

WCAS Management Corporation and WCAS Management, L.P. Part 2A of Form ADV The Brochure

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This brochure provides information about the qualifications and business practices of WCAS Management Corporation (“WCAS”) and WCAS Management, L.P. (“WCAS Management” and, together with WCAS, the “Firm”). If you have any questions about the contents of this brochure, please contact Jonathan Rather at 212-893-9570. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about the Firm is also available on the SEC’s website at: www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Material Changes

This brochure contains several changes from the last Firm brochure dated as of March 2023, including, but not limited to, updates and clarifications to: (i) reflect new and updated risk factors, including relating to cybersecurity, artificial intelligence, geopolitical disruption and regulatory and policy developments; and (ii) additional disclosure on conflicts relating to allocation of investment opportunities and expenses and fee structure, including conflicts with respect to writing down or off investments. In addition, the Firm routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies, and procedures, as well as to respond to evolving industry practices.

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Advisory Business

WCAS is a corporation formed under the laws of the state of Delaware. Jonathan Rather is the only shareholder who owns more than 25% of WCAS. WCAS (or its predecessors) has been in business since 1979. WCAS Management is an affiliate of WCAS and a relying adviser. WCAS Management is a limited partnership formed under the laws of the state of Delaware. D. Scott Mackesy is the only shareholder who owns more than 25% of WCAS Management. References in this brochure to the “Firm” relate to WCAS and/or WCAS Management as applicable.

Each of WCAS and WCAS Management serve as an investment manager to certain related private investment partnerships or limited liability companies organized to make private equity investments in equity securities (each, a “Partnership”). WCAS and WCAS Management are also parties to a sub-advisory agreement, pursuant to which WCAS Management serves as sub-adviser

with respect to certain Partnerships for which WCAS serves as investment manager. The Partnerships invest in growth-oriented companies within the healthcare and technology industries. The Partnerships' investment strategy is to (i) buy securities of growth businesses in our two core industries, (ii) partner with outstanding management teams and (iii) realize value after a combination of operational improvements, internal growth initiatives and strategic acquisitions at such businesses. The Firm's investment management services consist of advising the Partnerships with respect to investigating, identifying, and evaluating investment opportunities, structuring, negotiating and executing investments on behalf of the Partnerships, managing and monitoring the performance of investments, and disposing of investments. In addition, the Firm provides consulting services to companies in which the Partnerships invest through its Resources Group (as described in more detail below).

The Firm's nine equity Partnerships, Welsh, Carson, Anderson & Stowe XI, L.P., Welsh, Carson, Anderson & Stowe XII, L.P., Welsh, Carson, Anderson & Stowe XII Cayman, L.P., Welsh, Carson, Anderson & Stowe XII Delaware, L.P., Welsh, Carson, Anderson & Stowe XII Delaware II, L.P., WCAS XIII, L.P., WCAS XIII Cayman, L.P., WCAS XIV, L.P. and WCAS XIV Cayman, L.P. (each, an "Equity Partnership"), four feeder funds, Welsh, Carson, Anderson & Stowe XII Feeder Fund, L.P., Welsh, Carson, Anderson & Stowe XII Delaware II Feeder Fund, L.P., WCAS XIII Feeder Fund, L.P., WCAS XIV Feeder Fund, L.P. (each, a "Feeder Fund" and, collectively, the "Feeder Funds"), four co-investment holding companies, WCAS Co-Investment Holdco, L.P., Muir Woods Partners, L.P., WCAS XIV Flora Co-Invest LLC and WCAS XIV N Co-Invest, L.P. (collectively, "Holdcos"), and employee and consultant co-investment vehicles WCAS XI Co Investors LLC, WCAS XII Co-Investors LLC, WCAS XIII Co-Investors LLC, WCAS XIV Co Investors I LLC and WCAS XIV Co-Investors II, LLC (collectively, "Co-Investors") have approximately \$15.1 billion in regulatory assets under management as of December 31, 2023.

In providing services to each Partnership, the Firm advises the Partnerships in formulating the investment objective for each Partnership, and in managing the investment and reinvestment of each Partnership's assets. The Firm also provides periodic reports to investors in each Partnership. Investment advice is provided directly to each Partnership and not individually to the limited partners of the Partnerships in accordance with the terms of the governing documents applicable to each Partnership.

Fees and Compensation

For each Equity Partnership, WCAS, WCAS Management, or an affiliated company receives a management fee for providing administrative services. Management fees are generally payable quarterly in advance, and these are payable for any period that is less than a full quarterly period. Each Equity Partnership is generally charged an annual management fee of 1.5% during the investment period, and 1.00% to 1.25% after the investment period is over. The general partner of each Equity Partnership generally receives a carried interest allocation of 20% of profits on distributions derived from the recapitalization or disposition of investments or securities after limited partners receive a preferred return of up to 8% per annum, pursuant to the Agreement of Limited Partnership for the respective Partnership.

Neither the Firm nor an affiliated company receives a management fee or carried interest allocation from the Feeder Funds or Co-Investors. An affiliated company of the Firm receives a carried interest allocation from WCAS Co-Investors HoldCo, L.P., but does not receive a carried interest allocation from the other Holdcos.

Pursuant to the Agreement of Limited Partnership of each Partnership, limited partners are not permitted to make voluntary withdrawals. In the event of a non-voluntary withdrawal, the Firm will refund all pre-paid fees that have not been earned.

Portfolio companies have paid in the past and we expect may pay in the future a fee to the Firm for services provided by our Resources Group, which was expanded in 2018 to include the services of The Health Management Academy (“THMA”), an executive network and provider of leadership development programs for the nation’s leading health systems, a controlling interest in which is owned by WCAS Management. The Resources Group offers a wide range of pre- and post-acquisition and consulting services to companies in which the Partnerships invest, including operational improvements, revenue enhancement strategies, procurement and sourcing solutions (including participation in group purchasing organizations), corporate advisory, human resources, executive recruitment, information technology, advice with respect to capital markets, financing and strategic transactions, and other related services, which such companies may utilize over multiple years but have the option not to use. Such fees are “Resources Group Fees” as defined in each applicable Partnership’s Agreement of Limited Partnership and are not Other Fees (as defined below, which reduce the quarterly management fee paid by the Partnership to the Firm). The Firm evaluates the Resources Group Fees paid by portfolio companies against estimates for costs that would have been paid to comparable third-party service providers in order to provide support that the Resources Group Fees paid by portfolio companies are below the amount such portfolio companies would have paid third parties to provide similar services and in the aggregate are not more than the cost of providing the services. Members of the Resources Group have in the past and may in the future receive compensation from a portfolio company in which one or more Partnerships has an investment if they assume management, board of directors or similar roles. Any such compensation is not a Resources Group Fee. Any such compensation received by members of the Resources Group who are employees of the Firm will be treated as a Creditable Fee (as defined in the relevant Partnership’s Agreement of Limited Partnership) to reduce the quarterly management fee pursuant to the relevant Partnership’s Agreement of Limited Partnership. Any such compensation received by members of the Resources Group who are consultants are not treated as a Creditable Fee. The Firm may receive certain other fees in connection with the services provided to the Partnerships or their portfolio companies (collectively, “Other Fees”). A percentage of the Other Fees may be applied to reduce the quarterly management fee pursuant to each applicable Partnership’s Agreement of Limited Partnership.

Portfolio companies have in the past and will in the future reimburse the Firm for reasonable expenses (including, without limitation, travel expenses, which may include expenses for private or first-class travel) incurred by the Firm in connection with such portfolio company and such reimbursements are not applied to reduce the quarterly management fee. Such expenses have in

the past and may in the future include reimbursement for the use of an aircraft owned by one or more employees of the Firm (“WCAS Aircraft”). In instances where the Firm seeks reimbursement from a portfolio company for the use of WCAS Aircraft, such portfolio company will only reimburse the Firm an amount consistent with the reasonable market rate for a comparable chartered aircraft as determined by a third-party service provider.

