates.

Structured Note Risk. Investments in structured notes are generally privately negotiated financial instruments where the interest or value of the structured security is linked to equity securities or equity indices or other instruments or indices (reference instruments). They provide investors with economic exposure closely correlated with a direct holding in an individual stock, basket of stocks, or equity indices in a single security. Issuers of structured notes include corporations and banks. Structured notes differ from debt securities in several aspects. The interest rate or the principal amount payable upon maturity or redemption will increase or decrease, depending upon changes in the value of the reference instrument. If the terms of a structured note provide that, in certain circumstances, no principal is due at maturity, it could result in a loss of invested capital. Receipt of the reference instrument is also, in certain circumstances, exchanged upon maturity of the security.

Options. Purchasing put and call options, as well as writing such options, are highly specialized activities and entail greater than ordinary investment risks. Although an option buyer's risk is limited to the amount of the original investment for the purchase of the option, an investment in an option could be subject to greater fluctuation than an investment in the underlying security. In theory, the writer (seller) of an uncovered call is subject to unlimited losses, but as a practical matter, the amount of potential loss is likely to be limited by reason of the option having only a limited term. The risk for a writer of a put option is that the price of the underlying securities could fall below the exercise price. The ability to trade in or exercise options could be restricted if trading in the underlying securities interest becomes restricted. The market price of options written by a Client will be affected by many factors, including changes in the market price or dividend rates of underlying securities (or in the case of indices, the securities comprising such indices); changes in interest rates or exchange rates; changes in the actual or perceived volatility of the relevant stock market and underlying securities; and the time remaining before an option's expiration. The market price of an option also could be adversely affected if the market for the option becomes less liquid.

ETF Risks. Investing in an ETF exposes an investor to all the risks of that ETF's investments and subjects it to a pro-rata portion of the ETF's fees and expenses. As a result, the cost of investing in ETF shares will, under certain circumstances, exceed the costs of investing directly in its underlying investments. ETF shares trade on an exchange at a market price that will sometimes vary from the ETF's NAV. ETFs will sometimes be purchased at prices that exceed the NAV of their underlying investments and will sometimes be sold at prices below such NAV. Because the market price of ETF shares depends on the demand in the market for them, the market price of an ETF will sometimes be more volatile than the underlying portfolio of securities the ETF is designed to track. Under such circumstances, an investor will not be able to liquidate ETF holdings at the time and price desired, which could negatively impact the investment's performance.

Risk Inherent in Venture Capital Investments. The types of direct operating company investments that a Managed Account Investment or a Fund that focuses on venture capital investing anticipates making involve a high degree of risk. In general, financial and operating risks confronting co-investments can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that such Fund will be adequately compensated for risks taken. A loss of an investor's entire investment is possible. In addition, the markets that such companies target are highly competitive and in many cases the competition consists of larger companies with access to greater resources. The timing of profit realization is highly uncertain.

Early-stage and development-stage companies often experience unexpected problems in the areas of product or service development, manufacturing, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small.

Investments in more mature companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses, or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give

rise to significant problems in product or service development, marketing, sales, manufacturing, and general management of these activities.

Investments in Unseasoned Companies. A Client may, directly or indirectly, invest its assets in privately held companies with limited histories of profit and stability. These companies may require considerable additional capital to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or only on acceptable terms. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Although a Client may be represented by an affiliate of the Adviser on a co-investment's board of directors, each co-investment will be managed on a day-to-day basis by its own management team (who generally will not be affiliated with the Client or the Adviser). Co-investments may have substantial variations in operating results from period to period and experience failures or substantial declines in value at any stage.

Investment in Companies Dependent Upon New Developments and Technologies. A Client may, directly or indirectly, make venture capital investments in technology and technology-related companies. The specific risks faced by such companies include:

- rapidly changing science, technologies and consumer preferences;
- new competing products and improvements in existing products which may quickly render existing products or technologies obsolete;
- exposure, in certain circumstances, to a high degree of government regulation, making these companies susceptible to changes in government policy and failures to secure, or unanticipated delays in securing, regulatory approvals;
- scarcity of management, technical, scientific, research and marketing personnel with appropriate training;
- the possibility of lawsuits related to patents and intellectual property; and
- rapidly changing investor sentiments and preferences with regard to technology related investments (which are generally perceived as risky).

Privately Held Middle-Market Companies. A Client may invest, directly or indirectly, in privately held middle-market companies. Investments in these companies involve significant risks, including that these companies may, relative to larger companies (i) have more limited financial resources and may be more unable to meet their obligations; (ii) be more susceptible to competitors, market conditions and general economic conditions, due to their shorter operating histories, narrower product lines, smaller market shares and greater reliance on key personnel; (iii) may not be subject to regulatory reporting requirements and, as such, may disclose very little public information regarding their operations and results; (iv) experience greater fluctuations in operating results and capital requirements to support operations, finance expansion or maintain competitive position; and (v) have increased difficulty accessing the capital markets to meet future capital needs.

Micro-, Small- and Medium-Capitalization Companies. Clients may invest, directly or indirectly, in micro-, small- and medium-capitalization companies. Investment in micro- and small-capitalization companies involve higher risks in some respects than do investments in

securities of larger “blue-chip” companies. For example, prices of securities of micro- and small-capitalization, and even medium-capitalization, companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, “blue-chip” companies. Finally, due to thin trading in the securities of some micro- and small-capitalization companies, an investment in those companies may be illiquid.

Risk of Later Stage Companies. Investments in companies in a later-stage of development also involve substantial risks. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets. These activities by definition involve a significant amount of change, which can give rise to significant problems in sales, manufacturing and general management of business activities.

Highly Leveraged Companies. Clients may invest, directly or indirectly, in highly leveraged companies. Investments in highly leveraged companies involve a high degree of risk. The use of leverage may increase the exposure of such companies to adverse economic factors such as downturns in the economy or deterioration in the conditions of such companies or their respective industries. In the event any such company cannot generate adequate cash flow to meet debt service, direct investors in such company may suffer a partial or total loss of capital invested in the company, which, depending on the size of the investments, could adversely affect the Client’s direct or indirect (through a Portfolio Fund) investment.

Risks Inherent in Private Credit. There are certain risks associated with private credit strategies. Such risks include the risk of nonpayment of scheduled interest or principal payments on a debt investment. Because private credit can be debt investments in non-investment grade borrowers, the risk of default may be greater than with other types of debt investments. Interest rate risk is another common risk associated with private credit. Interest rate changes will affect the amount of interest paid by a borrower in a floating rate loan, meaning they are correlated with broader interest rate fluctuations. However, this typically has little to no impact on the underlying value of floating rate debt. Further, private credit strategies are generally illiquid which require longer investment time horizons than other types of investments.

General Real Estate Risks. Certain Clients’ investments will be subject to the risks incidental to the ownership and operation of real estate and real estate-related businesses and assets, including changes in the general economic climate, local, national or international conditions (such as an oversupply of space or a reduction in demand for space), the quality and philosophy of management, competition based on rental rates, attractiveness and location of the properties and changes in the relative popularity of property types and locations, changes in the financial condition of tenants, buyers and sellers of properties, changes in operating costs and expenses, uninsured losses or delays from casualties or condemnation, changes in applicable laws, government regulations (including those governing usage, improvement and zoning) and fiscal policies, the availability of financing, interest rate levels, environmental liabilities, contingent liabilities, successor liability for investments in existing entities (e.g., buying out a distressed partner or acquiring an interest in an entity that owns a real property), acts of God, acts of war (declared or undeclared), terrorist acts, disease outbreaks, epidemics, pandemics, work stoppages, shortages of labor, strikes, union relations and contracts, fluctuating prices and supply of labor

and/or other labor-related factors and other factors beyond the control of the Adviser, the General Partners, the Funds, the Managed Account Clients and their respective affiliates.

Illiquidity of Real Estate Investments. Real estate investments, including the properties expected to be in certain Funds' portfolios, are relatively illiquid, and this lack of liquidity could limit such Fund's ability to react promptly to changes in the economy or other conditions. As a result of the illiquidity of real estate investments, a Fund could potentially not be able to sell a property or properties quickly, on favorable terms or at all in response to changing economic, financial and investment conditions or changes in the properties' operating performance when it otherwise could be prudent to do so. Each Fund cannot predict whether it will be able to sell any property that it desires to sell for the price or on the terms set by each Fund or whether any price or other terms offered by a prospective purchaser would be acceptable to such Fund. Each Fund also cannot predict the length of time needed to find a willing purchaser and to close the sale of a property. Each Fund could be required to expend significant funds to correct defects or to make improvements before a property can be sold, and each Fund cannot provide any assurances that it will have funds available to correct such defects or to make such improvements. Each Fund's inability to dispose of assets at opportune times or on favorable terms could materially and adversely affect such Fund's business, financial condition, operations and/or cash flows.

Ongoing Need for Capital Expenditures. With respect to a Fund that invests in real estate, such Fund's properties are expected to have an ongoing need for renovations and other capital improvements. In addition, certain of a Fund's properties could be older properties that could potentially require extensive renovations and other capital improvements. In the event that renovations and other capital expenditures are not made, a Fund's properties could become unattractive to tenants, resulting in lower revenues generated at such properties. The tenants of a Fund's properties will also require periodic capital improvements to be made to such properties. In addition, a Fund's lenders could require that such Fund set aside annual amounts for capital improvements to its properties. Furthermore, refinancings and acquisitions or redevelopment of additional properties will require significant capital expenditures. If a Fund is unable to obtain the capital necessary to make required periodic capital expenditures and renovate its properties on favorable terms, or at all, such Fund's business, financial condition, operations, cash flows and ability to make distributions to the partners could be materially and adversely affected.

Reliance on Third-Party Joint Venture Partners and Managers. Funds that invest real estate are permitted to co-invest through partnerships, joint ventures or other entities with one or more third parties as a co-venturer or partner, including with the seller (or an affiliate thereof) of the property, a person involved in the selling, acquisition or development of the property, an investor in such Fund (or other vehicle, fund or account controlled by the Adviser) or other third parties. Such investments potentially involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Fund and such co-venturer could reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of the Fund could at any time have economic or business interests or goals that are inconsistent with those of the Fund; (iii) the co-venturer or partner could default on its obligations, encounter liquidity or insolvency issues or could become bankrupt; (iv) the co-venturer or partner could be in a position to take action contrary to the Fund's investment objective; (v) the co-venturer or partner could take actions that subject the property to liabilities in excess of, or other than, those contemplated; (vi) the co-venturer or partner could have rights with respect to the disposition of certain investments or the liquidation of their interest therein;

or (vii) in certain circumstances, the Fund could be liable for actions of its co-venturers or partners. The co-venturer or partner could from time to time be a joint venture partner or interest holder in another joint venture or other vehicle in which the Adviser or its affiliates has an interest or otherwise controls. The co-venturer or partner could also be entitled to receive payments from, or allocations or performance-based compensation (e.g., carried interest) in respect of, each Fund as well as such investments, and in such circumstances, any such amounts could be treated as a Fund expense and will not, even if they have the effect of reducing any retainers or minimum amounts otherwise payable by the Adviser, be deemed paid to or received by the Adviser or reduce the Management Fee. This could be in connection with a joint venture in which a Fund participates or other similar arrangements with respect to assets or other interests retained by a seller or other commercial counterparty with respect to which the Adviser performs services. In addition, each Fund is permitted to co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the companies in which a Fund invests could be significant and even greater than that of the Fund, and as such, the Fund could be required to rely upon the abilities and management expertise of such co-venturer or partner. It could also potentially be more difficult for each Fund to sell its interest in any joint venture, partnership or entity with other owners than to sell its interest in other types of investments (and any such investment could be subject to a buy-sell right, right of first refusal, right of first offer or other similar right). Each Fund is permitted to grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment, require each Fund to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale or other liquidation of such investment or require alternative dispute resolution in order to resolve such deadlock. Additionally, in certain scenarios, each Fund is permitted to grant co-venturers or development partners the right to put (i.e., sell) their interests in an investment to such Fund, or call (i.e., buy) the Fund's interests in an investment. As a result of these risks, each Fund could be unable to fully realize its expected return on any such investment.

