

Item 1. Cover Page

**Form ADV Part 2A
Firm Brochure**

Genstar Capital Management LLC

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This brochure provides information about the qualifications and business practices of Genstar Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at 415-834-2350. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Genstar Capital Management LLC (“Genstar” or the “Firm”) also is available on the SEC’s website at www.adviserinfo.sec.gov.

Genstar refers to itself as a “registered investment adviser”. Registration does not imply a certain level of skill or training.

Item 2. Material Changes

The date of the last filed amendment to the Firm's brochure was on March 30, 2023. This amendment includes revised information about business risks (Item 8).

Nevertheless, investors are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

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Item 4. Advisory Business

General Information

This brochure is prepared on behalf of Genstar Capital Management LLC, Genstar Capital Partners LLC, and Genstar Capital LLC (together with their affiliates that provide advisory services to and/or receive management fees from the Funds (as defined below), “**Genstar**” or the “**Firm**”), in accordance with the requirements of Rule 203-1 under the Investment Advisers Act of 1940, as amended, (“**Advisers Act**”) and Form ADV. Such affiliates may or may not be under common control with Genstar Capital Management LLC, but possess a substantial identity of personnel and/or equity owners with Genstar Capital Management LLC. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds (as defined below), or may serve as General Partners (as defined below) of the Funds. The information herein responds to specific information required by Rule 203-1, and Form ADV, and does not contain all of the terms of an investment in any of the Funds. Investors should refer to the information in the Fund Documents (as defined below) for additional information regarding an investment in any of the Funds.

Our Firm

Genstar is a San Francisco-based private investment firm. The principal owners of Genstar Capital Management LLC, Genstar Capital LLC, and Genstar Capital Partners LLC are Jean-Pierre L. Conte, J. Ryan Clark, Anthony J. Salewski, Robert S. Rutledge, and Eli P. Weiss (the “**Managing Partners**”). Genstar has been in business for approximately 35 years.

Genstar makes controlled, growth-oriented private equity investments in middle-market companies headquartered in North America. Middle-market companies generally are companies having an enterprise value of approximately \$250 million to \$1.5 billion. The Firm targets investments in four core industry verticals (“**Core Verticals**”) of Financial Services, Healthcare, Industrials, and Software. Genstar’s advisory services consist of providing investment advice and other management and administrative services, including investigating, structuring, and negotiating potential investments on behalf of the Funds, monitoring the performance of such investments and advising as to disposition of such investments. Genstar may serve as the investment adviser or general partner to the Funds in order to provide such services.

Ownership and Structure

Genstar is a Delaware limited liability company that is registered with the SEC as an investment adviser under the Advisers Act. Together with trusts for the benefit of their families, the Managing Partners are the principal owners of the Firm.

Nature of Our Clients

Genstar provides discretionary investment management services through affiliated General Partners to private investment funds (the “**Funds**”). The Funds are typically U.S. limited

partnerships or other investment vehicles that are not registered or required to be registered under the U.S. Investment Company Act of 1940, as amended, (“**1940 Act**”) or the U.S. Securities Act of 1933, as amended, (“**Securities Act**”), and are privately placed to qualified investors in the U.S. and elsewhere.

The Funds are collectively referred to in this brochure as “**Clients**.” Persons and entities that invest in the Funds are referred to in this brochure as “**investors**” or “**limited partners**.” Genstar provides investment advice and other services directly to the Funds and not individually to the investors in the Funds.

Genstar does not currently participate as manager in any wrap fee programs.

Types of Advisory Services Offered

Discretionary investment management services are provided to the Funds in accordance with the terms of private placement memoranda and relevant offering materials and governing documents, including limited partnership agreements, side letters and management agreements, of the Funds (together, the “**Fund Documents**”).

Discretionary investment management services are provided directly to each Fund, subject to the discretion and control of the applicable general partner of such Fund, Genstar Capital V, L.P., Genstar Capital VI, L.P., Genstar Capital VII, L.P., Genstar Capital VIII, L.P., Genstar Capital IX, L.P., Genstar Capital X, L.P. and Genstar Capital XI, L.P. (each a “**General Partner**” and, collectively, the “**General Partners**”), and not individually to the investors in such Fund. The terms upon which the Firm serves as investment manager of a Fund are established at the time such Fund is established and are generally set out in the Fund Documents applicable to such Fund. These terms may vary among each Fund and potentially restrict investments in accordance with certain diversification provisions.