The Firm has in the past and may in the future participate in the same (but not more advantageous) vendor discounts offered to portfolio companies. In addition, the Firm has in the past and may in the future enter into a contract for services with a portfolio company in which one or more of the Partnerships has an investment. If such a contract is entered into, the Firm will pay reasonable market price for such services.

Detailed information regarding the fees charged to and carried interest allocations of each Partnership is provided in such Partnership’s Agreement of Limited Partnership and related documents. In addition to management fees and carried interest allocations, limited partners of each Partnership will bear indirectly the fees and expenses charged to such Partnership. Those fees and expenses will vary, and will include expenses associated with due diligence on nonconsummated transactions (i.e. “broken deal” expenses), fees and expenses associated with making or selling portfolio investments, accounting fees and expenses, legal and compliance fees and expenses, taxes, commissions and brokerage fees, registration expenses, fees to government regulatory agencies, the cost of directors’ and officers’ liability insurance and other expenses such as litigation or broker-dealer expenses (each an “Ongoing Expense” and, collectively, “Ongoing Expenses”). Pursuant to the Partnerships’ Agreements of Limited Partnership, employees and consultants of the Firm who co-invest through Co-Investors and investors in Holdcos will bear only their allocable portion of fees and expenses associated with the acquisition and/or disposition of a portfolio company and do not bear any Ongoing Expenses of the Partnerships, including broken deal expenses. Investors should review all fees and expenses charged by the Firm, its affiliates, and others to fully understand the total amount of fees and expenses to be paid by the Partnerships and, indirectly, their limited partners.

Performance Based Fees and Side-by-Side Management

Each Equity Partnership generally allocates to its general partner a carried interest of up to 20%, subject to the terms of the applicable Agreement of Limited Partnership. The carried interest has in the past and may in the future create an incentive for the general partner of a Partnership to make more speculative investments and make different decisions regarding the timing and manner of the realization of such investments than would be made if such carried interest were not allocated to such general partner. The Firm addresses these conflicts of interest through careful review of investment opportunities by its investment professionals, full disclosure of investments to limited partners, as well as investments by the Firm’s general partners, employees and consultants alongside the Partnerships, in an effort to properly align the interests of such persons with the Partnerships.

Types of Clients

The Firm provides advisory services to the Equity Partnerships, Holdcos, Co-Investors, and the Feeder Funds. Each Partnership operates as a pooled investment vehicle. The minimum capital commitment for a limited partner of a Partnership is outlined in such Partnership's Agreement of Limited Partnership and other governing documents; however, the general partner of each Partnership maintains discretion to accept less than the minimum investment. In addition, a Partnership may enter into separate agreements, commonly referred to as "side letters," with certain investors. However, no Partnership will enter into a "side letter" with an investor that alters the liquidity terms under which the investor will invest in a Partnership.

Investors will be required to make certain representations when investing in a Partnership, including but not limited to that (i) they are acquiring an interest for their own account, (ii) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment, and (iii) they have the ability to bear the economic risk of an investment in the Partnership. Each investor will be furnished with a copy of the relevant Agreement of Limited Partnership and related agreements.

Methods of Analysis, Investment Strategies and Risk of Loss

The Partnerships invest primarily in the United States within two target industries: technology and healthcare. Although the primary investment focus is on companies located within the United States, the Firm may pursue attractive foreign investments on an opportunistic basis subject to certain limitations in the applicable Agreement of Limited Partnership.

The Partnerships seek to invest in market-leading technology companies that deliver a tangible value proposition to their clients, generate attractive organic and acquisition-related growth opportunities, maintain recurring revenue with high operating leverage, and occupy defensible market positions. The Partnerships believe these companies offer clients value in the form of expanded market opportunity, increased revenues, faster process or cycle times, reduced costs, increased operating leverage, better information exchange and improved quality of products and services.

The Partnerships also seek to invest in market-leading healthcare companies that reduce costs, increase quality of care or service, improve efficiencies, and demonstrate proven business models with strong unit-level economics, as applicable. The Partnerships have found over time that by targeting highly fragmented, complex or inefficient sectors with a combination of capital, strong management and strategic vision, they can create operating models and businesses that deliver substantial value to patients, providers, payors and shareholders.

The Firm's investment strategy is deal size agnostic, and activities include (i) seeking new market opportunities, (ii) providing capital to meet the needs of growing businesses, and (iii) investing in growth oriented later-stage buyouts and special situations. For both small and large investments, the Firm focuses on producing capital gains and attractive multiples of capital, in addition to strong internal rates of return. The Firm leverages its industry specialization, proprietary deal flow,

sourcing expertise and operational focus, as well as the continuity and experience of its general partners, to differentiate itself in the competitive private equity market. The Firm's investment strategy is comprised of the following key components:

- Industry Specialization in Attractive Sectors
- Consistent and Disciplined Investment Approach
- Portfolio Construction
- Partnering with Known Management Teams
- Investments Across Various Deal Sizes and Structures
- Focus on Operational Improvement
- Capital Markets Expertise

The Firm is dedicated to acting in accordance with the highest ethical and professional standards in its business and is committed to considering material environmental, social, and governance ("ESG") principles, which are institutionalized as part of the Firm's investment and company building processes. In 2013, the Firm adopted an ESG Policy and currently has a dedicated ESG Committee composed of representatives from the Investment and Resources Group, Investor Relations, and Legal and Compliance, and includes the Firm's Co-Heads of Diversity and Inclusion. The ESG Committee is tasked with reviewing the Firm's ESG Policy and providing recommendations for its enhancement to the Firm's Management Committee, as well as leading surveys of the Firm's portfolio companies over time to measure progress on ESG initiatives. When the Investment Review Committee ("IRC") reviews a new investment, the Firm may retain a third-party ESG consulting firm (where appropriate) to identify ESG risks and opportunities for inclusion in the IRC materials. Post-transaction, the Firm's Investment and Resources Group professionals work with each portfolio company to recommend any ESG initiatives and retain specialized consultants, where appropriate. The Firm will continue to focus on environmental, public health, safety, social and governance initiatives with the goal of continuing to enhance performance and minimize any adverse impact in these areas. The Firm is a signatory to the UN Principles for Responsible Investment and ILPA Diversity in Action and the ESG principles set forth in these statements will be considered by the Firm in pursuing its own ESG initiatives.

Acquiring an interest in one of the Partnerships involves a number of risks. An investment in a Partnership may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Partnership. No guarantee or representation is made that the Partnership will achieve its investment objective or that limited partners will receive a return of their capital.

All investing involves a risk of loss and the investment strategy offered by the Firm could lose money over short or even long periods. The description contained below is a brief overview of some different investment risks related to the Firm's investment strategy:

Cybersecurity Risk. The Firm, the Partnerships' service providers and other market participants depend on complex and often interconnected information technology and communications systems

to conduct business functions. These systems are subject to a number of different threats and other risks that could adversely affect the Partnerships and the limited partners, despite the efforts of the Firm and the Partnerships' service providers to adopt technologies, processes and procedures intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Partnerships and the limited partners. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Firm, the Partnerships, service providers, counterparties or data within these systems, including investor information. The Firm and the Partnerships' service providers may be subject to ransomware or other attacks that could cause a substantial business disruption or loss of availability of data that could prevent the Partnerships and Firm from executing its investment strategy or accessing an account, which could lead to financial losses. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Firm's systems to disclose sensitive information in order to gain access to the Firm's data or that of the limited partners or to transfer funds to unauthorized third parties. A successful penetration or circumvention of the security of the Firm's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Partnerships, the Firm or their service providers to incur regulatory penalties, reputational damage, additional compliance costs, increased insurance premiums or financial loss. In addition, the Firm may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, remediation of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation. While the Partnerships or the Partnerships' service providers have established business continuity plans and systems designed to prevent such cyber-attacks, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified.