From time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund's initial purchase. Where appropriate, and in the General Partner's sole discretion, the General Partner reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

Further, each Fund is permitted to rely to a significant extent on third parties (some of which could also become co-venturers with such Fund) to act as developers or joint venture partners in connection with the acquisition, development, construction, renovation, management or operation of its properties. This reliance on third-party developers or joint venture partners will increase the costs to each Fund through the payment of development fees, incentive fees, management fees and other amounts and would likely increase the risks to each Fund if, and to the extent, such a developer or

operator fails or is unable to comply with agreed-upon plans, budgets or timetables. Although the General Partners intend to monitor the performance of each investment, it will primarily be the responsibility of third-party property managers to manage each Fund's properties on a day-to-day basis. Each Fund's operations, including its ability to make payments on any indebtedness, will depend in large part on the ability of these third-party managers to operate and lease such properties on economically favorable terms. There can be no assurance that such third-party management firms will be able to operate each investment successfully. Moreover, the risks of dependence on third-party management firms are different by property type and by investment stage (for example, properties in development or redevelopment will have a greater dependence on the leasing abilities of a third-party manager or leasing agent). Property managers could provide management and leasing services to properties owned by others that compete with one or more investments. As a result, these property managers could at times face conflicts of interests in the management and leasing of investments and properties owned by third parties. Property managers could receive a base management fee based upon gross revenues. Such fee arrangements with a property manager could create an incentive for the relevant investment to be managed in a manner that is not consistent with each Fund's objectives.

Insurance Could Potentially Not Cover All Losses. With respect to investments in real estate, uninsured and underinsured losses at the fund-level or investment-level could harm a Client's overall financial condition, operations and ability to make distributions to its investors. Certain types of losses generally are either uninsurable (or not economically insurable) or subject to insurance coverage limitations. Should an uninsured loss or a loss in excess of insured limits occur, a Client could lose all or a portion of the capital it has invested in an investment, as well as the anticipated future revenue from the investment. These same risks apply to any capital deployed by an investment of a Client. In that event, the Client and/or its investment might nevertheless remain obligated for any notes payable or other financial obligations related to the investment, in addition to obligations to such Client's and/or its investment's ground lessors, franchisors and managers. Inflation, changes in building codes and ordinances, environmental considerations, provisions in loan documents encumbering the investments pledged as collateral for loans, and other factors might also keep each Client and/or its investment from using insurance proceeds to replace or renovate an investment after it has been damaged or destroyed. Under those circumstances, the insurance proceeds such Client and/or its investment receives might be inadequate to restore the Client's and/or its investment's economic position on the damaged or destroyed investment.

Risks Associated with Investments in Structured Products. Clients may, directly or indirectly, invest in securities backed by, or representing interests in, certain underlying instruments or assets ("**Structured Products**"). The cash flow on the underlying instruments or assets may be apportioned among the Structured Products to create securities with different investment characteristics such as varying maturities, payment priorities and interest rate provisions, and the extent of the payments made with respect to the Structured Products is dependent on the extent of the cash flow on the underlying instruments. The performance of Structured Products will be affected by a variety of factors, including the availability of any credit enhancement, the level and timing of payments and recoveries on, and the characteristics of, the underlying receivables, loans or other assets that are being securitized, remoteness of those assets from the originator or transferor, the adequacy of and ability to realize upon any related collateral and the capability of the servicer of the securitized assets. Structured Products are typically sold in private placement transactions, and investments in Structured Products may therefore be illiquid in nature, with no

readily available secondary market. Because certain Structured Products of the type in which our clients may invest may involve no credit enhancement, the credit risk of those Structured Products generally would be equivalent to that of the underlying instruments. A Client may, directly or indirectly, invest in a class of Structured Products that is either subordinated or unsubordinated to the right of payment of another class. Subordinated Structured Products typically have higher yields and present greater risks than unsubordinated Structured Products. Additionally, the yield to maturity of a tranche may be extremely sensitive to the rate of defaults in the underlying reference portfolio. A rapid change in the rate of defaults may have a material adverse effect on the yield to maturity. It is therefore possible that clients may incur losses on its investments in Structured Products regardless of their original credit profile. Finally, the securities in which certain Clients are authorized to invest include securities that are subject to legal or contractual restrictions on their resale or for which there is a relatively inactive trading market. Securities subject to resale restrictions may sell at a price lower than similar securities that are not subject to such restrictions.

Systemic and Counterparty Risk. “Over-the-counter” or “interdealer” markets typically are not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. Investing in swaps, derivatives or synthetic instruments, or other over-the-counter transactions on these markets may involve credit risk with regard to trading counterparties and may introduce the risk of settlement default. These risks may differ materially from those entailed in exchange-traded transactions, which generally are backed by clearing organization guarantees, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and pose the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where transactions are concentrated with a single or small group of counterparties. Credit risk may arise through a default by one of several large institutions that are dependent on one another to meet their liquidity or operational needs, so that a default by one institution may cause a series of defaults by the other institutions. This is sometimes referred to as a “systemic risk” and it may adversely affect financial intermediaries, such as clearing agencies, clearing houses, banks, securities firms and exchanges, with which Clients interact on regularly. In the case of a default, a Client could become subject to adverse market movements while replacement transactions are executed. There are no restrictions from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. Moreover, there is no internal credit function that evaluates the creditworthiness of such counterparties.

Global Economic Conditions. The investment performance of the Clients is materially affected by conditions in the global financial markets and economic conditions generally. These conditions can negatively impact the performance of the investments. The stability and sustainability of global and regional economies may be rapidly impacted by extrinsic factors such as risk inherent in the financial system, economic intervention by governments, terrorism or acts of war. Changing economic conditions in the global economy or in specific regional economies may also impact the ability of the investment strategy used by the Adviser to effectively manage or address relative investment risk. There can be no assurances that modifications are refinements to the operation of the Funds and Managed Account Portfolios can be implemented which would improve overall

investment performance in the event of highly correlated value decreases across multiple asset classes.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, the COVID-19 outbreak or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increase the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on the Adviser, the Clients and their investments.

Geopolitical Conditions in Europe. The current conflict between Russia and Ukraine has escalated tensions between Russia and the U.S., NATO, the EU and the U.K., as well as other jurisdictions. The U.S. has imposed, and is likely to impose material additional, financial and economic sanctions and export controls against certain Russian organizations and/or individuals, with similar actions either implemented or planned by the EU and the U.K. and other jurisdictions. Such sanctions constrain transactions in Russian sovereign debt, and investment, trade, and financing in Russia. Actions by Russia, and any further measures taken by the U.S. or its allies, as well as related destabilization, could have negative impacts on European and global financial markets and economic conditions.

Epidemic/Pandemic Risk. An epidemic or pandemic outbreak and reactions to such an outbreak could cause uncertainty in markets and businesses, including the Adviser's business, and may adversely affect the performance of the global economy, including causing market volatility, market and business uncertainty and closures, supply chain and travel interruptions, the need for employees and vendors to work at external locations, and extensive medical absences. The Adviser has policies and procedures to address known situations, but because a large epidemic or pandemic may create significant market and business uncertainties and disruptions, not all events that could affect the Adviser's business and/or the markets can be determined and addressed in advance.

Limited Operating History. a16z Perennial has limited operating history. The past performance of the Adviser's investment team is not indicative of future results for the Clients. The results of other investment funds or accounts managed by Andreessen Horowitz or the principals at the Adviser, which have or have had an investment objective similar to or different from that of the Clients are not indicative of the results that the Clients may achieve.

Not a Unitary Enterprise. Andreessen Horowitz and the Adviser are not a unitary enterprise. Investors should look only to the a16z Perennial investment team when evaluating an investment in the Funds or enrolling as a Managed Account Client. Other individuals and entities that are part of Andreessen Horowitz generally will have no authority to participate in the management of the Funds or Managed Account Portfolios and no obligation to provide them with any specific benefits. Moreover, such individuals and entities may be legally prohibited from providing certain types of benefits to the Clients and often will have duties and interests that conflict with those of

the Clients. Accordingly, while the Adviser anticipates that the Clients will derive some degree of benefit from being part of the Andreessen Horowitz brand and under common control with Andreessen Horowitz, investors are cautioned against relying on any specific benefits and should not assume that any such benefits as do arise will have a material impact upon the Client's performance.

Diverse Investor Group. Investors have conflicting investment, tax and other interests with respect to their investments in each Fund. The conflicting interests of individual investors relate to or arise from, among other things, the nature of investments made by each Fund, the structuring or the acquisition of investments, and the timing of disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by each Fund's General Partner, including with respect to the nature or structuring of investments that are more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the General Partner of such Fund will consider the investment and tax objectives of the Fund and the investors as a whole, and not the investment, tax, or other objectives of any investor individually. The General Partners may form parallel funds for tax or other reasons, and the investment returns of the investors in any such parallel funds may differ from the investment returns of the investors in the Funds as a result of the structure of the acquisition and disposition of portfolio investments, the economic terms of such parallel funds or other similar reasons.

Consequences of Default. If an investor fails to pay in full any requested capital contributions to the Funds, the General Partners may take certain actions which may result in a sale of such investor's interest in the Funds or a forfeiture of all or a portion of such investor's interest in the Funds. Additionally, the General Partners may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount, including attorneys' fees, to be paid by such defaulting investor. The General Partners will be granted additional powers to deal with defaulting investors in the limited partnership agreements. If an investor fails to pay any of its capital commitment when due, and the capital contributions and unused capital commitments of non-defaulting investors are inadequate to cover the defaulted capital contribution, a Fund may be unable to pay its obligations when due. As a result, such Fund may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, the non-defaulting investors may be required to increase their contributions to the investment resulting in the defaulted capital contribution and in respect of subsequent Fund investments which, in turn, will reduce the degree of diversification of such investors' capital in the Fund and increase such investors' risk of loss.

Conflicts. Each Client account will be subject to certain conflicts of interest arising out of the Funds' relationships with the Adviser, General Partners and/or their respective affiliates, which will provide management services to the Funds. The agreements and arrangements among the Funds, the General Partners and their affiliates have been established by the General Partners and are not the result of arm's-length negotiations. Certain of the Adviser's personnel are currently subject to certain contractual, fiduciary or other obligations to affiliated funds, including the obligation to continue providing services to certain of such funds and their portfolio investments. While the General Partners will seek to resolve any conflicts on an equitable basis, it is possible that such conflicts will not be resolved in favor of the Funds, even where disinterested parties are consulted to review such conflicts.

Reliance on Other Managers. The Adviser is expected to invest a significant portion of Clients' capital in private investment vehicles (*e.g.*, funds and managed accounts) managed by third parties. Finding, selecting, and investing with underlying managers is a complex process. In determining how to invest Clients' capital in other private investment vehicles, the Adviser looks for managers with investment strategies the Adviser believes have the potential to offer strong risk-adjusted returns, considering both objective information relating to such other managers (such as historical performance data) and subjective information. There can be no guarantee, however, that the Adviser's assessment of any manager will be accurate. In particular, there can be no assurance that past performance data or other objective or subjective information relating to such managers will provide any indication as to how private investment vehicles managed by such managers will perform in the future. Further, the Adviser may miss or misinterpret information during its due diligence. An underlying manager could also be engaged in wrongdoing that the Adviser does not discover in its ordinary course due diligence and monitoring processes. While the Adviser will request information from each underlying manager, the type of information provided is generally in the discretion of the underlying manager, and the Adviser will not always obtain all information requested, including as a result of confidentiality or other legal restrictions. Inability to receive complete information makes it more difficult to select, evaluate, allocate among, and assess the performance of underlying managers.

As a result of the Adviser's selection criteria for managers, underlying managers are likely to be dependent on the services of one or a limited number of key individuals. The loss of the services of any such individual could result in the impairment or loss of a Client's investment. Even if the Adviser is able to accurately identify managers whose vehicles have the potential to produce attractive returns, there can be no assurance that Clients will be able to invest in such vehicles. For example, taking into account the varying fundraising cycles of such vehicles, and the timing of the Funds' own closings and other investments, the Funds may not have available capital during any such other vehicle's "open window" period. In addition, there can be no guarantee that a Client's offer to invest in any such vehicle will be accepted. Finally, it is anticipated that many of the same risks that relate to the Adviser's management of the Funds, including conflicts of interest, will apply in a corresponding, or even more significant, manner to investment vehicles of underlying managers.

Investment in other Funds and Managed Accounts. The Clients will invest in private limited partnerships and similar structures that are sold in private placements and that are not registered investment companies under the 1940 Act or registered advisers under any of the Advisers Act or other federal or state law. Additionally, interests in the Funds have not been registered under the Securities Act. As a result, the Funds will not be entitled to certain protections under the applicable securities laws.