Assets Under Management

As of December 31, 2023, Genstar managed \$48,648,549,452 of Client assets, all of which are managed on a discretionary basis. This includes the committed capital that may be called by the Funds from their respective limited partners.

Item 5. Fees and Compensation

Management Fees

Genstar and affiliated General Partners of the Funds generally receive management fees and “**Carried Interest**” allocations, as described in Item 6 below, respectively, in connection with the investment management and other services the Firm and the General Partners provide to the Funds. Such fees and Carried Interest allocations paid by a Fund are indirectly borne by investors in such Fund.

The Funds generally pay annual management fees based upon aggregate commitments during the commitment period (*i.e.*, period of time during which the applicable General Partner may draw upon the limited partners’ capital commitments to make new investments

pursuant to and in accordance with the terms and conditions set forth in the Fund Documents of the relevant Fund), and, following the commitment period, based upon funded commitments with respect to investments that have not been the subject of a disposition as applicable, and any outstanding borrowings of the Funds in respect of such investments. Management fees are payable in advance on a quarterly basis.

To the extent provided in the Fund Documents of the Funds, Genstar will pay out of management fees its own operating expenses incurred in connection with the management of the Funds (which, for the avoidance of doubt, exclude those expenses borne directly by the Funds as described below). Additionally, Genstar will bear full economic responsibility for organizational expenses in excess of formation expenses (excluding any Non-U.S. Regulatory Expenses (as defined below)) and for any placement fees (other than fees or interest that, in the good faith judgment of the General Partner, are incurred in connection with or arising out of the engagement by the Fund of any placement agent solely for the purpose of complying with applicable regulations in a specific jurisdiction with respect to marketing interests in such jurisdiction (“**Local Intermediary Fees**”)) through an offset against management fees.

Organizational and Offering Expenses

Each Fund will bear all reasonable costs and out-of-pocket expenses incurred in connection with the formation and organization of such Fund and the relevant General Partner, and the marketing, offer and sale of interest, as determined by each General Partner, including all placement fees and Non-U.S. Regulatory Expenses and all out-of-pocket legal, accounting, printing, consultation, administrative fees and expenses, including in connection with any electronic subscription platform, travel, filing fees and similar expenses (including the costs of attending industry and other related conference and meetings related to fundraising or potential investors), and expenses incurred in connection with webcasts, video conferencing or similar technology services utilized in connection with marketing the interests in the Funds (excluding any placement fees and any Non-U.S. Regulatory Expenses), up to an amount provided, and subject to the terms set forth in the relevant Fund Documents. Genstar will bear full economic responsibility for organizational expenses in excess of this amount, subject to the terms provided in the relevant Fund Documents.

Other Expenses, Transaction Fees and Offset of Management Fees

Except as noted above, and subject to the terms of the Fund Documents, each Fund will pay all other costs, expenses and liabilities that in the good faith judgment of the relevant General Partner are incurred by or arise out of the operation and activities of such Fund and the performance by the applicable General Partner and Genstar of their respective obligations under the relevant Fund Documents, as further set forth in the relevant Fund Documents.

Genstar expects to, in accordance with the terms and conditions set forth in the Fund Documents, perform management, advisory, transaction-related, financing, monitoring, director, financial advisory and other services (“**Related Services**”) for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with mergers, acquisitions, add-on acquisitions, refinancings,