Similar types of operational and technology risks are also present for the companies in which the Partnerships invests, which could have material adverse consequences for such companies, and may cause the Partnerships' investments to lose value.

Risks of Artificial Intelligence ("AI"). The Firm's ability to use, manage and aggregate data may be limited by the effectiveness of its policies, systems and practices that govern how data is acquired, validated, used, stored, protected, processed and shared. Failure to manage data effectively and to aggregate data in an accurate and timely manner may limit the Firm's ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including AI. While the Firm may restrict certain uses of third-party and open source AI tools, such as ChatGPT, the Firm's employees and consultants and a Partnership's portfolio companies may use these tools, which poses additional risks relating to the protection of the Firm's and such portfolio companies' proprietary data, including the potential exposure of the Firm's or such portfolio companies' confidential information to unauthorized recipients and the misuse of the Firm's or third-party intellectual property, which could adversely affect the Firm, a Partnership or its portfolio companies. Use of AI tools may result in allegations or claims against the Firm, a Partnership or its portfolio companies related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply

with open-source software requirements. Additionally, AI tools may produce inaccurate, misleading or incomplete responses that could lead to errors in the Firm's and its employees' and consultants' decision-making, portfolio management or other business activities, which could have a negative impact on the Firm or on the performance of a Partnership and its portfolio companies. Such AI tools could also be used against the Firm, a Partnership or its portfolio companies in criminal or negligent ways. As the use and availability of AI tools has grown, the U.S. Congress and a number of U.S. federal and state agencies have been examining the AI tools and their use in a variety of industries, including financial services. These agencies have issued, proposed or adopted a variety of rules and other guidance regarding the use of AI. AI similarly faces an uncertain regulatory landscape in many foreign jurisdictions. Ongoing and future regulatory actions with respect to AI generally or AI's use in any industry in particular may alter, perhaps to a materially adverse extent, the ability of the Firm, a Partnership or its portfolio companies to utilize AI in the manner it has to-date, and may have an adverse impact on the ability of the Firm, a Partnership or its portfolio companies to continue to operate as intended.

Tax Reform Risks. Tax law is subject to change and various historic and current legislative proposals could affect the Partnerships and their limited partners. Under current law, capital gains in respect of a general partner's right to carried interest will be subject to a three-year "holding period" in order to be classified as "long term capital gains," while the corresponding holding period requirement with respect to capital gains that Partnership investors are allocated is one year. This carried interest holding period requirement could affect investment decisions, including the timing and structure of dispositions and other realization events, and it could adversely impact returns for investors. For example, the holding period requirement may incentivize the general partner of a Partnership to cause such Partnership to hold an investment for longer than three years in order for the general partner to obtain a preferential tax rate on carried interest, even if there are attractive realization opportunities prior to that time. Further, there are currently administrative and legislative proposals to further change the tax treatment of "carried interest" in ways that may be adverse to partners in the general partner. A Partnership's general partner and the Firm may take these potential adverse consequences into account in their management and operation of the Partnerships and in addressing these adverse consequences, the interests of that general partner and the Firm, on the one hand, may diverge from the interests of the investors, on the other hand.

Custody and Banking Risks. The Partnerships will maintain funds with one or more banks or other depository institutions ("banking institutions"), which may include U.S. and non-U.S. banking institutions, and may enter into credit facilities or have other financial relationships with banking institutions. The distress, impairment or failure of one or more banking institutions with whom the Partnerships, their portfolio companies, the general partner of a Partnership and/or the Firm transact may inhibit the ability of the Partnerships or their portfolio companies to access depository accounts or lines of credit at all or in a timely manner. In such cases, the Partnerships may be forced to delay or forgo investments or to call capital when it is not desirable to do so, resulting in lower performance for the Partnerships. In the event of such a failure of a banking institution where a Partnership or one or more of its portfolio companies holds depository accounts access to such accounts could be restricted and U.S. Federal Deposit Insurance Corporation (FDIC) protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to banking institutions in other jurisdictions not subject to FDIC protection). In such instances, the Partnerships and their affected portfolio companies may not

recover such excess, uninsured amounts and instead, would only have an unsecured claim against the banking institution and participate pro rata with other unsecured creditors in the residual value of the banking institution's assets. The loss of amounts maintained with a banking institution or the inability to access such amounts for a period of time, even if ultimately recovered, could be materially adverse to the Partnerships or their portfolio companies. One or more investors or a Partnership's general partner could also be similarly affected and unable to fund capital calls, further delaying or deferring new investments. In addition, a Partnership's general partner may not be able to identify all potential solvency or stress concerns with respect to a banking institution or to transfer assets from one bank to another in a timely manner in the event a banking institution comes under stress or fails.

Possibility of Fraud and Other Misconduct of Employees and Service Providers. Misconduct by employees of the Firm, service providers to the Firm or the Partnerships and/or their respective affiliates could cause significant losses to such Partnerships. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Partnerships, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Partnerships and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Partnerships. The Firm has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that the Firm will be able to identify or prevent such misconduct.

General Business and Management Risk. Investments in portfolio companies subject the Partnerships to the general risks associated with the underlying businesses, including market conditions, changes in regulatory requirements, reliance on management at the company level, interest rate and currency fluctuations, general economic downturns, domestic and foreign political situations and other factors. With respect to management at the portfolio company level, many portfolio companies rely on the services of a limited number of key individuals, the loss of any one of whom could have a significant adverse effect on the portfolio company's performance. While in all cases the Firm will monitor portfolio company management, the management of each portfolio company will have day-to-day responsibility for the operations of such portfolio company.

Lack of Diversification. The Firm expects that each Partnership will have a portfolio that is nondiversified. Each Partnership will make investments in technology and healthcare.

Liquidity Issues. A Partnership will generally invest in instruments where there is no actively traded market. Moreover, many of a Partnership's investments may be held by relatively few other investors. Under adverse market or economic conditions or in the event of adverse changes in the financial condition of the issuer or of the asset, a Partnership may find it more difficult to sell such instruments when the Firm believes it advisable to do so or may be forced to sell them at prices lower than if the instruments were widely held. Thus, the range of disposal strategies available to a Partnership may be further limited. Finally, dispositions of investments may be subject to

contractual and other limitations on transfer, or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms obtainable upon a disposition.

Highly Competitive Market for Investment Opportunities. The activity of identifying, completing and realizing attractive investments is highly competitive and involves a high degree of uncertainty. The Partnerships face competition from numerous competitors in all fields of activity. The Partnerships will be competing for investments with a variety of other investment vehicles, as well as individuals, financial institutions and other institutional investors. Additional funds with similar investment objectives may be formed in the future by other unrelated parties. There can be no assurance that the Partnerships will be able to locate and complete investments which satisfy their respective investment objectives or that each Partnership will be able to invest fully its available capital.

Valuation of Assets. There is no actively traded market for most of the securities owned by the Partnerships. When estimating fair value, the Firm will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review and approval, and ensuring that portfolio investments are fairly valued is an important focus of the Firm. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and differs from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of a Partnership's assets. With respect to the Partnerships, the exercise of discretion in valuation by the Firm gives rise to conflicts of interest. Valuations (including, for instance, determination of when an investment should be written down or written off) impact the Firm's track record and the carried interest amount in certain Partnerships is calculated based, in part, on these valuations, and such valuations affect the amount and timing of performance fees and calculation of management fees.