Further, the Adviser and the Clients generally will not have any control over the management of the portfolio investments, other funds and investment vehicles in which Clients invest, and the success of such investments generally will depend on the ability and success of the management of such vehicles. It is anticipated that the Clients will be purely passive investors, with little or no right to vote upon or otherwise control the principal activities of such vehicles. The Clients' strategy of investing with managers whose trading decisions the Clients do not control creates a variety of risks of which the following is a non-exhaustive list:

- Underlying managers take positions that are the opposite of positions taken by the Clients or other managers for the Clients.
- Underlying managers and the Clients have and will in the future compete for the same or similar opportunities.
- While the Adviser strives to evaluate underlying managers' investment selection, diligence processes and investment management strategies, there can be no assurance that such evaluation will be exhaustive or that an underlying manager will follow its procedures as described. An underlying manager's failure to conduct appropriate diligence on an investment could result in material losses.
- A number of underlying funds could obtain large positions in the same or related securities or other instruments, resulting in a Client's exposure to a higher than anticipated concentration of such investments. Unfavorable performance of a small number of such investments could therefore have a substantial adverse impact on a Client's performance.
- An underlying manager or potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Client and as a result, may take a different view from the Adviser as to appropriate strategy for an investment or may be in a position to take a contrary action to a Client's investment objective.

Multiple Layers of Fees and Expenses. A Fund's underlying managers are entitled to receive management fees, carried interest, performance-based fees and/or other forms of compensation in respect of underlying funds or investment vehicles, resulting in multiple layers of fees. Certain Limited Partners (including Managed Account Clients) in the Funds may qualify, and have access that would permit, direct investment in certain of the underlying funds and other securities in which Clients invest. By making investments through the Funds, Limited Partners (including Managed Account Clients) will generally be charged fees by both the Fund and the underlying managers. In addition to paying fees at multiple levels, an investor in a Fund will bear its share of the transaction-related expenses and other operating costs of both the Fund and its respective investments.

As a result of the pooled nature of the Funds, even if a Fund's overall performance is negative, one or more of its investments may still have positive performance, and the Fund (and therefore its investors) will still be charged an incentive fee by the underlying manager, regardless of the overall performance of the Fund. There will generally be no reduction in the Advisory Fees or Investment Management Fees (as applicable) with respect to the portion of a Client's capital that is invested in the underlying funds (except with respect to the Advisory Fees or Investment Management Fees (as applicable) payable by investors in respect of Affiliate Funds). In addition, certain investments, or portions of such investments, rely in whole or in part on the ability of another party to make contractual payments to the relevant Fund in the future. These investments may suffer losses if such counterparties default on their obligations.

Conflicts Related to Multiple Portfolio Managers. Because the Clients invest in third party managers who make their investment decisions independently, it is theoretically possible that one

or more of such managers may, at any time, take investment positions that are opposite of positions taken by other managers. It is also possible that the underlying investments in which a Client invests may on occasion be competing with each other for similar positions at the same time. Also, a particular manager may take positions for its other clients that are opposite to positions taken for the underlying investment in which the Client invests.

Voluntary Withdrawals. Voluntary withdrawals of investor interests of managed Funds are generally available, pursuant to the respective Fund's limited partnership agreement. As a result, investment decisions may be made by a16z Perennial in order to satisfy a redemption request of one investor that could adversely impact other investors remaining invested in the Fund. Where possible, a16z Perennial will seek to mitigate any adverse impact redemption activity causes a portfolio. Additionally, due to the terms of a Fund's limited partnership agreement, investors may not be able to liquidate their investments when desired. A withdrawn investor may not be entitled to immediate payment for its interest in a Fund. Any withdrawal/redemption may reduce the amount of capital available for investment or other activities.

Mandatory Withdrawals. A General Partner may, under certain circumstances, require an investor to withdraw from a Fund. If an investor is required to withdraw from a Fund or prevented from making any future capital contributions, such Fund may face a shortfall. If a Fund is unable to finance the shortfall from other sources, it is possible that such Fund may be required to limit the scope of its investments, or it may default on its obligations and/or its ability to continue operations may otherwise be impaired.

Economic Interest of General Partner. Because the percentage of profits allocated to a General Partner will exceed the capital contribution percentage of the General Partner, and because certain net losses otherwise allocable to the General Partner will be specially allocated to all investors (up to the point that the investors' capital account balances reach zero), the General Partner has an incentive to make investments that are riskier or more speculative than if the General Partner received allocations on a basis identical to that of the investors.

Liquidation. If a Fund or Managed Account Investment should become insolvent, the Limited Partners or Managed Account Clients may be required to return with interest any property distributed that represented a return of capital, repay any distributions wrongfully made to them and forfeit any undistributed profits.

Investments with Third Parties. Clients will co-invest with third parties, thereby acquiring non-controlling interests in certain portfolio investments. Clients will not have control over these companies and, therefore, may have a limited ability to protect a position therein. Such investments may involve risks not present in portfolio investments where a third party is not involved, including the possibility that a third party partner or co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of Clients, or may be in a position to take action contrary to a Client's investment objectives.

Material Non-Public Information. By reason of their responsibilities in connection with their other activities, the Adviser's employees may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Adviser will not

be free to act, on behalf of the Client, upon any such information. Due to these restrictions, the Adviser may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell a portfolio investment that it otherwise might have sold.

Public Disclosure. Some of the interests in the Funds may be held by investors, such as public pension plans, public universities and listed investment vehicles, which are subject to public disclosure requirements. The amount of information about their investments that is required to be disclosed has increased in recent years, and that trend may continue. To the extent that disclosure of confidential information relating to the Funds or their portfolio investments results from interests in the Funds being held by public investors, the Funds may be adversely affected. The General Partners may, in order to prevent any such potential disclosure, withhold information otherwise to be provided to such public investors. Conversely, potential future regulatory changes applicable to investment advisers or the accounts they advise could result in the General Partners or the Funds becoming subject to additional disclosure requirements.

Limited Access to Information. Investors' rights to information regarding the Funds will be specified, and strictly limited, in each Fund's limited partnership agreement. In particular, it is anticipated that the General Partners will obtain certain types of material information from portfolio investments that will not be disclosed to investors because such disclosure is prohibited for contractual, legal, fiduciary or similar obligations outside of the General Partners' control. Decisions by the General Partners to withhold information may have adverse consequences for investors in a variety of circumstances. For example, an investor that seeks to transfer its interests may have difficulty in determining an appropriate price for such interests. Decisions to withhold information also may make it difficult for investors to monitor the General Partners and their performance. Additionally, it is expected that investors who designate representatives to participate on the advisory committee may, by virtue of such participation, have more information about the Funds and portfolio investments in certain circumstances than other investors generally, and may be disseminated information in advance of communication to other investors generally.

Legal, Tax & Regulatory Risks. Legal, tax, and regulatory changes could occur during the term of each Fund and Managed Account Client relationship that will adversely affect such Client, its portfolio investments, or the investors. Changes in laws and regulations applicable to taxation of carried interest will result in certain types of investments and/or investment returns being treated differently and accordingly will influence the Adviser's and the General Partner's decisions as to how to best structure the investment profiles of a Fund or Managed Account Portfolio. For example, the requirement that a portfolio investment interest which is the subject to a disposition event be held by a Fund for more than three years in order for allocable carried interest income of the General Partner to be taxed as long-term gains create an incentive for the General Partner to hold an investment or withhold distributions for longer than investors may wish. Each Client may have limited legal recourse in the event of a dispute, and remedies might have to be pursued in the courts of a variety of countries. There can be no assurance that regulations promulgated in countries where the Clients invest will not adversely affect a Client or its portfolio investments.

Moreover, regulation of the private fund industry has increased significantly in recent years and is expected to continue to increase. Compliance with regulations requires significant time and effort from the Adviser and its personnel. In addition, the SEC has enacted changes to numerous areas of law and regulations that would impact the business of the Adviser and the Funds. In particular, the

SEC has signaled an increased emphasis on investment adviser and private fund regulation and has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Such changes are expected to materially impact the Adviser and its affiliates, the Funds and/or their investments, as well as increasing Fund expenses, which such impacts are also expected to flow through to Managed Account Clients. Significant time and resources may be required to comply with new regulations, which potentially will detract from the time and resources dedicated to the Clients. As a registered investment adviser or for other reasons, the Adviser or its affiliates and personnel will from time to time be subject to regulatory inquiries, examinations, investigations or enforcement actions that require significant time and attention from the Adviser's personnel, and that could distract from the management of the Clients' affairs. Enforcement actions and any resulting sanctions that have an adverse effect on the Adviser or its affiliates and personnel could in turn have an adverse effect on the Clients. In certain cases, the Funds themselves could become subject to regulatory investigation or enforcement actions that could involve significant cost to the Funds or otherwise adversely affect the Funds.

Risks Arising from Provision of Managerial Assistance. A Fund may seek to structure its investments so that it will be a "venture capital operating company" within the meaning of regulations promulgated under ERISA, although there is no guarantee that it will be able to do so. This requires that such Fund obtain rights to participate substantially in and to influence the conduct of the management of a majority of such Fund's portfolio investments.

Reliance on the Adviser, General Partner and its Personnel. Investors do not have the right or power to participate in the management of the Funds and must rely on the management decisions of the Adviser and the General Partner. The Adviser and General Partners rely on their respective personnel to provide services to Clients. Each Fund will be dependent on the activities of the management team, and will be particularly dependent upon the individual personnel of each fund. The General Partner of each Fund will have sole discretion over the investment of the capital committed to such Fund, as well as the ultimate realization of any profits. As such, the pool of capital in a Fund represents a blind pool of funds. Therefore, each Fund and its respective investors will be relying on the management expertise of the personnel in identifying, acquiring, administering, and disposing of such Fund's investments. Past investment performance by the personnel, whether in their individual or collective capacities, provides no assurance of future results. The loss of any of the personnel could have a material, adverse effect on a Fund and impede the Adviser's and General Partners' ability to provide investment management and other services. Additional members may be admitted to the General Partner, either prior to or following a Fund's initial closing, and the investors will have no power to prevent any specific person from being admitted to the General Partner as a member thereof. If for any reason any of the personnel should cease to be involved in the investment management of a Fund, suitable replacements may be difficult to obtain or integrate, with the result that the Adviser and the General Partners' ability to provide services to Clients may be impeded and the performance of a Fund may be adversely affected.

Limited Prior Management History. Certain personnel have limited prior management history. Additional management resources, in the form of additional members of the operational services team or other investment professionals, will be required in order for a Client to fully implement its investment and exit strategies, and there is no guarantee that the Adviser will be able to recruit and retain such additional professionals.

Other Activities. Adviser personnel will devote only such portion of their time to the affairs of a Client as they consider appropriate in their respective judgment to manage effectively the affairs of such Client. Without limitation, Adviser personnel currently manage, and expect in the future to manage, several other investments similar to those in which a Client will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Adviser personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. Adviser's principals and investment staff will continue to manage and monitor such investments until their realization. Such other investments that Adviser's principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Client.

Adviser's principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Client's investments. To the extent an investment opportunity is received that is unsuitable for a Client, in Adviser's sole discretion, Adviser and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Unless restricted by the relevant Governing Documents, Adviser's personnel are permitted to serve on boards or act in other roles unaffiliated with Adviser, Clients or their portfolio investments, including boards of charitable and educational institutions, public companies and former portfolio investments, and receive compensation in connection with such services and roles, none of which will offset or otherwise reduce Advisory Fees or Investment Management Fees.

Indemnification. Each Fund has indemnified, to the maximum extent not prohibited by applicable law, its General Partner, its partners, members, employees, agents, affiliates of the foregoing and the members of its advisory committee for liabilities incurred in connection with the affairs of such Fund. Similarly, each Managed Account Client, to the maximum extent not prohibited by applicable law, the Adviser, its partners, any of their respective affiliates, members, managers, equity holders, officers, directors, trustees, employees, advisors, agents, sub advisors, representatives and other personnel or affiliates of any of the foregoing for liabilities incurred in connection with their activities on behalf of the Managed Account Client. Such liabilities may be material and have an adverse effect on the returns to the Limited Partners or Managed Account Clients. For example, in their capacity as directors of portfolio investments, a person may be subject to derivative or other similar claims brought by shareholders of such companies. The indemnification obligation of a Client would be payable from the assets of such Client, including the unpaid capital commitments of the Limited Partners or Managed Account Client. If the assets of a Fund are insufficient, the General Partner may recall distributions made to the Limited Partners of such Fund.