public offerings, sales, unconsummated transactions and similar transactions (“**Transaction Fees**”). For purposes of determining the management fee offset described below, Transaction Fees exclude any portion thereof that is allocable to or is based on an investment by any parallel fund, alternative investment vehicle, co-investment vehicle, or other investor (including, for the avoidance of doubt, any third-party co-investors or priority co-investors), on the basis of capital committed (or to be committed) by each to the relevant transaction. Generally, under the terms of the applicable Fund Documents, these Transaction Fees are net of out-of-pocket costs and expenses incurred by Genstar in connection with consummated or unconsummated investments or in connection with generating any such fees. These Transaction Fees may be substantial and may be paid in cash, in securities of the portfolio companies or investment vehicles (or rights thereto) or otherwise. Although these fees are in addition to the management fees, Genstar will generally apply all or a percentage of such fees to reduce the amount of management fees paid by the applicable Fund in connection with the receipt of such fees. The amount and manner of such reduction is set forth in the Fund Documents of the applicable Fund. As some Funds do not pay management fees, any such reduction will not benefit such Funds. Any such reduction of a Fund’s management fees will be limited to the extent of such Fund’s proportionate interest in the applicable portfolio company. There are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of such fees. Since the management agreements with the portfolio companies providing for such fees may have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewal), the effect of any such acceleration may be substantial, particularly in the event such circumstances occur early in the life of the Fund’s investment in such portfolio companies. Additionally, certain portfolio companies and/or other third persons may reimburse Genstar for expenses, including, without limitation, variable travel expenses incurred in accordance with Genstar’s travel policy as in effect from time to time, which may, in accordance with the terms and conditions set forth in the Fund Documents, include expenses for chartered or first-class travel, expenses associated with the structuring, negotiating, making, sourcing (including any retainers, success and finder’s fees and other compensation paid to contractors), researching, acquiring, monitoring, restructuring, holding, selling and otherwise disposing of, or otherwise related to, such Fund’s proposed or actual investments; all third party expenses relating to unconsummated transactions (*i.e.*, broken deal expenses, break-up fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties) and temporary investments, variable administrative expenses (such as research), lodging, meals and entertainment, due diligence expenses (including fees for attending conferences the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts; expenses related to recruitment of executive staff; legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith) incurred by Genstar in connection with its performance of services for such portfolio company. Such reimbursed expenses are generally not included in the definition of “Transaction Fees” under the terms of the applicable Fund Documents, and such reimbursements are not subject to the sharing arrangements described above. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see Item 11 below.

From time to time, Genstar will (in its sole discretion) agree to pay a portion of a Transaction or other fee received from an actual or prospective portfolio company to a third party (“**Third Party Fee**”), such as a consultant, advisor, finder, broker and/or investment bank. In such event, the Third Party Fee is not a fee that Genstar is entitled to retain and therefore, Genstar is not required under the terms of the applicable Fund Documents to offset such Third Party Fee against a Fund’s management fee.

Genstar also engages and retains operating partners, senior advisors, operating executives, strategic advisers, consultants, and other similar professionals who are not employees or affiliates of Genstar and who, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not be subject to the sharing arrangements described above.

As further described herein and in the applicable Fund Documents, Genstar has created a Strategic Advisory Board (“**SAB**” or “**Strategic Advisory Board**”) consisting of senior executives who are engaged with Genstar, who will consult with Genstar on various matters, including issues relating to investments, general market trends, specific transactions and management assessment. Additionally, as part of its strategy, Genstar has entered into and may enter into certain strategic relationships with operating executives to provide certain services in connection with sourcing investments, due diligence and/or providing operating management to portfolio companies. The members of the SAB will, and operating partners have in the past and may in the future, receive payments from, or allocations with respect to, portfolio companies or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not offset the management fee payable in respect of the Funds for purposes of Transaction Fees.

The members of the SAB will, and operating partners have in the past and in the future, also receive other benefits, including the opportunity, either through the Fund or a separate investment vehicle, to invest in each of the Fund’s investments at the same time and on the same terms as the limited partners, but without payment of management fees or Carried Interest, or in particular investments in portfolio companies. In addition, members of the SAB will, and any operating executives have in the past and may in the future, receive compensation, guaranteed payments, cash fees, a share of proceeds upon sale of a portfolio company or other incentive-based compensation. Compensation paid to the members of the SAB will be borne by Genstar. Members of the SAB will, and operating partners have in the past and may in the future, also receive reimbursement from the Funds of certain costs and expenses that are incurred in connection with providing services with respect to the Fund, including their reasonable out-of-pocket expenses (including their travel expenses) incurred in connection with attending meetings of the SAB. In addition, expenses of holding meetings of the SAB (including venue, travel and related expenses) may be borne by the Fund.

In addition, these persons will (i) receive compensation, guaranteed payments, cash fees, a share of proceeds upon sale of a portfolio company or other incentive-based compensation for their services from the applicable portfolio companies and (ii) invest directly in one or

more portfolio companies. Any such cash or non-cash consideration received by a member of the SAB or an operating executive from a portfolio company will not be Transaction Fees subject to offset pursuant to the applicable limited partnership agreement.

The precise amount of, and the manner and calculation of, the management fees for each Fund are established by Genstar, as modified by negotiations with limited partners in the applicable Fund, and are set forth in such Fund's Fund Documents received by each limited partner prior to investment in such Fund. Genstar may irrevocably elect to waive all or any portion of the management fee payable with respect to one or more limited partners. The management fees and other fees and distributions described above are generally subject to waiver or reduction by Genstar in its sole discretion, both voluntarily and on a negotiated basis with selected investors. The fee structures described above may be modified from time to time. Fees may differ from one Fund to another, as well as among limited partners in the same Fund.