Investments in Public Companies. A Partnership may invest in securities of public companies (subject to restrictions in its governing fund documents) or take private portfolio companies public. Investments in public companies offer the opportunity for significant gains, but also involve a high degree of risk that differ in type or degree from those involved with investments in privately held companies. Such risks may include the complete loss of capital, and include, without limitation, movements in the stock market and trends in the overall economy, greater volatility in the valuation of such companies, increased obligations to disclose information regarding investments in such companies, limitations on the ability of a Partnership to dispose of such securities at certain times (including due to the possession by the Firm of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which may include Firm personnel, regulatory action by the SEC and other U.S. and non-U.S. regulators and increased costs associated with each of the aforementioned risks. An investment may be sold by a Partnership to a public company where the consideration received is a combination of cash and stock of the public company, which may, depending on the terms of any such transaction and the securities laws of the relevant jurisdiction, be subject to lock-up periods. If any one of a

Partnership's portfolio companies becomes a public company, it may incur significant legal, accounting, insurance and other expenses. As a public company, such portfolio company will be required, among other things, to establish and periodically evaluate procedures with respect to its internal controls over financial reporting. Reporting obligations as a public company are likely to place a considerable strain on such portfolio company's financial and management systems, processes and controls, as well as on its personnel.

ESG Factors. As the Firm's investment process considers environmental, social and governance ("ESG") factors, the Firm may choose to avoid portfolio company investments that might otherwise be considered, or sell such investments at a time such investments would not otherwise have been sold, due to changes in ESG risk factors as part of the overall investment decision process. The use of ESG factors may impact investment exposure to issuers, industries, and sectors, which may impact a Partnership's relative performance. Therefore, a Partnership's performance may at times be better or worse than the performance of funds that do not use ESG criteria.

The Firm does not use ESG criteria as a determinative factor to decide whether or not a Partnership should invest in a portfolio company. Integrating ESG analysis into investment decisions requires qualitative determinations and is often subjective by nature, and there can be no assurance that the process utilized, or any judgment exercised by the Firm will reflect the beliefs or values of any particular investor. Additionally, there is no guarantee that the use of ESG criteria will operate as expected to achieve positive social or environmental benefits.

Pandemic Risks. The impact of the 2019 novel coronavirus ("COVID-19") has been evolving and at different points of time has, and may continue to have adverse effects across many aspects of the regional, national and global economy. The spread of COVID-19 or another illness among the Firm's personnel and its service providers may significantly affect the Firm's ability to properly oversee the affairs of the Partnerships (particularly to the extent such impacted personnel include key investment professionals or other members of senior management). The full effects, duration and costs of the COVID-19 are uncertain—as is the likelihood or impact of a future pandemic or variant of COVID-19.

Geopolitical Disruption. The outbreak of hostilities in Ukraine, the Middle East and in other parts of the globe have had, and may continue to have, a negative impact on various economies and business activity globally, and therefore could adversely affect the performance of the Partnerships' investments. Furthermore, given the ongoing and evolving nature of such conflicts and their possible escalation, it is difficult to predict the ultimate impact of geopolitical conflict on global economic and market conditions. As a result, geopolitical conflict presents material uncertainty and risk with respect to the Partnerships and the performance of their investments or operations, and the ability of the Partnerships to achieve their investment objectives.

Regulatory and Policy Developments. In recent years, the SEC has proposed and adopted, and continues to adopt, various changes to the rules relating to private funds and their advisers. On August 23, 2023, the SEC adopted previously proposed new rules and amendments to existing rules (collectively, the "Private Funds Rules") under the Advisers Act specifically related to advisers of private funds.

The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. The Private Funds Rules, in addition to any other new rules adopted by the SEC, are expected to significantly impact the business of the Adviser and its affiliates, a Fund and/or its investments. As a result of the new rules, the Adviser may be restricted or may refrain from providing information regarding a Partnership in response to investor requests. As required, the Firm will be required to circulate to investors terms of any preferential treatment agreed in connection with investments in a Partnership (e.g., side letter terms), without regard to any most favored nation provision. This may ultimately impact the Firm's decisions with respect to agreeing to certain preferential rights. Many provisions of the Private Funds Rules require the Firm to make a variety of subjective determinations as to whether and how such rules apply to a Partnership and the Firm's related obligations. The Firm will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to a Partnership, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable.

Regulators and enforcement agencies at the Federal and State level have increasingly focused on the private equity industry and the impact of the private equity business model on certain sectors of the economy, such as healthcare. The Firm's and a Partnership's compliance burdens and associated costs including, without limitation, legal and insurance expenses have increased, and are expected to continue to increase due to increased regulatory scrutiny and new policy initiatives. Any noncompliance or perceived noncompliance by such regulators and enforcement agencies may negatively impact a Partnership's reputation as well as its investment activities, thereby materially reducing returns to investors.

Disciplinary Information

Except as described below, neither the Firm nor any of its executive officers or other "management persons" as defined in Form ADV has been subject to legal or disciplinary events related to this Item.

On September 17, 2020, WCAS, without admitting or denying any findings except as to the Commission's jurisdiction and the subject matter of the proceedings, consented to the entry of an Order Instituting Cease-and-Desist Proceedings (the "2020 Order") in settlement of an Administrative Proceeding. The 2020 Order found that WCAS did not file a timely amendment to its Schedule 13D disclosure after it sold shares in Hanger, Inc. and decided to liquidate its position. The 2020 Order found that WCAS violated Section 13(d)(2) of the Securities Exchange Act of 1934 ("Exchange Act") and Rule 13d-2(a) thereunder. Pursuant to the 2020 Order, WCAS was fined a civil monetary penalty of \$100,000 and was ordered to cease and desist from future violations of Section 13(d)(2) of the Exchange Act or Rule 13-d-2(a) thereunder. The 2020 Order is final and the penalty was paid in full to the SEC on September 22, 2020.

On April 24, 2018, WCAS, without admitting or denying any findings except as to the Commission's jurisdiction and the subject matter of the proceedings, consented to the entry of an

Order Instituting Administrative and Cease and Desist Proceedings (the “Order”) in settlement of an Administrative Proceeding. The Order found that WCAS did not fully disclose conflicts of interest between WCAS and its private equity fund clients in connection with an agreement between WCAS and a group purchasing organization that provided services to certain portfolio companies owned by funds advised by WCAS. By virtue of this conduct, the Order found that WCAS violated Sections 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder. Pursuant to the Order, WCAS was censured, ordered to cease and desist from committing or causing any violations and any future violations of Section 206(2) and 206(4) of the Advisers Act and Rule 206(4)-8 thereunder, and ordered to pay disgorgement in the amount of \$623,035 plus prejudgment interest of \$65,784.78, as well as a civil money penalty in the amount of \$90,000. The Order is final and the disgorgement, interest, and penalty were paid in full to the SEC on May 2, 2018. No WCAS investor, Partnership or portfolio company paid any fees or expenses under the group purchasing agreement or settlement.

Other Financial Industry Activities and Affiliations

In certain limited circumstances, general partners or employees of the Firm may serve as directors of companies that are not in the portfolio of any Partnership or otherwise affiliated with the Firm or serve as an adviser to another investment adviser or family office, if such service does not present a material conflict of interest with the Firm. Currently, one general partner of the Firm serves on the board of directors of companies that are unaffiliated with the Firm, one general partner serves as an adviser to a family office, and certain general partners serve on the boards of advisors of certain unaffiliated private funds. Compensation received by such general partners for these activities does not constitute Other Fees.

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

The Firm has adopted a Code of Ethics pursuant to Rule 204A-1 under the Investment Advisers Act of 1940 and which is predicated on the principle that the Firm owes a fiduciary duty to its clients. Accordingly, employees of the Firm must disclose or avoid activities, interests and relationships that run contrary (or appear to run contrary) to the best interest of clients. The Firm endeavors to maintain current and accurate records of all personal securities accounts of its employees where it is required to do so pursuant to Rule 204A-1 in an effort to monitor such activity. Generally, employees may sell or otherwise dispose of securities that are also held by the Partnerships on a pro rata basis within approved trading windows, provided that the Partnership has sold or distributed at least 25% of its original position and that the transaction has been approved by the Chief Compliance Officer or his designate. In addition, employees must seek pre-approval from the Chief Compliance Officer or his designate before purchasing or selling certain securities of technology and healthcare companies or purchasing and selling interests in limited offerings. The Firm also utilizes a compliance platform called ComplySci to help track employees’ investment accounts and to pre-clear the purchasing or selling of securities of publicly traded technology and healthcare companies and securities of privately held companies. The Firm does not allow its employees to receive allocations of initial public offerings. The Firm’s Code of Ethics is available for review and will be provided to any client upon request.