Digital Assets. The Adviser will not offer advisory services in connection with Digital Assets¹, but may accept Client contributions in Digital Assets and then convert those Digital Assets to fiat currency. The overall regulatory environment for Digital Assets remains uncertain. Numerous U.S.

¹ For purposes of this Brochure, the term "Digital Asset" is used in the identical sense the SEC refers to a "digital asset" (i.e., it refers to an asset that is issued and/or transferred using distributed ledger or blockchain technology, including, but not limited to, so-called "virtual currencies," "coins," and "tokens").

federal agencies asserted whole or partial regulatory authority over Digital Assets, including, but not limited to, the SEC, the U.S. Commodity Futures Trading Commission (“CFTC”), the U.S. Federal Trade Commission, and the Financial Crimes Enforcement Network. State regulatory agencies may also create their own set of regulations of Digital Assets, which might further negatively impact Digital Assets. In addition, banks may not provide banking services, or may cut off banking services, to businesses that provide digital currency-related services or that accept digital currency as payment, which could damage the public perception of digital currency and the utility of digital currency as a payment system. Similarly, banks may refuse to provide bank accounts and other banking services to digital currency-related companies or companies that accept digital currency for a number of reasons, such as perceived compliance risks or costs.

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

Non-Controlling Investments. Clients may hold non-controlling interests in certain portfolio investments and, therefore, may have a limited ability to protect its position in such portfolio investments. There can be no assurance that protection for each Client through special minority shareholder rights will be available. Furthermore, each Client will be significantly reliant on the existing management and board of directors of such companies, which may include representation of other financial investors with whom such Client is not affiliated and whose interests may conflict with the interests of the Client.

Due Diligence Risks. Before making investments, the Adviser and the General Partners intend to conduct due diligence that they deem reasonable and appropriate based on the facts and circumstances applicable to each investment. When conducting due diligence and making an assessment regarding an investment, the Adviser or General Partner (as applicable) will rely on resources available to it, including information provided by the target of the investment and, in some circumstances, third party investigations. The due diligence process will at times be subjective with respect to newly organized companies for which only limited information is

available. Accordingly, there can be no assurance that the due diligence investigation that the Adviser or General Partner (as applicable) will carry out with respect to any investment opportunity will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Further, there can be no assurance that such an investigation will result in an investment being successful.

Risks Associated with Non-U.S. Investments. Clients are permitted to invest a portion of capital outside of the United States. To the extent Clients invest in companies organized or with substantial operations outside the United States, those investments will be subject to risks associated with foreign investments. These risks include, but are not limited to, (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which Clients' foreign investments are denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and foreign securities markets, including differences in rules and regulations, potential price volatility in and relative liquidity of some foreign securities markets, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less government supervision and regulation; (iii) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (iv) certain economic, social and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, political hostility to investments by foreign or private equity investors, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation or other changes in law; (v) differences between U.S. and foreign market contract terms (e.g., foreign contracts do not typically include many of the closing conditions that are commonly found in U.S. contracts) and conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (vi) the possible imposition of foreign taxes on income and gains recognized with respect to such securities, including as a result of the loss of tax treaty benefits that were expected at the time of investment; (vii) less developed corporate laws regarding fiduciary duties and the protection of investors; and (viii) less publicly available information. No assurance can be given that a political or economic climate, or particular legal or regulatory risks, might not adversely affect Client investments. In addition, certain of the aforementioned risks may be increased with respect to any Client investments in developing and emerging markets.

Changes in Environment. Clients' investment programs are intended to extend over a long period of time, during which the business, economic, political, regulatory, legal, and technology environment within which Clients operate are expected to undergo substantial changes, some of which may be adverse to Clients. There can be no assurance that investment strategies developed and implemented in the current market will remain appropriate as market conditions change. In addition, there is no guarantee that the Adviser will be able to keep up with developing market trends or other changes in the investment landscape. Returns to the investors will depend upon the successful evolution of Clients' investment strategies to address changes in market conditions over time. The Adviser (together with its subsidiaries, as applicable) will have the exclusive right and authority (within limitations set forth in the applicable Governing Documents) to determine the manner in which Clients shall respond to such changes, and investors generally will have no right to demand specific modifications to Clients' operations or investment strategies in consequence thereof. The investment sourcing, selection, management and liquidation strategies and procedures exercised in the past by members of the Adviser with respect to Clients may not be successful, or even practicable, during extended periods. Within the limitations set forth in the applicable

Governing Documents, the Adviser (together with its subsidiaries, as applicable) will have the right and authority to cause each Client's investment sourcing, selection, management and liquidation strategies and procedures to deviate from those described in the applicable private placement memorandum.

Risk Management. Although managing risk is a principal element of the Adviser's overall investment strategy, Clients are expected to make investments that, viewed in isolation, present very substantial risks. Rather, the Adviser will seek to manage risk across Clients via a broad array of risk-offsetting techniques. There can be no assurance that the Adviser will be successful in avoiding excessive risk exposure in connection with Clients' investments. The Adviser's ability to successfully manage risk will depend in significant part upon: (i) the ability of the members of the Adviser to accurately obtain and analyze relevant data to identify possible risks; (ii) the ability of the members of the Adviser to make appropriate adjustments to the Funds' asset allocations; and (iii) the availability and affordability of market vehicles to reduce risk (e.g., swaps, hedges, puts and insurance). If the Adviser is unable to identify the relevant risks or adjust Clients' asset allocations to mitigate risks, or if the cost of market vehicles to reduce risk is prohibitive, Clients' investment performance could suffer.

Hedging Arrangements; Related Regulations. The Adviser and the General Partners (as applicable) are authorized (but not obligated) to endeavor to manage the relevant Client's or any portfolio investment's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Client may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject a Client to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Client to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the CFTC or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Client or a portfolio investment to hedge its exposures becomes limited by such requirements.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio investment, Client, General Partner, the Adviser or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, the Adviser, the General Partners, Clients and/or portfolio investments may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the

Adviser's, the General Partners', Clients', portfolio investments' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio investment, or the relevant Client, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio investments or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Adviser or one of its service providers holding its financial or investor data, the Adviser, its affiliates or Clients may also be at risk of loss, despite efforts to prevent and mitigate such risks under the Adviser's policies and practices.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, "Privacy Laws") could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the General Partners, Clients and/or their portfolio investments, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Client performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Adviser, the General Partners, Clients and/or their portfolio investments, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

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

Climate Change. Clients may acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions may be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There may be significant physical effects of climate change that have the potential to have a material effect on Clients' business and operations. Physical impacts of climate change may include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires, and extreme and

changing temperatures. As a result of these impacts from climate-related events, Clients may be vulnerable to the following: risks of property damage to the Clients' investments; indirect financial and operational impacts from disruptions to the operations of the Clients' investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for both investments and the products and services of the Clients' investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Clients' business depends; decreased consumer demand for consumer products or services resulting from physical changes associated with climate change (e.g., warmer temperature or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable); incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

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

LIBOR and other Benchmark Rates. To the extent that a Client's investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on the London Interbank Offered Rate ("LIBOR") or other benchmark or reference rates (each, a "Benchmark Rate"), the Client may be subject to certain material risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments and other market participants are working to facilitate the transition of existing instruments and contracts away from LIBOR to new Benchmark Rates, and any such transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Clients and their portfolio investments; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

Inflation. High rates of inflation and rapid increases in the rate of inflation are expected to have a significant impact (often a negative or adverse impact) on financial markets and the broader economy. In an attempt to stabilize inflation, governments may impose wage and price controls or

otherwise intervene in a country's economy. Governmental efforts to curb inflation, including by increasing interest rates or reducing fiscal or monetary stimuli, often have corresponding impacts (often negative) on the level of economic activity and also potentially result in market or financial sector uncertainty as a result of unintended consequences. Certain countries, including the U.S., have recently seen increased levels of inflation, and persistently high levels of inflation could have a material and adverse impact on Clients' investments and aggregate returns. For example, if a company were unable to increase its revenue while business expenses were increasing, the company's profitability would likely suffer. Likewise, to the extent a company has revenue streams that are slow or unable to adjust to changes in inflation, including by contractual arrangements or otherwise, the company could increase revenue by less than its expenses increase. Conversely, as inflation declines, a company may see its competitors' costs stabilize sooner or more rapidly than its own.

Moreover, as inflation increases, the real value of interests in the Funds or Managed Account Portfolios and distributions therefrom can decline. If a Fund is unable to increase the revenue and profits of its investments at times of higher inflation, it may be unable to pay out higher distributions to investors to compensate for the decrease in value of the money, thereby affecting the expected return of investors. A Client could also be adversely affected if the market value of its investments declines during times of higher inflation as compared to periods with lower inflation.

Additionally, if interest rates increase, so could each Fund's interest costs for new debt, including variable-rate debt obligations under any credit facility or other financing. This increased cost could make the financing of any development or acquisition more costly. Rising interest rates could limit each Fund's ability to refinance existing debt when it matures or cause it to pay higher interest rates upon refinancing, which would adversely impact liquidity and profitability. In addition, an increase in interest rates could decrease the access third parties have to credit or the amount they are willing to pay for each Fund's assets.

Financial Institution Risk; Distress Events. An investment in a Fund or Managed Account Portfolio 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 Client's (or any portfolio investment's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, the Firm, any General Partner, Clients and/or any of the portfolio investments may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Firm to manage Clients and their investments, and on the ability of the Firm, any Client or any portfolio investment to maintain operations, which in each case could result in operational burdens, significant losses and unconsummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Client 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 each Client to access capital contributions or otherwise); the inability of each Client to acquire or dispose of investments, including at prices that the Adviser or relevant General Partner believes reflect the fair value of such investments; and/or the inability of the Firm or portfolio investments to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that the Firm will experience operational burdens and expenses, and each Client or portfolio investment will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that the Firm will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. Clients and their portfolio investments are subject to additional risks in the event a Financial Institution utilized by investors of each Client or suppliers, vendors, service providers or other counterparties of a portfolio investment become subject to Distress Events, which could have a material adverse effect on each Client, its investors or such portfolio investments, including the risk of investor defaults. Many Financial Institutions require, as a condition to using their services (including lending services), that the Firm and/or the relevant Client maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the Firm seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to Clients, the Firm is under no obligation to use a minimum number of Financial Institutions with respect to any Client, or to maintain account balances at or below the relevant insured amounts.

Illiquidity; Lack of Current Distributions. An investment in a Fund and certain Managed Account Investments should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments could be realized before gains on successful investments are realized. A Client's ability to dispose of investments could be limited for several reasons. Illiquidity could result from the absence of an established market for the investments, as well as legal, contractual or other restrictions on their resale by the Client. Dispositions of investments could be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In view of these limitations on liquidity, the return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment could be sold at any time, it is generally expected that this will not occur until a number of years after the initial investment. Before such time, there could potentially be no current return on the investment. Furthermore, the expenses of operating each Fund and Managed Client Portfolio (including the Advisory Fee or Management Fee payable to the Adviser or its designee, as applicable) could potentially exceed its income, thereby requiring that the difference be paid from such Client's capital, including unfunded commitments.

Item 9. Disciplinary Information

Item 9 is not applicable to the Adviser.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser has certain financial industry affiliations that are material to its advisory business.

Andreessen Horowitz (also known as “AH Capital Management L.L.C.”), an SEC-registered investment adviser, is under common control with the Adviser through common ownership. Common ownership can create a conflict of interest. The Adviser believes that conflicts of interest between the two registered advisers as a result of common ownership are mitigated as a result of several factors. For instance, the Adviser’s investment professionals are solely dedicated to a16z Perennial, and the Adviser has implemented information barriers between its personnel and those of Andreessen Horowitz. In addition, the advisers are not direct or indirect competitors for Clients. The Adviser does have conflicts of interest in connection with Affiliate Funds managed by Andreessen Horowitz, including when a) recommending or investing in Affiliate Funds, b) recommending or investing in portfolio investments of Affiliate Funds or c) recommending or investing, as well as permitting employees of the Adviser to invest, in general partners of Affiliate Funds. The Adviser has an incentive to direct investor and Client assets to its related person-managed private funds (i.e., Affiliate Funds) or their portfolio investments as a result of the compensation and fees paid to the related person for managing private funds. See Item 11 for a discussion of conflicts of interest.