To the extent provided in the applicable Fund Documents, Genstar will pay all of its own ordinary administrative and overhead expenses in managing Fund investments, including salaries, benefits and rent.

In accordance with the applicable Fund Documents, each Fund, and its underlying investors, will pay all other costs, expenses and liabilities that in the good faith judgment of the General Partner are incurred by or arise out of the operation and activities of the Fund and the performance by the General Partner and Genstar of their respective obligations under the applicable Fund Documents, including: (a) costs, expenses and other liabilities that in the good faith judgment of the General Partner are incurred in connection with or arising out of the Alternative Investment Fund Managers Directive ("**AIFMD**") or comparable regimes or statutes in other non-U.S. jurisdictions, including reports, disclosures, filings, registrations and legal expenses related thereto, including Local Intermediary Fees (together, "**Non-U.S. Regulatory Expenses**"); (b) the management fee; (c) those associated with the structuring, negotiating, making, sourcing (including any retainers, success, finder's, syndication, solicitation, arranger or sales fees or commissions, and other compensation paid to contractors (whether or not related to an investment in a portfolio company) but excluding any compensation paid to members of the SAB), researching, acquiring, monitoring, restructuring, selling or otherwise disposing of, or otherwise relating to, consummated investments, proposed but unconsummated investments and restructurings (including break-up fees and fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties), and temporary investments, including travel expenses incurred in accordance with Genstar's travel policy as in effect from time to time, variable administrative expenses (such as research), lodging, meals and entertainment expenses, due diligence expenses (including fees for attendance of industry conferences, the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts, legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith, to the extent that such fees and expenses are not reimbursed by a portfolio company or other third person; (d) premiums for insurance protecting the Fund and any indemnitees (as defined in Fund Documents) from liabilities to third persons in

connection with Fund affairs, including fees and expenses incurred in connection with obtaining representations and warranties insurance, D&O liability, professional liability, fidelity liability and other similar liability insurance; (e) legal, auditing, consulting and accounting fees and expenses, including expenses associated with the preparation of the Fund's financial statements, tax returns and reports to limited partners, and fees, costs, and other expenses incurred in connection with the maintenance of the Funds' books of account; (f) communications expenses (including the cost of any software or online data portal utilized in connection therewith or with reporting and any expenses incurred in connection with webcasts, video conferencing or similar technology services); (g) custodial and banking fees and expenses; (h) appraisal expenses, including the cost of obtaining positive assurance from an independent appraisal firm on the General Partner's determination of fair value with respect to each investment; (i) those of depository, custodial, valuation, trustee, paying agent, record-keeping and administrator services (including, but not limited to, fees, expenses and costs incurred in connection with the preparation and circulation of drawdown notices and distribution notices); (j) those associated with the organization, documentation and maintenance of any Alternative Investment Funds (as defined in Fund Documents), holding vehicles (as defined in Fund Documents), taxable subsidiaries (as defined in Fund documents) and underlying partnerships (as defined in Fund Documents); (k) reasonable out-of-pocket expenses of the limited partner advisory board and the SAB and expenses of meetings thereof (including travel expenses) and the annual leadership conference among the members of the limited partner advisory board, chief executive officers of portfolio companies, members of the SAB, operating partners, and Managing Partners (and their respective spouses) and fees and expenses of any independent legal counsel or financial advisors engaged by the advisory boards in accordance with the Fund Documents; (l) those associated with meetings of limited partners; (m) those incurred in connection with the implementation of environmental, social and governance policies in connection with the activities of the Fund or any investment or proposed investment, including due diligence and reporting; (n) those incurred in connection with any sector-specific summits or similar meetings among chief executive officers, chief financial officers or other senior executives of any portfolio companies or prospective portfolio companies and members of the SAB, operating partners, Managing Partners and other investment professionals of Genstar; (o) those that are classified as extraordinary expenses under generally accepted accounting principles (such as litigation or indemnity expenses, in each case, including the amount of any judgments or settlements paid in connection therewith); (p) those incurred by the tax matters representatives as provided under the Fund Documents or in connection with any tax filing, audit, investigation, arbitration, settlement or review of any Fund, and all taxes, interest, fees and other governmental or regulatory charges, fees and duties payable by the Fund (including interest and penalties thereon), in each case, except to the extent that such amounts are (i) allocable to, or indemnifiable by, a Managing Partner and (ii) actually borne or paid by such Managing Partner; (q) those related to any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions, whether judicial, administrative, investigative or otherwise, of whatever nature, known or unknown, liquidated or unliquidated, that may accrue to or be incurred by any indemnitee, or in which any indemnitee may be involved, as a party or otherwise, or with which an indemnitee may be threatened, relating to or arising out of the investment or other activities of the Fund, or activities undertaken in connection with the Fund, or otherwise relating to or arising out of the limited partnership agreement, including amounts paid in satisfaction