The Firm, its employees and/or a related entity will have an investment in each Partnership. For example, the general partner for each Partnership is 100% owned by the general partners of the Firm and other professionals working for or associated with the Firm. In addition, the Firm and its general partners will participate in each Partnership's investment program by agreeing to commit a certain percentage of such Partnership's total capital commitments or a certain amount as defined in such Partnership's governing documents. Therefore, the Firm, its employees and/or a related entity participate in each transaction effected for each Partnership.

The Firm may from time to time offer Holdcos, certain limited partners and/or strategic investors (including other private equity funds) the opportunity to co-invest in particular investments alongside of the applicable Partnership, subject to certain limitations. In each case where co-investors participate in an investment, such co-investors will bear their pro rata share of any expenses associated with such investment and will not bear any other Partnership expenses including broken deal expenses. In general, (i) neither Holdcos nor any limited partner in a Partnership has a right to participate in any co-investment opportunity and is offered to co-invest at the sole discretion of the Firm, (ii) decisions regarding whether and to whom to offer co-investment opportunities are made in the sole discretion of the Firm, and (iii) Holdcos, limited partners and strategic investors may be offered co-investment opportunities, in the sole discretion of the Firm. Such co-investment opportunities typically do not pay management fees or allocate any carried interest to the Firm or any entity affiliated with the Firm.

Conflicts of Interest

The Firm and its related entities engage in a broad range of activities, including investment activities for their own account and providing transaction-related, investment advisory, management and other services to the Partnerships and companies in which the Partnerships invest. In the ordinary course of conducting their activities, the interests of the Partnerships will, from time to time conflict with the interests of the Firm, other clients of the Firm or their respective affiliates. Certain of these conflicts of interest, as well a description of how the Firm addresses such conflicts of interest, can be found below.

The material conflicts of interest encountered by the Partnerships include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by the Partnerships.

Resolution of Conflicts. In the case of all conflicts of interest, the Firm's determination as to which factors are relevant, and the resolution of such conflicts, will be made using the Firm's best judgment. Any transaction that gives rise to potential conflicts of interest between a Partnership's general partner on one hand and the Partnership on the other hand will be approved in advance by the Limited Partner Advisory Committee, in each case as established by the Firm. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest:

- 1) The Firm will consider the appropriateness of an investment from the viewpoint of a Partnership;
- 2) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the Agreements of Limited Partnership for the Partnerships;
- 3) Limited Partner Advisory Committees have been established. Among other responsibilities, the Limited Partner Advisory Committees consult with the Firm as to certain potential conflicts of interest. Any transaction giving rise to potential conflicts of interest must be approved by Limited Partner Advisory Committees, as applicable. On any issue involving actual conflicts of interest, the Firm will be guided by its good faith discretion;
- 4) The Firm has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest.

While the Firm endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct when consulting with a Limited Partner Advisory Committee on a potential conflict of interest.

Allocation of Investment Opportunities Among Clients. In connection with its investment activities, the Firm may encounter situations in which it must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- The Partnerships;
- Any co-investors or co-investment vehicles that have been or may be formed to invest side-by-side with one or more Partnerships in all or particular transactions entered into by such Partnership(s) (the co-investors or investors in such co-investment vehicles which may include Firm personnel and/or individuals and entities that are not investors in any Partnerships); and
- Subject to the consent of the Limited Partner Advisory Committee, as applicable, Firm personnel and/or third parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Partnerships in particular transactions entered into by such Partnership(s).

In allocating a particular investment opportunity, the Firm must determine which Partnerships and/or other parties are eligible to participate in such opportunity. The Firm assesses whether an investment opportunity is appropriate for a particular Partnership(s), based on the Partnership's investment objectives, strategies and structure, which are typically reflected in such Partnership's Agreement of Limited Partnership. Prior to making any allocation to a Partnership of an investment opportunity, the Firm determines what additional factors may restrict or limit the offering of an investment opportunity to such Partnership. Possible restrictions include, but are not limited to:

- **Obligation to Offer:** The Firm may be required to offer an investment opportunity to one or more Partnerships.
- **Related Investments:** The Firm may offer an investment opportunity related to an investment previously made by a Partnership(s) to such Partnership(s) to the exclusion of, or resulting in a limited offering to, other Partnerships.
- **Legal and Regulatory Exclusions:** The Firm may determine that certain Partnerships or investors in such Partnerships should be excluded from an allocation due to specific legal, regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities.

From time to time certain investment opportunities involve interests in portfolio companies of one or more Partnerships that are part of a recapitalization or similar transaction. In such instances, investors in the Partnerships involved in such a transaction are typically given priority rights to roll over their existing interests or otherwise reinvest in such investment opportunities (for instance, through a newly formed “continuation fund”). As a result, other Partnerships may not be allocated all or any portion of such an investment opportunity, even if such opportunity falls within a Partnership’s investment objectives or strategy.

Allocation of Co-Investment Opportunities and Secondary Transactions. The Firm will determine if the amount of an investment opportunity exceeds the amount the Firm determines would be appropriate for the Partnerships (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to the Firm and/or the Partnerships or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the Firm to be in the best interest of the applicable Partnerships), and any such excess may be offered to one or more co-investors as set forth in the following paragraphs.

The allocation of co-investment opportunities may involve a benefit to the Firm, including the receipt of management fees or allocation of carried interest from the co-investor, and/or capital commitments to Partnerships (including successor Partnerships). As a result of the foregoing, the Firm could be incentivized to allocate a greater portion of an investment to a co-investor than it would have otherwise allocated absent such an arrangement or economic terms.

In general, (i) no investor in a Partnership has a right to participate in any co-investment opportunity and investing in a Partnership 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 Firm or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors in the Partnerships, in the sole discretion of the Firm or its related persons, and 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 Partnership, with the same, larger or smaller capital commitments to such Partnership, (iv) certain persons other than investors in the Partnerships (e.g., other Partnerships managed by the Firm, consultants, joint venture partners, Firm personnel, persons associated with a portfolio company and other third parties, including persons who the Firm believes will provide

a benefit to a Partnership and/or one or more portfolio companies or who provide a strategic sourcing or similar benefit to the Firm, a Partnership, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), rather than one or more investors in a Partnership, will, from time to time be offered co-investment opportunities, in the sole discretion of the Firm or its related persons, and (v) co-investors may purchase their interests in a portfolio company at the same time as the Partnerships or may purchase their interests from the applicable Partnerships after such Partnerships have consummated their investment in the portfolio company (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 do not require the Firm to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Firm from time to time may agree to give particular investors, Partnerships, 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 Firm's decision to offer certain opportunities for co-investment and could limit the ability of the Partnerships or their investors to be offered certain co-investment opportunities.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Partnerships and other potential co-investors, the Firm 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 Firm's evaluation of the size and financial resources of the potential co-investment party and the Firm'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 Partnership(s) without harming or otherwise prejudicing such Partnership, 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);
- Any confidentiality concerns the Firm has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Whether a potential co-investment party has a history of participating in opportunities and the Firm's perception of its past experiences and relationships with the 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 Firm 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);

- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party’s relationship with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- Whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to the Firm and assume a passive role in governing a portfolio company);
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- The Firm’s perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The Firm’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 or other strategic benefits; and
- The Firm’s evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Partnerships to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Partnership wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Partnership being able to capitalize on a potential investment opportunity).

The factors above are not listed in order of importance or priority and the Firm is not required to, and does not, consider 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. Subject to any applicable restrictions in the Agreements of Limited Partnership, the Firm’s exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Partnerships, potential co-investors, Firm personnel and third parties, and in the manner discussed above often will not, result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, the Firm may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the Firm and/or the general partners of the applicable Partnerships are entitled, under arrangements made with certain potential co-investment parties, to additional management fees and/or carried interest based on the availability of co-investment opportunities offered to such parties). The Firm expects that these factors will lead the Firm to favor some potential co-investors over others with respect to the frequency with which the Firm offers them co-investment opportunities. The Firm also expects to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors.