In addition, certain limited liability companies serve as general partners of the Funds. For a description of material conflicts of interest created by the relationship among the Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

Positions with Portfolio Investments

Employees of the Adviser from time to time serve as directors of, or observers on boards with respect to, certain portfolio investments. While conflicts of interest may arise in the event that such employee’s fiduciary duties as a director conflict with those of each Fund, it is expected that the interests will be aligned. In addition, employees of the Adviser may leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio investment. Employees and/or members of one or more General Partners from time to time receive directors’ fees or consulting fees, break-up fees, management or other fees personally from portfolio investments.

Decisions made by a director may subject the Adviser or each Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims.

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

A. Code of Ethics

The Adviser maintains a written Code of Ethics that is applicable to all of its partners, officers and employees, as well as certain part-time employees and certain independent contractors (collectively, “Adviser Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households are permitted to purchase investments for their own accounts, including the same investments as may be purchased or sold for each Client, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are required to file certain periodic reports with the Adviser’s Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent conflicts of interest. Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

The Adviser’s supervised persons will at times buy or sell securities or hold securities at the same time as the Adviser is buying and selling or investing in those same securities for clients. a16z Perennial addresses these conflicts of interest through implementation of its personal securities transaction requirements that are part of the a16z Perennial’s Code of Ethics. These policies and procedures require the Adviser’s supervised persons to report securities holding and transactions, prohibits certain transactions, and requires the Adviser to pre-approve certain transactions. a16z Perennial believes that the personal securities trading policies and procedures effectively mitigates the conflicts of interest related to these securities trading activities. A copy of the Code of Ethics is available to any Client or prospective Client upon written request to: a16z Perennial Management L.P., 2865 Sand Hill Road, Menlo Park, CA 94025.

B. Securities Recommendations

a16z Perennial will invest Clients’ assets, directly or indirectly, in one or more private funds managed by its affiliate, Andreessen Horowitz. This relationship provides a financial incentive and other potential benefits for the Adviser to select funds sponsored by Andreessen Horowitz over private funds and similar accounts managed by unaffiliated investment advisers. In addition, the Adviser may invest in third party funds and accounts, directly or indirectly, that the Adviser, its supervised persons, or related persons has a material financial interest, which presents a conflict of interest in selecting one or more of those third-party funds or accounts. The Adviser will seek to make recommendations and investments that are in Clients’ best interests and will seek to mitigate and manage these, and other, conflicts of interest through a variety of policies and practices, including the periodic review and assessment of Client investments.

C. Participation or Interest in Client Transactions

The Adviser and certain employees and affiliates of the Adviser from time to time invest in and alongside a Client, for example, through the General Partner of the applicable Fund, as direct investors in each Fund or otherwise. Each Fund or its General Partner, as applicable, routinely

reduces all or a portion of the Investment Management Fee and carried interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

D. Conflicts of Interest

In connection with providing investment advisory and other services to Clients, the Adviser will be subject to conflicts of interest, including but not limited to those described below. While the resolution of such conflicts will be left to the Adviser’s discretion, the Adviser will endeavor to act with reasonable care, diligence, and judgment to identify, mitigate and, where possible, resolve conflicts and uphold its fiduciary duty to each of its Clients. In resolving conflicts, the Adviser considers various factors, including the interests of Clients, and has instituted policies and procedures to address conflicts of interest. Generally, the Adviser will address conflicts of interest in the following manner:

- A Client will not make an investment unless the Adviser believes that such investment is an appropriate investment considered from the viewpoint of the Client;
- Many conflicts of interest will generally be resolved by adhering to set policies and procedures, restrictions or other provisions identified in the relevant Governing Documents;
- With respect to conflicts of interest of a Fund, the Adviser, in its sole discretion, may consult and seek counsel from the Fund’s advisory committee;
- Where the Adviser, in its sole discretion, deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price; and
- Prior to subscribing for interests in a Fund, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

In addition to disclosures of conflicts in this Brochure and in other investor and Client disclosure documents, including, but not limited to, the relevant Governing Documents, the conflicts of interest encountered by the Adviser in managing each Client’s assets include some or all of the following.

Allocation of Investment Opportunities

In connection with its investment activities, the Adviser encounters situations in which it must determine how to allocate investment opportunities, including private offerings, across and among various Clients (including, for the avoidance of doubt, the Funds). To assist the Adviser in making these allocations in a manner that satisfies its duties and obligations, the Adviser has adopted an allocation policy (as amended from time to time, the “Allocation Policy”) that is intended to allow the Adviser to allocate investment opportunities in a manner that is consistent with its fiduciary duties and addresses the conflicts inherent in its allocation process.

Primary Allocations

The core of the Adviser's Allocation Policy is to allow each of the a16z Perennial investment teams to allocate its investment opportunities among those of its respective Clients that have, in the determination of the applicable investment team personnel, sufficient capacity in terms of capital, risk, and any other relevant metrics to allow it to invest in the opportunity or otherwise deemed relevant. Each investment team, however, has the discretion to adjust the amount of any opportunity allocated to any Client based on those allocation considerations it considers relevant, including without limitation:

- Concentration, diversification, risk, transactional efficiencies, and other considerations; a Client's current exposure to the securities, issuer or market in question; the different liquidity positions and requirements of the investment opportunity; a Client's tax or regulatory considerations, including restrictions imposed by foreign law; a Client's liquidity and cash considerations; the relative risk profiles of a Client; a Client's non-economic considerations (e.g., reputational considerations); a Client's request for, or limitation concerning certain exposures or investments; and a Client's investment time horizon.

After primary allocations are made by the relevant investment team, any remaining capacity may generally be offered to co-investors. See "*Conflicts with Respect to Allocation of Co-Investment Opportunities*" below. Thereafter, the Adviser may allocate any remaining capacity to any potential purchaser, including third parties, other Clients, the Adviser and its affiliates, and a16z Perennial personnel.

Proprietary Allocations

While the Adviser has not done so to date, the Adviser may in the future allocate certain categories of, and various percentages of, investment opportunities to the Adviser itself or to accounts associated with its personnel, including principals, or affiliates. The Adviser may choose to do this both to promote alignment with Clients, as well as to provide opportunities to a16z Perennial personnel and affiliates to participate in the outcomes of investment decisions that the Adviser makes and recommend to Clients. This can be done directly (e.g., by an allocation to a16z Perennial, an employee or affiliate, or an employee or affiliate investment vehicle) or indirectly (e.g., by a16z Perennial personnel investing in a Fund), and the amounts invested as a percentage of the opportunity may vary widely across Funds and other investment opportunities.

Certain Allocation-Related Conflicts

The Adviser has numerous conflicts of interests in administering the Allocation Policy. As described above, the Allocation Policy allows the Adviser considerable discretion in making allocation decisions; the Adviser's decisions are and can be based on subjective determinations.

For example, the Adviser has discretion to allocate some or all of an investment opportunity (or a category of investment opportunities) to the Funds, to targeted Managed Account Clients, to a16z Perennial personnel or entities, or to third parties. The Adviser has, for example, the ability to make, modify, or not to make allocations to individual Clients or to classes of Clients as the result

of the application of one or more allocation considerations. The allocation of opportunities among the Funds, other Clients, third parties, and the Adviser often is a subjective decision on the Adviser's part and, to the extent that an allocation is made to a person other than a Client, is conflicted.

Similarly, Managed Account Clients who are important to a16z Perennial for financial or other reasons may receive larger, more frequent, or more attractive allocations of investment opportunities than other Managed Account Clients. The Adviser also has discretion to direct capacity in an investment opportunity remaining after the related Funds have subscribed for the desired amount of exposure to a16z Perennial itself, to accounts associated with a16z Perennial personnel, including its principals, to selected Managed Account Clients, and to third parties. All or substantially all of these determinations present a conflict of interest for the Adviser and many rely on subjective determinations.

In accordance with the Allocation Policy, Managed Account Clients do not receive any right to invest in investment opportunities that the Adviser sponsors or has access to. This can mean that a given Managed Account Client will not receive some, or significantly all, investment opportunities. This also means that investment opportunities made available to third parties, to a16z Perennial personnel and vehicles, and to certain Managed Account Clients may not be offered to other, or any, Managed Account Clients. These situations present conflicts of interest for the Adviser.

Personal Trading Conflicts

The Adviser faces conflicts relating to personal trading. The Adviser's personal securities trading policies and procedures permit investments in investment opportunities, with certain limitations. This can occur for several reasons, including for example when the Adviser believes that it is important for some personnel to personally share in the risk of an investment. When a16z Perennial personnel participate in such an investment opportunity, it reduces the amount of that investment available to be allocated to Clients, which presents a conflict for the Adviser.

The foregoing is not intended to be a full summary of the Allocation Policy and Clients have the opportunity to request additional information on this Allocation Policy and its administration. By establishing and maintaining a relationship with the Adviser, clients will be deemed to have consented, on an informed basis, to the Allocation Policy and the Adviser's allocation practices.

Conflicts with Respect to Allocation of Co-Investment Opportunities

From time to time, the Adviser may become aware of investment opportunities with capacity such that, after the Funds have invested up to their desired allocation, there may be remaining capacity that the Adviser may choose to make available to select Clients. In general, any such opportunity is controlled by the applicable Fund Governing Document or issuer. No Client should have any expectation or entitlement to be offered an opportunity to participate in such investments except to the extent of their participation indirectly through a Fund's co-investment.

Co-investment opportunities will be allocated in accordance with the terms of the Fund Governing Documents, or, to the extent not addressed in such Funds' Governing Documents, in accordance with the following paragraphs. With respect to co-investments with existing Funds, the Adviser

expects that it will from time to time determine that it is desirable for all or any portion of an investment opportunity that would be appropriate for the applicable Funds to be purchased instead by other parties, including without limitation participants in the applicable deal, such as cosponsors, joint venture partners, consultants and advisers to the Adviser and/or the Funds or management teams of the applicable portfolio investment, and other co-investors, including but not limited to other third parties or affiliates of the Adviser and personnel of the Adviser or its affiliates, pursuant to the procedures included in such Funds' Governing Documents. It is expected that, from time to time, the Adviser will determine the amount that could have otherwise been invested by a particular Fund will be instead allocated to one or more co-investors or co-invest vehicles (including those through which personnel of the Adviser or its affiliates invest alongside the Funds).

In many cases, an underlying sponsor of an opportunity will have the ultimate determination over the structure of, and access to, any such co-investment opportunity. Co-investments may result in conflicts between Funds and other co-investors and co-invest vehicles (for example, over allocations of investment opportunities, the price and the terms of such investment, exit strategies and related matters, including the exercise of remedies of their respective investments).

Subject to any applicable investment allocation requirements set forth in a Fund's Governing Document or other specific agreements with an investor, in general, (i) no investor in a Fund or Client has a right to participate in any co-investment opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors or underlying managers, (iii) co-investment opportunities typically will be offered to some and not other investors in the Funds, in the sole discretion of the Adviser or its related persons, investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger or smaller capital commitments to such Fund, (iv) certain persons other than investors in the Funds (e.g., personnel of the Adviser or its affiliates, other Funds, consultants, persons associated with an underlying manager or a portfolio company and other third parties, including persons who the Adviser believes will provide a benefit to a Fund and/or one or more portfolio companies), rather than one or more investors in a Fund, will, from time to time be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors may purchase their interests in an investment opportunity at the same time as the Funds or may purchase their interests from the applicable Funds after such Funds have consummated their investment in the underlying asset (also known as a post-closing sell down or transfer). Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgements of interest in co-investment opportunities are not investment allocation requirements and do not require the Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Adviser may agree to give particular investors, Funds, Clients, or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect the Adviser's decision to offer certain opportunities for co-investment and could limit the ability of Funds or their investors to be offered certain co-investment opportunities.

Personnel of the Adviser or its affiliates are expected from time to time to co-invest alongside the Funds in one or more investments (and will not be charged Advisory Fees and/or performance-based fees in connection with such co-investment) which co-investment will in certain cases be made through a co-invest vehicle. It can be expected that such personnel of the Adviser or its affiliates (or the co-invest vehicles through which they invest) will from time to time be allocated a portion of an investment opportunity that could have otherwise been allocated to the Funds. As such persons can determine to participate in some but not other co-investment opportunities and will have greater visibility, and information, with respect to such opportunities, they may be in a better position to determine whether to accept any such co-investment opportunity than another prospective co-investor. The varying interests of personnel of the Adviser or its affiliates in certain Funds' investments creates a conflict of interest as it may influence the actions of such personnel with respect to such investments. In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Funds and other potential co-investors, the Adviser may consider some or all of a wide range of factors, which include, but are not limited to, its own interests and/or one or more of the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise, and other resources or similar synergies) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);
- Whether a potential co-investment party has a history of participating in opportunities and the Adviser's perception of its past experiences and relationships with that potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by the Adviser and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry); and
- The Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. While the Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there

can be no assurance that each Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist.