of judgments, in compromise or as fines or penalties, and counsel fees and expenses incurred in connection with the preparation for defense or disposition of any investigation, action, suit, arbitration or other proceeding, whether civil or criminal; (r) interest on and fees and expenses arising out of permitted borrowings, guarantees or other credit arrangements entered into by the Fund and other fees and expenses relating to borrowed money, including those incurred in negotiating, entering into, effecting, maintaining, varying and terminating any such arrangements; (s) those relating to a defaulting limited partner; (t) those incurred in connection with hedging transactions; (u) those incurred in connection with government and regulatory filings required to be made in respect of the Fund or any Alternative Investment Fund (including Form PF but excluding Form ADV) and those related to compliance with privacy laws, rules or regulations of any applicable jurisdiction, including the General Data Protection Regulation; (v) those incurred in connection with any actual or proposed purchase, sale, assignment, pledge or transfer of a limited partner's interest (as defined in Fund Documents) or the withdrawal or termination of a limited partner (except to the extent allocable to or payable by, and actually borne and paid by, the applicable purchaser or limited partner, assignee, pledgee or transferee, as the case may be), including prospective transfers that are not consummated and those incurred in connection with transferring a limited partner's commitment to a parallel fund, as well as those incurred in connection with the preparation of "form" transfer documentation; (w) those incurred in connection with winding up and liquidating the Fund and its subsidiaries or any Alternative Investment Funds, holding vehicles, taxable subsidiaries or underlying partnerships; (x) those incurred by subsidiaries of the Fund or Genstar, in each case, through which investments are held or managed and formed for the purposes of maintaining a permanent residence in certain jurisdictions, including costs associated with establishing, administering and managing such entities (such as rent for office space, related overhead, board of directors expenses and employee salaries and benefits) and winding up and dissolving such entities; (y) those incurred in connection with the administering of, compliance with, and the monitoring of compliance with "side letters" entered into with any limited partner and the limited partnership agreement, including summaries thereof or revisions or amendments thereto, including costs, fees and expenses payable to any service providers engaged in connection therewith; (z) those associated with the notification and election process in connection with any "most favored nations" provision of any "side letter", including the preparation of any compendium related thereto; (aa) those incurred in connection with the collection of any amounts due to the Fund from any person; (bb) those incurred in connection with any restructuring or amendments to the constituent documents of the Fund and related entities, including the General Partner and Genstar, to the extent necessary to implement a restructuring or amendment to the limited partnership agreement or other Fund Documents, but not including organizational expenses or Genstar expenses; (cc) expenses incurred in connection with assisting limited partners in complying with Freedom of Information Act requests; (dd) those relating to anti-bribery and anti-corruption, anti-money laundering or "know your customer" compliance, tax diligence expenses and/or related procedures; and (ee) those incurred in connection with the engagement of consultants to evaluate whether the terms of any contract or transaction entered into pursuant to the Fund Documents could be obtained in "arm's length negotiations".

In certain cases, a co-investment vehicle will be formed in connection with the consummation of a transaction. In some cases, one or more additional co-investment

vehicles will be formed to provide employees of Genstar (other than Managing Partners) and its affiliates with the opportunity to co-invest with the Fund. If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction would therefore be borne by the Fund or Funds selected by Genstar as proposed investors for such proposed transaction. In addition, Genstar is authorized to waive or reduce all or a portion of the management fee payable by a Fund in full or partial satisfaction of any obligation of Genstar and certain employees and affiliates of Genstar to invest in and/or alongside such Fund, which could result in acceleration of investor capital contributions. Waived or reduced management fees may not be subject to various offsets or the reductions described above. Due to waived or reduced management fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets.

In some cases, expenses will be attributable to more than one Fund, or to Genstar and one or more Funds. In such cases, Genstar will allocate such expenses to all affected Funds in its discretion. Genstar may experience a conflict of interest when determining and applying an allocation methodology. Please see Item 11 below regarding “Conflicts of Interest” for information regarding the conflicts of interest that may arise in relation to Genstar’s expense allocation.