In the event the Firm determines to offer an investment opportunity to co-investors, there can be no assurance that the Firm will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Partnerships or that expenses incurred by the Partnerships with respect to the syndication of the co-investment will not be substantial and the Partnerships bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a 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 Partnership and as a result, may take a different view from the Firm, as to appropriate strategy for an investment or may be in a position to take a contrary action to a Partnership's investment objective.

In the event that the Firm is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, a Partnership may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended and would bear the entire portion of any fees, costs and expenses related to such investment, which could make a Partnership more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce a Partnership's overall investment returns. Therefore, it is possible that if a Partnership overcommits to an investment, it will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

The Firm or its affiliates may establish dedicated co-investment vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside a Partnership. Any such vehicle will be established at the Firm's or its affiliates' sole discretion and the Firm and its affiliates have no obligation to offer a similar opportunity to any limited partner.

In addition, to the extent the Firm has discretion over a secondary transfer of interests in a Partnership pursuant to such Partnership's Agreement of Limited Partnership, or is asked to identify potential purchasers in a secondary transfer, the Firm will do so in its sole discretion, generally taking into account the following factors:

- The Firm's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- The Firm's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Partnerships and/or the Firm and the expected amount of negotiations required in connection with a potential purchaser's investment;
- Whether the potential purchaser would subject the Firm, the applicable Partnership or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser's investment into another Partnership (including any commitment into a future partnership);

- Requirements in such Partnership’s Agreement of Limited Partnership; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

Cross Transactions. In certain cases, the Firm can be expected to cause a Partnership to purchase investments from another Partnership, or cause a Partnership to sell investments to another Partnership. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Partnership may not receive the best price or terms otherwise possible, or the Firm might have an incentive to improve the performance of one Partnership by selling underperforming assets to another Partnership in order, for example, to earn fees. Additionally, in connection with such transactions, the Firm, its affiliates and/or their professionals (i) will, from time to time, have significant investments, or intentions to invest, in the Partnership 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 Firm and its affiliates generally receive management or other fees in connection with their management of the relevant Partnerships involved in the transaction, and generally are entitled to share in the investment profits of the relevant Partnerships.

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. Very 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 Firm 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 Firm’s management of the Partnerships, the Firm and its affiliates may engage in principal transactions. The Firm has established 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 Partnerships regarding any proposed principal transactions and that any required prior consent of the Partnerships to the transaction be received.

Conflicts Related to Purchases and Sales. From time to time the Firm may, in its discretion, enter into transactions with investors in one or more Partnerships, prospective investors in a Partnership, co-investors, Firm personnel or third parties to dispose of, or “sell down,” all or a portion of certain investments held by one or more Partnerships. In exercising its discretion to select the purchaser(s) of such investments, the Firm will comply with the requirements set forth in the applicable Agreement of Limited Partnership, or to the extent not addressed in the applicable Agreement of Limited Partnership, the Firm may consider some or all of the factors listed above under “Allocation of Co-Investment Opportunities and Secondary Transactions.” The sales price for such transactions will be mutually agreed to by the Firm and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Firm and the Firm is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, which means the Firm may not obtain the highest price for the transaction. Furthermore, subject to the applicable Agreement of Limited Partnership, the Firm may charge (or may decide not to charge) a purchasing party interest costs for the time period between the closing of the applicable Partnership’s investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable purchasing party. 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 Partnership(s).

The Partnerships will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Partnership agrees that upon the closing of a transaction with respect to a potential portfolio company, it will purchase equity securities in a transaction. Furthermore, in certain instances the Partnerships will also enter into (a) limited guarantee arrangements whereby, subject to any applicable documentation, a Partnership agrees that if a transaction with respect to a potential portfolio company is not consummated, it will pay a percentage of the total value of the transaction as a “reverse termination fee” to the seller entity and (b) full guarantee arrangements where a Partnership agrees to close a transaction even if the debt financing for such transaction is not available or has not been funded. While certain co-investment vehicles with investments contractually tied to such Partnership (including co-investment vehicles through which employees of the Firms participate) are generally obligated to pay their proportionate share of the equity purchase price, such co-investment vehicles are generally not direct parties to the equity commitment arrangements or guarantees and, in any event, are not obligated to pay their proportionate share of any reverse termination fee. Therefore, in the unlikely event that a co-investment vehicle defaults on an arrangement with a Partnership to pay its proportionate share of the equity purchase price (if any) or such an arrangement does not exist, the Partnership would be held responsible for the entire equity purchase price or other applicable obligations.

The Partnerships, from time to time, co-invest with third parties through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks and conflicts that would not otherwise be present in investments where a third party is not involved. Such risks include, among other things, the possibility that the third party may have differing economic or business goals than those of a Partnership, or that the third party may be in a position to take actions that are inconsistent with the investment objectives of a Partnership. There may also be instances where a Partnership will be liable for the actions of such third-party co-investors. There can be no assurance that the return of a Partnership participating in a transaction with a third party would be equal to and not less than a Partnership participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Allocation of Expenses. From time to time the Firm will be required to decide whether certain fees, costs and expenses should be borne by the Firm, a Partnership, a portfolio company, co-investors and/or a third party (each, an “Allocable Party”) and if so, how such fees costs and expenses should be allocated among the relevant Allocable Parties. Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party or, fees, costs and expenses may be allocated among multiple Allocable Parties. The Firm will make allocation determinations among Allocable Parties on a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation (which such methodologies may include pro rata allocation based on the respective capital commitments of a Partnership, pro rata allocation based on the respective investment (or anticipated investment) of an Allocable Party in an investment, or such other fair and equitable method as determined by the Firm in its sole discretion). The Firm will make any corrective allocations and take any

mitigating steps if it determines in its sole discretion that such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Partnership for a particular service will not always reflect the relative benefit derived by such Partnership from that service in any particular instance and the Firm may determine an allocation of expenses to be fair and equitable even where a Partnership is required to bear more than its proportional share of such fees or expenses relative to other Allocable Parties receiving the same service or participating in the same transaction. In addition, a Partnership will bear more or less of a particular expense based on the methodology used, and a Partnership will bear more or less of a particular expense based on the number of Allocable Parties the Firm selects to bear the expense in its initial allocation determination. When making expense allocation determinations, the Firm generally will allocate an expense to one or more Allocable Parties that are in existence and identified as such at the time the expense allocation determination is made. Accordingly, it can be expected that in certain cases Allocable Parties that were not in existence or otherwise identified as Allocable Parties at the time an expense is allocated will ultimately benefit from a particular expense, without having borne any portion of such expense, and in such cases the Firm will not re-allocate the expense to each such future Allocable Party, and such future Allocable Part(ies) will benefit at the expense of other Allocable Parties, including certain Partnerships.

There may be occasions when one Allocable Party (the “Payor Allocable Party”) pays an expense common to multiple Allocable Parties (the “Allocated Parties”) (e.g., legal expenses for a transaction in which multiple funds and/or co-investors participate). On such occasions, each Allocated Party will reimburse the Payor Allocable Party for its share of such expense, generally without interest, promptly after the payment is made by the Payor Allocable Party.

In each case where co-investors (or co-investment vehicles, including those through which principals, employees and consultants of the Firm invest) participate in an investment, such co-investors (or co-investment vehicles, including those through which principals, employees and consultants of the Firm invest) will bear their pro rata share of expenses associated with a consummated investment but will not bear broken deal expenses or other Partnership expenses.

The Firm, from time to time, enters into arrangements with third-party advisers and consultants who provide services relating to investment disposition, for which such advisers and consultants are paid compensation or other fees and/or are reimbursed for certain expenses. Any fees and expenses associated with such investment disposition will be allocated to the applicable Partnership(s), consistent with the allocation process described above.