Conflicts Related to Purchases and Sales

Conflicts arise when a Client makes investments in conjunction with an investment being made by other Clients, or in a transaction where another Client has already made an investment. Investment opportunities may be appropriate for multiple Clients at the same, different or overlapping levels of an investment's capital structure. Conflicts arise in determining the terms of investments. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raise conflicts of interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Clients may or may not provide such additional capital, and if provided each Client will supply such additional capital in such amounts, if any, as determined by the Adviser. Investments by more than one Client in an investment will also raise the risk of using assets of a Client to support positions taken by other Clients, or that a Client may remain passive in a situation in which it is entitled to vote. The Adviser may also express inconsistent or contrary views of commonly held investments or of market conditions more generally. Employees and related persons of the Adviser have made and will likely continue to make capital investments in or alongside certain Clients, and therefore will have additional conflicting interests in connection with these investments. There can be no assurance that the return of a Client participating in a transaction would be equal to and not less than another Client participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

From time to time, the Adviser will, in its discretion, enter into transactions with investors in a Client to dispose of all or a portion of certain investments held by a Client. In exercising its discretion to select the purchaser(s) of such investments, the Adviser may consider some or all of the factors listed above under "*Conflicts with Respect to Allocation of Co-Investment Opportunities.*" The sale price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sale prices involve a significant degree of judgment by the Adviser. Although the Adviser is not obligated to solicit competitive bids for such sale transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the Client, taking into account the sale price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Client(s). Any such transactions will comply with the Governing Documents of the applicable Client(s).

The Clients will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Client agrees that upon the closing of a transaction with respect to a potential investment, it will purchase equity securities in a transaction. Furthermore, in certain instances a Client may also enter into limited guarantee arrangements whereby, subject to any applicable documentation, a Client agrees that if a transaction with respect to a potential investment is not consummated, it will pay a percentage of the total value of the transaction as a "reverse

termination fee” to the seller entity. While certain co-investment vehicles with investments contractually tied to a Client (including co-investment vehicles through which employees of the Adviser participate) are generally obligated to pay their proportionate share of the equity purchase price and/or the reverse termination fee (whether pursuant to the applicable Clients’ Governing Documents or otherwise), such co-investment vehicles are generally not direct parties to the equity commitment arrangements or limited guarantees. Therefore, in the unlikely event that a co-investment vehicle defaults on such arrangement, the Clients would be held responsible for the entire equity purchase price or reverse termination fee, as applicable.

Since certain Clients have similar investment objectives and programs, the Adviser will, if consistent with the applicable Governing Documents and permitted by applicable laws and regulations, combine buy or sell orders for two or more Clients into a single large order, and place the combined order with a single broker or dealer for execution. In many instances, such aggregated or bunched orders can result in lower commissions, a more favorable net price or more efficient execution than if each Client’s order were placed separately.

There may, however, be instances in which order aggregation results in a less favorable transaction than a particular Client would have obtained by trading separately. Similarly, when orders are not bunched, there may be circumstances when purchases or sales of portfolio securities for one or more Clients will have an adverse effect on other Clients. The Adviser is not obligated to place all transactions on an aggregated basis, and in determining whether or not to combine orders the Adviser will rely on the judgment of trading personnel as to what course of action is likely to be fair and in the best interests of the relevant accounts on an overall basis. Transactions involving commingled orders will be allocated in a manner deemed equitable to each account. The Adviser seeks to avoid putting any Client account at an advantage or disadvantage compared to the Adviser’s other Client accounts that are buying or selling the same security. When a combined order is executed in a series of transactions at different prices, each account participating in the order will typically be allocated an average price obtained from the executing broker. To help ensure the equitable distribution of investment opportunities among its Clients, the Adviser has adopted written trade allocation guidelines for its personnel.

Valuation of Investments

The valuation of a Client’s underlying investments are ordinarily determined based upon the most recent valuation provided by the underlying managers in the case of Portfolio Fund investments and according to the Adviser’s valuation policy for other asset types. The valuation of illiquid securities and other assets is inherently subjective and subject to increased risk that the information utilized to value such assets or to create the price models may be inaccurate or subject to other error. Such valuations may not be indicative of what actual fair market value would be in an active, liquid or established market. Additionally, while the Adviser reviews the valuation procedures used by all underlying managers, the Adviser cannot confirm or review the accuracy of all valuations provided by the underlying managers or their administrators.

The Adviser and the General Partners, as applicable, may face a conflict of interest in valuing Client investments in Portfolio Funds and other assets and liabilities, as the value determines the fixed asset-based fees and performance-based fees and allocations paid to the Adviser or General Partner, as applicable.

Valuations are also used in determining the relative capital ownership of the investors in the Funds. To the extent the values of the assets are determined inaccurately, investors may be adversely affected in connection with the contribution of additional capital to, or the withdrawal or distribution of capital from, the Fund. As noted above, the investments held by the Funds often lack readily available market prices, making them more difficult to accurately value. If an investor contributes additional capital, such investor may be adversely affected if the value of the portfolio assets is overstated and the other pre-existing investors would be adversely affected if the value of the portfolio assets is understated. Similarly, an investor that is withdrawing capital is adversely affected if the value of the portfolio assets is understated, and the other non-withdrawing investors would be adversely affected if the value of the portfolio assets is overstated.

Investment Opportunities Sourced by Andreessen Horowitz and a16z Perennial; Conflicts with other a16z Perennial Clients

A Client may, from time to time, be offered investment opportunities that are made available through Andreessen Horowitz businesses outside of a16z Perennial, including, for example, interests in Affiliate Funds, interests in general partner entities of Affiliate Funds or direct investments. In this regard, a conflict of interest exists to the extent that Andreessen Horowitz controls or otherwise influences the terms and pricing of such investments and/or retains other benefits in connection therewith. Andreessen Horowitz businesses outside of a16z Perennial are under no obligation or other duty to provide investment opportunities to the Clients. Further, opportunities sourced within particular portfolio management teams within Andreessen Horowitz or a16z Perennial may not be allocated to the Clients managed by such teams or by other teams. Opportunities not allocated (or not fully allocated) to a Client may be undertaken by Andreessen Horowitz or the Adviser, including for other funds managed thereby, or made available to other funds or third parties. Even in the case of an opportunity received by a Client pursuant to contractual requirements, the Adviser may decide in its discretion that the Client will not participate in such opportunity for portfolio construction reasons, due to the terms of the Client's Governing Documents with the Adviser, or because the Adviser determines that participation would not be appropriate for the Client for other reasons, in which case the Adviser may allocate such opportunity to another Client.

Investments in Affiliate Funds

Although the Adviser will not charge Clients any management fees or performance compensation with respect to its investments in Affiliate Funds, the Client will bear its full share of the management fees and performance compensation charged by the Affiliate Funds. Because the Adviser will charge a lower management fee and performance compensation with respect to External Investments than Andreessen Horowitz typically charges an Affiliate Fund, generally the Adviser and Andreessen Horowitz will collectively receive higher fees, compensation and other benefits if Client assets are allocated to Affiliate Funds rather than External Investments. Moreover, Andreessen Horowitz intends to share with the Adviser management fees that Andreessen Horowitz receives from the Affiliate Funds in which Clients participate. To this end, members of the Adviser's investment team may in some cases ultimately receive higher fees, compensation and other benefits if Client assets are allocated to Affiliate Funds rather than External Investments. As a result, the Adviser may be incentivized to invest Client assets into Affiliate Funds rather than External Investments. Furthermore, the Adviser will have an interest in

investing Client assets in Affiliate Funds that impose higher fees than those imposed by other Affiliate Funds. Correspondingly, the Adviser may be disincentivized to consider the removal of Client assets from, or the modification of Client allocations to, an Affiliate Fund at a time that it otherwise would have where doing so would decrease the fees, compensation and other benefits to the Adviser. The Adviser believes that these incentives are nevertheless offset by the Adviser's lack of performance compensation with respect to Client investments in Affiliate Funds (although members of the Adviser's investment team are expected to receive, from time to time, economic assignee interests (that relate to carried interest entitlements) in the general partner entities of certain Affiliate Funds, as determined by Andreessen Horowitz in its sole discretion).

The Adviser will not be required to share with Clients any fees, allocations, compensation, remuneration or other benefits received in connection with the Client's investment in any Affiliate Fund (or otherwise with respect to any economic arrangement or entitlement that relates to Andreessen Horowitz) or offset such fees, allocations, compensation, remuneration or other benefits against fees and expenses the Client may otherwise owe to the Adviser.

It is anticipated that Affiliate Funds will be offered not only to Clients but also to third party investors. As a result, the terms and conditions of such Affiliate Fund may be modified to accommodate such third parties in a manner that is not in, or may be opposed to, the best interests of the Client. Andreessen Horowitz may also be incentivized to allocate more Client assets to Affiliate Funds than would otherwise be deemed appropriate by the Adviser in order to capitalize such Affiliate Fund if third party investors fail to invest in such Affiliate Fund. There is also a possibility that third party investors could receive from an Affiliate Fund more favorable terms and conditions than the Client. The costs and expenses incurred by the Client with respect to an Affiliate Fund that is open to third party investors may also be materially higher than the costs and expenses that would be incurred if there were no such third party investors.

Andreessen Horowitz will establish the terms of each Affiliate Fund in its sole discretion. Moreover, Limited Partners and Managed Account Clients should not assume that the terms of any future Affiliate Funds will be similar to or otherwise resemble the terms of any prior or current Affiliate Funds regardless of any similarities with respect to asset class or investment strategy. The Limited Partners and Managed Account Clients will not have the right or the opportunity to negotiate with or otherwise obtain special terms with respect to any Affiliate Fund and must accept the terms of an investment therein as presented by the Affiliate Fund. There is no guarantee that the terms of such investment will be the same as or better than the terms that an investor could have obtained by investing directly into such Affiliate Fund rather than indirectly through a Fund or as a Managed Account Client.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the Clients thereof, on the other hand. Generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a Client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the Client of the terms of the proposed transaction and obtain the Client's consent to the transaction. In connection with the Adviser's management of the Clients, the Adviser and its affiliates may engage in principal transactions. The Adviser maintains certain

policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Client(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received.

Cross-Transactions

In certain cases, the Adviser may cause a Client to purchase investments from another Client or may cause a Client to sell investments to another Client. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Client by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, the Adviser, its affiliates and/or their professionals (i) may have significant investments, or intentions to invest, in a Fund that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). The Adviser and its affiliates have the potential to receive management or other fees and/or carried interest in connection with their management of the relevant Clients involved in such a transaction and may also be entitled to share in the investment profits of the relevant Clients. To address these conflicts of interest, in connection with effecting such transactions, the Adviser will follow the Investment Allocation Policy of the relevant Clients (e.g., the Governing Documents may provide for the rebalancing of investments at certain times and at a cost set forth in those Governing Documents so that these Clients' resulting ownership of investments is generally proportionate to the relative capital or capital commitment of the Client). To the extent such matters are not addressed in the Investment Allocation Policy, the Adviser's Chief Compliance Officer will be responsible for confirming that the Adviser (i) considers its respective duties to each Client, (ii) assesses whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's length transaction with a third party on commercially reasonable terms, and (iii) obtains any required approvals of the transaction's terms and conditions.

Management of the Funds

The Adviser expects that it or its personnel will in the future establish additional investment funds with investment objectives substantially similar to, or different from, those of the Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Clients*" above. The Adviser may give advice or take actions with respect to the investment of one or more Funds that may not be given or taken with respect to other Funds with similar investment programs, objectives or strategies. As a result, Funds with similar strategies may not hold the same securities or achieve the same performance.

In addition, each Fund may not be able to invest through the same investment vehicles or have access to similar credit or utilize similar investment strategies as another Fund. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity. In addition, it is expected that certain employees of the Adviser responsible for managing a particular Fund will have responsibilities to proprietary investments

made by the Adviser and/or its principals of the type made by a Fund. Conflicts of interest will arise in allocating time, services or functions of these officers and employees.

The Adviser may consider and reject an investment opportunity on behalf of one Fund and, the Adviser may subsequently determine to have another Fund make an investment in the same company. A conflict of interest arises because one Fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the original Fund considering the investment. In such circumstances, the benefitting Fund(s) will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment.

The Funds may enter into borrowing arrangements that require the Funds to be jointly and severally liable for the obligations. If one Fund defaults on such arrangement, the other Funds may be held responsible for the defaulted amount. The Funds will only enter into such joint and several borrowing arrangements when the Adviser determines it is in the best interests of the Funds.

Follow-on Investments

Investments to finance follow-on acquisitions present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio investment in which another Fund has previously invested. In addition, a Fund may participate in re-leveraging and recapitalization transactions involving portfolio investments in which another Fund has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Conflicts Relating to the General Partner and the Adviser

The Adviser generally may, in its discretion, contract with any related person of the Adviser (including but not limited to a portfolio investment of a Fund) to perform services for the Adviser in connection with its provision of services to a Client. When engaging a related person to provide such services, the Adviser will have an incentive to recommend the related person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser, its affiliates, and members, officers, principals and employees of the Adviser and its affiliates from time to time buy or sell securities or other instruments that the Adviser has recommended to Clients. Officers, principals and employees of the Adviser also from time to time buy securities in transactions offered to but rejected by Clients. A conflict of interest will arise because such investing Adviser Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of a Client. In such circumstances, the investing Adviser Personnel will not share or reimburse the Client and/or the Adviser for any expenses incurred in connection with the investment opportunity. In addition, certain officers and employees also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which include

potential competitors of the Funds. The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics and investors will not benefit from any such investments. The investment policies, fee arrangements and other circumstances of these investments vary from those of the Clients. If officers, principals and employees of the Adviser have made large capital investments in or alongside the Clients they will have conflicting interests with respect to these investments. While the significant interests of the officers and employees of the Adviser generally aligns the interest of such persons with the Client, such persons will have differing interests from the Clients with respect to such investments (for example, with respect to the availability and timing of liquidity).

Because certain expenses are paid for by the Funds and/or their portfolio investments or, if incurred by the Adviser, are reimbursed by a Fund and/or its portfolio investments, the Adviser may not necessarily seek out the lowest cost options when incurring (or causing the Fund or its portfolio investments to incur) such expenses.

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

Fee Structure

As discussed above in Item 6, each General Partner of a Fund is entitled to carried interest under the terms of the Fund Governing Documents. Such General Partner is an affiliate of the Adviser. The existence of the General Partner's carried interest creates an incentive for a General Partner to cause the relevant Fund to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

Pursuant to the Fund Governing Documents, the General Partner may be required to return excess distributions of carried interest as a "clawback." This clawback obligation creates an incentive for the General Partner to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to the Fund or would otherwise result in (or exacerbate) a clawback situation for the General Partner.

Non-Controlling Investments

The Adviser anticipates that the Funds will invest in limited duration preferred and structured equity investments in, and/or providing preferred equity, structured equity and other equity-like or similar financing solutions (including financing solutions which may include debt financing characteristics) in private investment management firms, including affiliates, and their funds and such funds' portfolio companies and, therefore, will have a limited or no ability to protect the Funds' position in or exert influence over the private investment management firms and their general partners ("Underlying Managers"), and will not have the opportunity to evaluate or select the

specific underlying investments made by any Underlying Manager and will not be responsible for the results of such investments. The Funds may have limited minority protection rights. The Underlying Managers will retain autonomy over the day-to-day operations of their investment management firms, and in turn the Funds will rely on the existing management and board of directors or similar body of such entities. While the General Partner may seek to create additional value in Underlying Managers by providing procurement, advisory and other support services, the Funds' lack of governance rights may limit or prevent the creation of any additional value. A Fund's inability to control the timing of the making, restructuring, refinancing and exiting of the Underlying Managers' investments may adversely affect such Fund's performance. The timing and extent to which a Fund realizes proceeds from any disposition, listing, refinancing or other liquidity event with respect to any Fund investment in Underlying Managers and their funds and such funds' portfolio companies will depend on the Underlying Managers' decisions and actions. The Underlying Managers' management may make business, financial or management decisions with which the General Partner does not agree or such management may take risks or otherwise act in a manner that does not serve the Funds' interests. In addition, investments in private investment management firms will at times be made by acquiring interests from current and former supervised persons of the private investment firms. If an investment in an affiliated private investment management firm is made by acquiring such investment from a current or former supervised person of the affiliate the Adviser will have a conflict of interest when entering into that transaction with such supervised person and will establish appropriate controls to mitigate such conflict.

Fund Level Borrowing

The Funds from time-to-time borrow funds or enter into other financing arrangements (including a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments)) for various reasons, including to pay fund expenses, to pay management fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all limited partners in the Fund on a pro-rata basis, including the General Partner. In addition, credit facilities for each Fund are available to provide borrowed funds directly to the portfolio investments of the Fund, in which case such borrowed funds would be guaranteed by such Funds.

To the extent a Fund uses borrowed funds in advance or in lieu of capital contributions, the Fund's investors generally make correspondingly later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. As a result, the Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than it otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. While each Fund will bear the expense of borrowed funds, such borrowings can also increase the carried interest received by such Fund's General Partner by decreasing the amounts of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return. The General Partner therefore has a conflict of interest in deciding whether to borrow funds because the General Partner may receive disproportionate benefits from such borrowings.

Borrowing by each Fund will generally be secured by capital commitments made by the limited partners to the Fund and/or by the Fund's assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by each Fund may cause the realization of UBTI and international investors should note that the use of borrowings by each Fund may cause realization of ECI.

Subscription Lines

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

In addition, Fund-level borrowing will result in 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 subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintenance, renegotiating or terminating the facility.

Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the relevant fund documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement frequently will contain other terms that restrict the activities of each Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a

limited partner's interest in each Fund or impose concentration or other limits on each Fund's investments. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio investment or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio investment or Fund subsidiary.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by each Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. The General Partner is authorized to use Fund-level borrowing to pay management fees and to reimburse the Adviser for expenses incurred on behalf of each Fund. Each Fund is also permitted to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Diverse Membership

The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors have conflicting investment, tax and other interests with respect to their investments in the Funds. The conflicting interests among the investors may relate to or arise from, among other things, the nature of investments made by the Funds, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that are more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

Service Providers

The Adviser engages certain service providers to provide services to the Adviser, Managed Account Clients, the Funds and/or the portfolio investments, including services during the due diligence and acquisition process. Such service providers are, in certain circumstances, Fund

portfolio investments, Managed Account Client, investors in a Fund or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel, pension consultants and/or other investors who provide services (including mezzanine and/or lending arrangements). The engagement of any such service provider may be concurrent with a Managed Account Client engagement or an investor's admission to a Fund, or during the term of such investor's investment in the Fund. This creates a conflict of interest, as the Adviser may give such Managed Account Client or Fund investor preferred economics or other terms with respect to its managed account or investment in a Fund or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor.

The Adviser will from time to time, in its discretion, recommend to a Managed Account Client, Fund or to a portfolio investment thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) the Adviser or a related person of the Adviser (including but not limited to a portfolio investment of a Fund) or (ii) an entity with which the Adviser or its affiliates or a member of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit. When making such a recommendation, the Adviser, because of its financial or other business interest, may have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Additionally, employees of the Adviser and/or their family members or relatives may have ownership, employment, or other interests in such service providers. These relationships that an Adviser may have with a service provider can influence the Adviser in determining whether to select or recommend such service provider to perform services for a Fund or a portfolio investment. The Adviser will have a conflict of interest with a Managed Account Client or Fund in recommending the retention or continuation of a service provider if such recommendation, for example, is motivated by a belief that the service provider will continue to remain a Managed Account Client, invest in Funds or will provide the Adviser Information (as defined below) about markets and industries in which the Adviser operates or is interested or will provide other services that are beneficial to the Adviser. Although the Adviser selects service providers that it believes will enhance portfolio investment performance (and, in turn, the performance of the applicable Fund), there is a possibility that the Adviser, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. While the Adviser often does not have visibility or influence regarding advantageous service rates or arrangements, there will be situations in which the Adviser receives more favorable service rates or arrangements than the Funds or their portfolio investments.

The Adviser or its affiliates and service providers, often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required, and the time demands of the service provider. As a result, to the extent the services required by the Adviser or its affiliates differ from those required by Clients and/or Fund portfolio investments, the Adviser and its affiliates will pay different rates and fees than those paid by the Client and/or Fund portfolio investments. Notwithstanding the foregoing, the Adviser generally does not enter into any arrangement with a service provider that provides for a lower rate or discount than those available to a Client or a potential Fund portfolio investment for comparable services.

In addition, certain portfolio investments in which a Client invests may engage in activities that could adversely affect another Client and/or a Fund portfolio investment, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity that has incurred the liability. This may result in the assets of a Client and/or Fund portfolio investment being used to satisfy the obligations or liabilities of another Client or Fund portfolio investment.

The Advisers and/or its affiliates may engage in business opportunities arising from a Client's investment in a portfolio investment (for example, without limitation, entering into a joint venture with a portfolio investment or making a proprietary investment in a portfolio investment). This creates a conflict of interest, as such interests are a benefit arising from the Client's investment and may vary from the Client's interest (*e.g.*, whether to make a follow-on investment and, if so, how much should be allocated to a Client).

In certain instances, a portfolio investment competes with, is a customer of, or is a service provider to, another portfolio investment. In providing advice to a portfolio investment's business, the Adviser is not obligated to, and need not, take into consideration the interests of other relevant portfolio investments. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by the Adviser to a portfolio investment may have adverse consequences to a separate portfolio investment.

Other Potential Conflicts

The Governing Documents of each Client establish complex arrangements among the Client, the Adviser, investors and other relevant parties. From time to time, questions may arise regarding certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Governing Documents, if any, may be broad, unclear, general, conflicting, ambiguous and vague, and may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While the Adviser will construe the relevant provisions in good faith and in a manner consistent with its fiduciary duty and legal obligations, the interpretations used may not be the most favorable to a Client or its investors.

The Adviser and its Clients will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent Clients may be investors in such Clients and may also represent one or more investments or investors in such Clients. In the event of a significant dispute or divergence of interest between a Client and the Adviser, the parties may engage separate counsel in the sole discretion of the Adviser, and in litigation and other circumstances separate representation may be required. Additionally, the Adviser and its Clients, as well as the investments of such Clients, may engage other common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to the Adviser, the Clients and/or their respective investments. This may result where the Adviser receives a more favorable rate on services provided to it by such a

common service provider than those payable by the Client and/or the investment, or where the Adviser receives a discount on services even though the Client and/or its investments receive a lesser, or no, discount. This creates a conflict of interest between the Adviser, on the one hand, and the Clients and/or investments, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Clients and/or the investments.

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Clients, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Client expenses result in “miles” or “points” or credit in loyalty/status programs to the Adviser and/or its personnel, and such rewards and/or amounts will exclusively benefit the Adviser and/or such personnel and will not be subject to the offset arrangements described above or otherwise shared with such Client, its investors and/or the investments.

In connection with its services to the Clients and their investments, the Adviser, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of the Adviser’s operations, including research, due diligence, investment monitoring, operational improvements and investment activities, the Adviser and its personnel expect to receive and benefit from information, “know-how,” experience, analysis and data relating to the Client or investment (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, “Adviser Information”). In many cases, Adviser Information will include tools, procedures and resources developed by the Adviser to organize or systematize Adviser Information for ongoing or future use. Although the Adviser expects its Clients and their investments generally to benefit from the Adviser’s possession of Adviser Information, it is possible that any benefits will be experienced solely by other or future Clients or investments and not by the Client or investment from which Adviser Information was originally received. Adviser Information will be the sole intellectual property of the Adviser and solely for the use of the Adviser. The Adviser reserves the right to use, share, license, sell or monetize Adviser Information, without offset to management fees, and the relevant Client or investment will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

The Adviser may cause and, in its discretion, has caused each Fund and/or its investments to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of the Adviser. Each Fund and/or its investments may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between the Adviser and the Fund (or its investments) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that the Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

The Adviser will from time to time cause one or more Funds to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the applicable General Partners, the Adviser and/or their respective

directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion or the entirety of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Adviser that cover one or more Funds and/or the Adviser (including their respective directors, officers, employees, agents, representatives, members of the advisory committee and other indemnified parties). The Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Funds on a fair and reasonable basis and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

The Fund Governing Documents permit each Fund’s General Partner to withhold information from certain limited partners or investors in such Fund in certain circumstances. For instance, information may be withheld from limited partners that are subject to Freedom of Information Act or similar requirements. The General Partner may elect to withhold certain information to limited partners for reasons relating to the General Partner’s public reputation or overall business strategy, despite the potential benefits to such limited partners of receiving such information.