Management of the Partnerships. The Firm advises a number of Partnerships that have investment objectives similar to each other. The Firm expects that it or its personnel will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current Partnerships. The Firm may give advice or take actions with respect to, the investments of one or more Partnerships that may not be given or taken with respect to other Partnerships with similar investment programs, objectives or strategies. As a result, Partnerships with similar strategies will not hold the same securities or achieve the same performance. In addition, a Partnership generally will not be able to invest through the same investment vehicles, or have access to similar credit or utilize similar

investment strategies as another Partnership. 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 employees of the Firm responsible for advising a particular Partnership will have responsibilities with respect to other Partnerships managed by the Firm, including funds raised in the future or to proprietary investments made by the Firm and/or its principals of the type made by a Partnership. Conflicts of interest arise in allocating time, services or functions of these Firm personnel. Firm personnel have an incentive to allocate more time, services or functions to Partnerships from which such personnel derive a higher economic benefit and/or better performing Partnerships.

In addition, the Firm expects to, from time to time, consider an investment opportunity for one Partnership and then subsequently determine to have another Partnership make the investment. In making any such reallocation determination, the Firm will consider a variety of factors, including those set forth above under “Allocation of Investment Opportunities Among Clients”. Conflicts of interest arise in connection with such a reallocation, including those set forth above under “Allocation of Investment Opportunities Among Clients”. In addition, a conflict of interest exists because the investing Partnership will benefit from the initial evaluation, investigation and due diligence undertaken by the Firm on behalf of the original Partnership for which the investment was initially considered. In certain cases, such reallocation determination will occur after a significant period of time has passed and the Partnership to which the investment was originally allocated has incurred substantial out-of-pocket expenses in connection with evaluating, investigating and diligencing such investment. The investing Partnership typically will not be required to reimburse the original Partnership for such expenses. In the event that the investing Partnership does reimburse the original Partnership for out-of pocket expenses incurred in connection with evaluating, investigating and diligencing such investment, the investing Partnership typically will not pay interest on any such amounts reimbursed to the original Partnership. Alternatively, if the investing Partnership does pay interest on such amounts to the initial Partnership, there can be no assurance any such interest will be paid over at the same time as such reimbursement or that the amount of such interest will be sufficient to compensate the original Partnership for the time since it deployed capital to pay such expenses. The Firm experiences conflicts of interest in connection with causing one Partnership to incur expenses that may ultimately benefit another Partnership, and similarly experiences conflicts of interest in determining the need for, calculating the amount of, and effecting any such reimbursement, as such arrangements may involve the discharge of a liability that one Partnership owes to another Partnership, and in all such cases these determinations, calculations, and terms are not arm’s length arrangements and there can be no assurance that the allocation of such expenses is in the best interest of the Partnerships. There can be no assurance that any amounts reimbursed to the original Partnership will be commensurate with the benefit received by the investing Partnership.

In addition, the Firm receives and generates various kinds of portfolio company data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information may, in certain instances, include confidential and/or sensitive information received or generated in connection with efforts on behalf of the Partnership’s investment (or prospective investment) in a portfolio company. As a result, the Firm is better able to anticipate macroeconomic and other trends, and otherwise

develop investment strategies. The Firm may in the future enter into information sharing and confidentiality arrangements with portfolio companies and other sources of information that may limit the internal distribution and use of such data. The Firm is likely in the future in certain instances to use this information in a manner that may provide a material benefit to the Firm, its affiliates, or to certain other Partnerships without compensating or otherwise benefitting the Partnership or Partnerships from which such information was obtained. In addition, the Firm may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. The Firm is likely in the future to utilize such information to benefit the Firm, its affiliates, and/or certain Partnerships in a manner that may otherwise present a conflict of interest resulting from the particular facts and circumstances, but does not intend to specifically disclose such conflicts to the Partnerships.

Conflicts Relating to Partnerships' General Partners and the Firm. Officers, principals, employees and other personnel of the Firm, as well as officers, principals, employees and other personnel of its affiliates and certain independent contractors ("Firm personnel") and other related persons of the Firm and its affiliates are expected to make capital investments in and alongside the Partnerships.

The Firm, its affiliates, and partners, officers, principals and employees of the Firm and its affiliates may buy or sell securities or other instruments that the Firm has recommended to a Partnership. Firm personnel may also buy securities in transactions offered to but rejected by a Partnership, subject to obtaining approval of the Chief Compliance Officer or a designee. A conflict of interest may arise because such investing Firm personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Firm on behalf of the Partnerships. In such circumstances, the investing Firm personnel will not share or reimburse a Partnership and/or the Firm for any expenses incurred in connection with the investment opportunity.

In addition, Firm personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Partnerships and/or which may invest in similar industries and sectors as the Partnerships. Such Firm personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as the Partnerships and there may be situations in which such investment vehicle purchases securities from, or sells securities to, the Partnerships. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Partnerships. Such personnel may be incentivized to cause a Partnership to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles. The transactions described above are subject to the policies and procedures set forth in the Firm's Code of Ethics and investors in the Partnerships will not benefit from any such investments.

Firm personnel have family members that are involved in industries and sectors in which Partnerships invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors,

personnel or owners of companies which are actual or potential investments of a Partnership or other counterparties of a Partnership and a Partnership's portfolio companies. Moreover, in certain instances, a Partnership or portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement.

Fee Structure. The Firm has discretion in determining whether and when an investment has been written off or down, which, during certain times during the life of a Partnership, impacts the calculation of management fees. As a result, a conflict of interests exists because the Firm has an incentive to refrain from or delay writing off or down investments to ensure the management fee base does not decrease, which would result in higher management fees ultimately paid to the Firm. In general, the Firm evaluates several criteria in determining whether to permanently write off or down an investment, including, without limitation, how long the investment has been held, length of time the investment has been marked down, materiality of markdown, anticipated holding period of the investment, volatility in valuation, impact of market conditions on valuation, other valuation methodologies showing increased valuations, and anticipated recovery path for the investment. The Firm may change these criteria in its sole discretion from time to time and the Firm has flexibility in determining the applicability and weight of these factors and has ultimate discretion in determining whether an investment should be written off or down. As a result, the Firm is permitted to determine that even distressed investments should not be written down. There can be no assurance that an investment, in hindsight, should have been written off or down or should have been written off or down at an earlier date.

A Partnership's general partner may be required to return excess amounts of carried interest as a "clawback". This clawback obligation may create an incentive for such general partner of a Partnership to defer disposition of one or more investments or delay the liquidation of such Partnership if the disposition and/or liquidation would result in a realized loss to the Partnership or would otherwise result in a clawback situation for the general partner.

In addition, the Partnerships' general partners are incentivized to hold on to investments that have poor prospects for improvement to support receipt of ongoing management fees in the interim and, potentially, a more likely or larger carried interest distribution if such asset's value appreciates in the future. This incentive is increased by the presence of the clawback obligation of the Partnerships' general partners.

Business with and Among Portfolio Companies, Investors and Prospective Investors. Given the collaborative nature of the Firm's business and the portfolio companies in which the Partnerships have invested, there are often situations where the Firm is in the position of recommending the services of a portfolio company to other portfolio companies of the Partnerships, which may involve fees, commissions, servicing payments and/or discounts to a portfolio company. The Firm will generally have a conflict of interest in making such recommendations, in that the Firm has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Partnerships, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Partnerships. The benefits received by a portfolio company providing a service may be greater than those received by the Partnership(s) and its portfolio companies receiving the service.