The Adviser from time to time receives material, non-public information regarding issuers, including through its members who participate on the board of directors of other entities, which in some cases may expose such persons to material non-public information regarding other issuers that may fall within a Client’s investment objectives. Under applicable law and policies, employees of the Adviser are generally prohibited from disclosing or using material non-public information for their own personal benefit or for the benefit of any other person, regardless of whether that person is a client. Accordingly, should an employee of the Adviser obtain material, non-public information with respect to an issuer, he or she is generally prohibited from communicating that information to, or using that information for the benefit of Clients. Accordingly, receipt of material non-public information by the Adviser or its employees may impact the ability of Clients to buy, sell or hold certain investments, which may adversely impact Clients’ investment results. The Adviser has no obligation or responsibility to disclose the information to, or use such information for the benefit of, any person (including Clients) even if requested by the Adviser or its affiliates and even if failure to do so would be detrimental to the interests of that person.

Item 12. Brokerage Practices

A. Best Execution

a16z Perennial is not affiliated with any custodian or broker-dealer where a16z Perennial maintains an account or services agreement.

The Adviser typically has sole discretion to select broker-dealers or other execution facilities in executing Client trades. In selecting or recommending brokers, most often with respect to trading in publicly-traded securities, a16z Perennial seeks best execution, which involves a number of qualitative and quantitative factors. In seeking best execution, a16z Perennial need not solicit competitive bids and does not have an obligation to seek or pay the lowest available commission or execution cost. In selecting a broker, a16z Perennial takes into account, among other things, the

broker's commission rate, execution capabilities and costs, actual experience, efficiency, promptness, financial stability, reputation, confidentiality, and research or other services provided by the broker.

B. Research and Other Soft Dollar Benefits

a16z Perennial does not have any formal soft dollar arrangements; however, in the normal course of business, the Adviser receives research customarily made available by broker-dealers to their customers. a16z Perennial believes that it would obtain such research regardless of the amount of commissions it generates throughout the year, and any receipt of such research will be in accordance with the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended. Certain brokers and custodians utilized by the Adviser provide general assistance to the Adviser, including, but not limited to, technical support, consulting services, waivers of fees, and consulting services related to staffing needs. They also extend the same fee schedule negotiated for a16z Perennial Clients to services provided to employees. In selecting a broker, the Adviser considers the scope of general assistance, waivers of fees, and consulting services provided. To the extent the Adviser would otherwise be obligated to pay for such assistance, the Adviser would have a conflict of interest in considering those services when selecting a broker. However, Adviser's selection is supported by the scope, quality, and price of services to its Clients and not the services that benefit the Adviser.

C. Directed Brokerage

In the situation where a Client directs a16z Perennial to use a specific broker and a16z Perennial has not negotiated the terms and conditions (including, but not limited to, commission rates), a16z Perennial does not have any responsibility for obtaining the best prices or particular commission rates. Other Clients who direct a16z Perennial to use a specific broker may pay higher commission rates or receive less favorable execution transactions than non-directing Clients.

a16z Perennial performs investment management services for multiple Clients. There are occasions on which portfolio transactions are executed as part of concurrent authorizations to purchase or sell the same security for numerous Clients served by a16z Perennial, which involve Clients with similar investment objectives. Although such concurrent authorizations potentially could be either advantageous or disadvantageous to one or more particular Clients, they are executed only when a16z Perennial believes that to do so will be in the best interest of the impacted Clients. When such concurrent authorizations occur, the objective is to allocate the executions in a manner that is deemed equitable to the accounts involved. In any given situation, a16z Perennial attempts to allocate trade executions in the most equitable manner possible, taking into consideration Client objectives, current asset allocation, and availability of funds.

D. Brokerage for Client Referrals

a16z Perennial does not consider, in selecting or recommending broker-dealers, client referrals from a broker-dealer.

E. Trade Errors

Trade Errors involving transactions in any account may occur (“Trade Errors”). Pursuant to the various exculpation and indemnification provisions of each Client’s Governing Documents, a16z Perennial generally will not be liable to Clients for any act or omission, absent bad faith, willful misconduct or gross negligence, and Clients generally will, to the maximum extent not prohibited by applicable law, be required to indemnify a16z Perennial or related persons against any losses they may incur by reason of any act or omission related to Clients, absent bad faith, willful misconduct or gross negligence. As a result of these provisions, Clients (and not a16z Perennial) will benefit from any gains resulting from Trade Errors and other errors, absent bad faith, willful misconduct or gross negligence. Trade Errors might include, for example, (i) the placement of orders (either purchases or sales) in excess of, or less than, the intended amount of securities or instruments; (ii) the sale of a security or instrument when it was intended to have been purchased; (iii) the purchase of a security or instrument when it was intended to have been sold; (iv) the purchase or sale of the wrong security or instrument; (v) the purchase or sale of a security or instrument contrary to regulatory restrictions, like Regulation S or private placement restrictions, or Client investment guidelines or restrictions; (vi) the incorrect allocations of trades between Clients; (vii) keystroke errors that occur when entering trades into an electronic trading system; and (viii) typographical or drafting errors. Trades implemented as a result of faulty data, systems, coding, modeling or analysis, trades that are properly executed but result in losses, errors committed by other persons (including brokers and custodians), or that are otherwise caused by human error other than those specifically described above, are not considered Trade Errors. The loss of an investment opportunity is not considered a Trade Error.

Clients and investors should assume that Trade Errors (and similar errors) may occur, and that Clients will be responsible for any resulting losses, even if such losses result from the negligence (but not gross negligence) of a16z Perennial personnel. Such Trade Errors could result in substantial losses to Clients. In determining whether a16z Perennial’s personnel have satisfied the standard of care such that Clients are responsible for a loss resulting from a Trade Error, a16z Perennial will have a conflict of interest between its own economic interest, on the one hand, and the economic interest of Clients and investors on the other.

a16z Perennial has a conflict of interest when determining whether losses resulting from a Trade Error will be borne by a Client because a16z Perennial would otherwise generally reimburse such losses. From time to time, a16z Perennial may elect to voluntarily reimburse Clients for losses suffered as a result of certain Trade Errors identified by a16z Perennial or otherwise. However, notwithstanding the previous sentence and as addressed in the preceding paragraph, Clients and investors should not carry the expectation that a reimbursement will ever take place, and should not make investment or advisory hiring decisions in reliance on a16z Perennial making any reimbursements to Clients for losses suffered as a result of such Trade Errors. Any decision to reimburse is not precedential and should not create the expectation of any reimbursement in the future.

Clients and investors may incur losses due to Trade Errors that occur in third party funds or other accounts. As an investor in these funds or accounts, Clients are subject to the terms contained in the Governing Documents of those products or accounts and the policies of the third party managers, which may differ from terms applicable to a16z Perennial’s policies. a16z Perennial

and its Clients may be unable to recover losses incurred as a result of Trade Errors that occur in third party funds or accounts.

F. Order Aggregation

a16z Perennial has several investment strategies and several types of Clients. At times, there will be transactions executed to purchase or sell the same investment in more than one strategy or Client. When there are concurrent transactions across a16z Perennial Clients, the Adviser's objective is to allocate trades equitably and consistent with its duties to Clients. In doing so, a16z Perennial takes into consideration a number of factors, including, but not limited to, Client objectives, capacity, availability of funds, and consideration of pro-rata allocations.

Item 13. Review of Accounts

The Adviser's investment professionals regularly review Client investment portfolios to monitor performance, liquidity, and suitability of investments, as well as assess investment opportunities for Clients, and determine whether rebalancing or reallocations are warranted. Such reviews are typically performed on a quarterly basis. Similarly, the performance of third-party investment funds is monitored on a regular basis and is subject to ongoing supervision and review by a16z Perennial's investment professionals. Investors in the Funds generally receive quarterly reports regarding their investments in the Funds, which include capital account balance and investment performance statistics. They also receive quarterly letters discussing the performance of the Funds. Investors also receive annual audited financial statements for the Funds in which they are invested. Additionally, a16z Perennial may provide more frequent reports to Funds as specified in the Fund Governing Documents.

Managed Account Clients have periodic meetings with one of Adviser's professionals to discuss their portfolios, and will receive reports, including balance and performance information, in connection with these meetings. The frequency, typically quarterly, and extent of the reviews vary by Client and are driven generally by client circumstances, changes to a Client's financial situation, and assets and investments currently held or proposed to be held. Other factors that could trigger a meeting include, among others, extraordinary events, changes in the tax law, or major investment developments.

Item 14. Client Referrals and Other Compensation

a16z Perennial does not receive any economic benefit from any third party for providing advisory services. Additionally, a16z Perennial does not provide compensation, directly or indirectly, to anyone for Client referrals.

Item 15. Custody

The Adviser is deemed to have custody of some of its Clients' assets in accordance with Rule 206(4)-2 under the Advisers Act because (i) a16z Perennial and its affiliates act as the General Partner to Funds; (ii) a16z Perennial manages capital (subscriptions and redemptions) and fee deductions for certain Managed Account Clients; and (iii) a16z Perennial has the authority to withdraw Client assets that are maintained with a custodian upon instruction to the custodian.

Clients' funds and securities are maintained at all times in a separate account by a qualified custodian (either a U.S. or foreign bank or broker/dealer) or they may also be maintained at a mutual fund company as custodian. a16z Perennial and Managed Account Clients receive statements from the custodians, and a16z Perennial uses those statements to create quarterly reports for Clients. With respect to Managed Account Clients, the Adviser follows the requirements of Rule 206(4)-2(a) of the Advisers Act, including obtaining independent verification of the assets in the accounts and maintaining the assets at a qualified custodian that sends statements directly to Clients at least quarterly. In those situations, Clients will receive account statements directly from the broker-dealer or bank acting as custodian, and Clients should carefully review those statements. Clients should compare the statements they receive from the custodians to all statements, reports and information they receive from the Adviser.

Each Fund receives GAAP audited financial statements for the Fund within 180 days after the conclusion of the Fund's fiscal year, including audited schedules of investments, balance sheets, income statements and cash flow statements. As part of the audit process, the auditors customarily confirm Funds' positions with the custodians.

Item 16. Investment Discretion

Each Advisory Agreement and Investment Management Agreement generally authorizes a16z Perennial to invest and trade Client assets in a broad range of investments, to be selected at the Firm's sole discretion, with no specific limitations as to type, amount, or concentration. a16z Perennial will enter into any type of investment transaction and employ any investment methodology or strategy it deems appropriate, including, in cases where it deems to be in the Client's best interests, allocating to Clients managed by a16z Perennial. Each Client authorizes a16z Perennial to execute certain documents necessary to facilitate the Client's investments. a16z Perennial also exercises discretionary investment authority over the Funds. In making investments on behalf of Clients, a16z Perennial exercises its discretion in a manner consistent with the Client's goals and investment objectives.

Item 17. Voting Client Securities

In general, the Investment Management Agreements provide that unless explicitly agreed upon otherwise, the responsibility for voting proxies and responding to corporate actions related to assets of a Managed Account Portfolio shall be retained by the Managed Account Client and shall not be the responsibility of the Adviser; provided, however, that to the extent the Adviser delegates investment management to a sub-adviser with respect to a portion of the Managed Account Portfolio, such sub-adviser shall be delegated and bear the responsibility for voting proxies in connection with such assets, so long as such delegation is not inconsistent with the applicable sub-advisory agreement.

With respect to securities that are directly owned by one or more of the Funds, the Adviser's policy is to vote in the best interest of the Funds and generally votes in support of the recommendations made by the Board of Directors or management team. The Adviser does so even when one of its investment professionals is a member of the company's board of directors and receives compensation from the company.

In cases of material conflicts of interests, the Adviser at times will vote with the recommendations made by the Board of Directors or management team, abstain, or disclose the conflict to the Managed Account Client or a Fund's advisory committee and obtain the Managed Account Client's or advisory committee's consent.

Item 18. Financial Information

a16z Perennial has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and it has not been the subject of a bankruptcy proceeding.