In certain instances, a Partnership's portfolio company competes with, is a customer of, or is a service provider to, another Partnership's portfolio company. In providing advice to a portfolio company's business, the Firm may consider the interests of one portfolio company or Partnership and is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Partnerships. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by the Firm to a portfolio company may have adverse consequences to a separate portfolio company owned by another Partnership. The performance and operations of a competitor, customer or service provider portfolio company could conflict with, and adversely affect the performance and operations of another portfolio company, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

In addition, certain portfolio companies controlled by a Partnership may engage in activities that could adversely affect another Partnership and/or its portfolio company, 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 Partnership and/or a portfolio company being used to satisfy the obligations or liabilities of another Partnership or its portfolio company.

The Firm and/or its affiliates may engage in business opportunities arising from a Partnership's investment in a portfolio company. This creates a conflict of interest, as such interests are a benefit arising from the Partnership's investment and may vary from the Partnership's interest (e.g., whether to make a follow-on investment).

Other Potential Conflicts. The Agreements of Limited Partnership establish complex arrangements among the Partnerships, the Firm, 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 Agreements of Limited Partnership, 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 Firm 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 Partnership or its investors.

The Firm and its personnel are expected, from time to time, to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Partnerships,

including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Partnership expenses may result in “miles” or “points”, rebates, or credit in loyalty/status programs to the Firm and/or its personnel. Such benefits, rewards and/or amounts (whether or not de minimis or difficult to value), will exclusively benefit the Firm and/or such personnel even though the cost of the underlying service is being borne by the Partnerships, its limited partners and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Partnership, its limited partners and/or the portfolio companies. In addition, airline travel incurred for Firm personnel travelling for appropriate Partnership-related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other Partnership-related matter) may benefit such Firm.

The Partnerships may create a platform for acquiring companies in a particular industry for the purpose of creating synergies across, and adding value to, such companies (e.g., merging companies together to create economies of scale or running certain companies in a coordinated manner). In such instances, a holding company (“Holding Company”) would be created that would acquire and manage the companies in the platform. The Holding Company would be staffed with personnel responsible for sourcing, acquiring and managing companies for the Holding Company. In certain circumstances, such Holding Company employees may include former employees of the Firm, or current or former senior advisors or consultants to the Firm and its affiliates. The Holding Company’s costs and expenses (including compensation for its personnel, which compensation may include, among other things, the granting of profit participation in certain investments of Holding Company and/or a capital interest in such investments or the underlying assets) would be borne by the Holding Company (and, therefore, indirectly borne by a Partnership). Such costs and expenses will not offset the management fee and are in addition to management fees and other compensation (e.g., carried interest) received by the Firm. In addition, as the Firm earns management fees and carried interest from the Partnerships, the Firm will benefit from the assets, income and gains of such Holding Company.

The Firm expects to cause the Partnerships to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure a Partnership, the general partner of a Partnership, the Firm and/or Firm personnel and their respective agents, representatives, members of the Board of Advisors and other indemnified parties, against liability in connection with the activities of the Partnerships. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Firm that cover one or more Partnerships and/or the Firm (including Firm personnel and their respective agents, representatives, members of the Board of Advisors and other indemnified parties). The Firm will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Partnerships, and/or the Firm 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 Partnership bearing less (or more) premiums, fees, costs and expenses for insurance policies.

Please see the discussion above under the sub-heading “Resolution of Conflicts” for a description of the means by which the Firm and its related persons may seek to alleviate conflicts of interest among the Partnerships or other persons.

Prospective investors in a Partnership should review the Partnership’s Agreement of Limited Partnership and related documents to understand the risks and potential conflicts of interest. However, the risks and potential conflicts of interests described in a Partnership’s Agreement of Limited Partnership are not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operation of a Partnership.

Brokerage Practices

The Firm focuses on making investments in private securities, thus it does not ordinarily deal with any financial intermediary such as a broker-dealer and commissions are not ordinarily payable in connection with such investments. The Firm is generally authorized to make the following determinations, subject to the Partnership’s investment objectives and restrictions, without obtaining prior consent from the relevant Partnership or any of their investors: (i) which securities or other instruments to buy or sell; (ii) the total amount of securities or other instruments to buy or sell; (iii) the executing broker or dealer for any transaction; and (iv) the commission rates or commission equivalents charged for transactions.

In making its decisions regarding the allocation of brokerage transactions for Partnerships, the Firm will consider a variety of factors including but not limited to: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker-dealer or counter party; and (iv) the competitiveness of commission rates in comparison with other broker-dealers. Although the Firm generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

The Firm does not participate in any soft dollar arrangements outside of receiving research available to other institutional investors. Research services received from brokers and dealers are supplemental to the Firm’s own research effort. To the best of the Firm’s knowledge, these services are generally made available to all institutional investors doing business with such broker dealers. The Firm does not separately compensate such broker-dealers for the research and does not believe that it “pays-up” for such broker-dealers’ services due to the difficulty associated with the broker-dealers not breaking out the costs for such services.

Review of Accounts

The Firm focuses on investments in private equity. All investments are carefully reviewed and approved by the Firm's IRC which is comprised of every general partner of the Firm. The progress of all portfolio companies is carefully monitored on a regular basis and is subject to the constant supervision and review by the Firm's investment professionals.

The Firm provides quarterly and annual reports to each limited partner and conducts a quarterly conference call to which the limited partners may dial-in. The quarterly reports include detailed Partnership financial statements and individual portfolio company summaries as well as investment memorandums describing the major events and valuation changes that occurred during the quarter with an overview of general market conditions. The Firm also provides audited financial statements annually and holds an annual investor meeting as well as Limited Partnership Advisory Committee meetings each year.

Client Referrals and Other Compensation

During a fundraising cycle for a Partnership, the Firm has in the past and expects that it will in the future retain and compensate placement agents who introduce new investors that commit capital. The amount paid to placement agents ranges up to 2.00% of the capital raised, and all placement fees will be fully disclosed to investors referred by placement agents.

The Firm or its affiliates have in the past and may in the future receive Other Fees. A percentage of Other Fees received by the Firm or any of its affiliates may be applied to reduce the management fee otherwise payable, pursuant to the applicable Agreement of Limited Partnership. Also, a general partner or other employee of the Firm who serves on the board of directors of a portfolio company may receive cash compensation, options and/or restricted stock in his capacity as a director. All compensation received by a general partner or other employee of the Firm for service on a portfolio company's board of directors must be turned over to the Firm and is also applied as a creditable fee to reduce the management fee payable by limited partners.

Custody

Item 15 is not applicable to the Firm.

Investment Discretion

The Firm generally has discretionary authority to determine, without obtaining specific consent from the Partnership or its limited partners, the securities and amount to be bought or sold. Any limitations on authority are included in the Partnership's Agreement of Limited Partnership and other governing documents.

Voting Client Securities

Most of the portfolio companies held by the Partnerships are private companies which typically do not issue proxies. However, in the event proxies have to be voted, the Firm has adopted proxy voting policies and procedures, and shall be responsible for voting proxies on behalf of the

Partnerships. The Firm shall vote client proxies in a way that it believes will maximize shareholder value. In exercising its voting discretion, the Firm and its employees will avoid any direct or indirect conflict of interest raised by such voting decision. The Firm will provide adequate disclosure to the applicable Partnership's Limited Partner Advisory Committee if the Firm determines that any substantive aspect or foreseeable result of the subject matter to be voted upon raises an actual or potential material conflict of interest to WCAS or any of its affiliates. A number of the Firm's investment professionals serve as board members for the Partnerships' portfolio companies. In situations where the Firm votes the proxy for a company in which a member of the Firm serves on the board of directors, the Firm has determined that it does not inherently present a conflict of interest as the purpose for serving on the board is to maximize the return on a Partnership's investment and to ensure that such Partnership's interests are protected.

A record of all proxy votes cast on behalf of the Partnerships is maintained and available for review. Limited partners should contact Jonathan Rather for a copy of the proxy voting policy or information with respect to a specific proxy vote.

Financial Information

Neither WCAS nor WCAS Management has ever filed for bankruptcy and the Firm is not aware of any financial condition that is expected to affect the Firm's ability to manage client accounts.