Additionally, please see Item 6 below regarding “Carried Interest” that Funds pay pursuant to the terms of the Fund Documents.

Although Genstar does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, when a broker is used in connection with an investment by a Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below. Neither Genstar nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

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

A portion of the profits of the Funds, if any, is distributed to its General Partner as “carried interest” (the “**Carried Interest**”). Each General Partner of a Fund is an affiliate of Genstar. Carried Interest paid by a Fund is indirectly borne by investors in such Fund. Certain Funds and investors (including employees and other related persons of Genstar) in such Funds incur lower or no Carried Interest. Certain co-investment investors are also not required to pay management fees or Carried Interest.

The payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a Fund) has the potential to create an incentive for Genstar to disproportionately allocate time, services or functions to Funds paying Carried Interest at a higher rate, or allocate investment opportunities to such Funds. Generally, this conflict is mitigated by (i) certain limitations on the ability of Genstar to establish new investment funds, (ii) contractual provisions requiring certain Funds to purchase and sell investments contemporaneously and/or (iii) contractual provisions and procedures setting forth investment allocation requirements. Please also see Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by Genstar.

Item 7. Types of Clients

Genstar provides discretionary investment advice solely to private equity funds. Genstar does not have any requirements for opening or maintaining an account. Investment in the Funds is generally only available to “accredited investors” and/or “qualified purchasers,” within the meaning of the Securities Act and the 1940 Act, respectively.

Genstar does not have a minimum size for a Fund, but minimum investment commitments have been established for investors in the Funds. The General Partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the Fund Documents of such Fund.

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

The Fund Documents for each Fund set forth the terms of investment and identify such Fund’s investment objectives along with risk factors. The Fund Documents contain additional information on the risks associated with an investment in the relevant Fund and should be reviewed by any prospective investor in such Fund.

Investment Strategies and Methods of Analysis

Genstar’s investment strategy is to make controlled, growth-oriented private equity investments in middle-market companies located in North America. For 35 years, Genstar’s investment process has focused on identifying companies Genstar can grow revenue and improve operating earnings through its “change capital” approach. Typically, Genstar acquisition targets have annual EBITDA of \$50 million to \$150 million and enterprise values of \$400 million to \$2 billion. The Firm generally pursues platform companies producing positive cash flow, typically with a minimum of \$50 million of pro

forma EBITDA. Genstar has experience structuring investments in a variety of ways, including (i) control investments in privately held businesses, (ii) carve- outs of corporate divisions, (iii) ownership restructuring/ recapitalizations, (iv) control growth equity investments, (v) take-private transactions, (vi) industry consolidations, and (vii) partnerships with other strategic or financial investors. The Firm favors what it believes to be high-quality businesses in stable industries that exhibit long-term growth potential, particularly where Genstar sees an opportunity to improve performance.

Genstar targets investments in four core industry verticals, although it may invest in other industries under certain circumstances, subject to the terms of the applicable Fund Documents:

- Healthcare
- Financial Services
- Industrials
- Software

Genstar seeks to identify and assess trends within its core sectors to produce investment themes with the objective of developing specific, actionable investment ideas. Genstar believes that a focused industry approach provides a competitive advantage over generalist buyout firms, and that companies under Genstar's management benefit from the specialized knowledge, experience, and operating networks that Genstar provides. Over time, Genstar has developed an extensive knowledge base and contact network in its Core Verticals comprising executive specialists, service providers, and other financial sponsors that are relevant to sourcing and exiting deals.

Genstar seeks to utilize a rigorous and disciplined approach to evaluate potential acquisitions. The Firm leverages its own domain expertise and executive networks alongside those of a group of leading industry executives, the SAB, with whom it partners in seeking to identify investment opportunities, including a comprehensive review of: (i) a target company's management team; (ii) the quality and market perception of its products and services; (iii) its competitive position and prospects within its industry; (iv) the industry's evolutionary trajectory and momentum; and (v) the economic opportunities of change management (*e.g.*, new revenue opportunities, cost opportunities, or add-on acquisitions). Genstar's investment professionals take an active role in this process, aided by SAB members, industry and other consultants, and the Firm's informal network of contacts within its target industry.

Genstar has a dedicated group of investment professionals with the mission of driving change at its portfolio companies. Genstar seeks to identify companies where it can grow revenue and improve operating earnings. Genstar focuses on providing the expertise, executive network, and capital necessary to transform businesses into market leaders. Genstar seeks to add value in multiple ways, including (i) evaluating, building, and upgrading (as necessary) the leadership team, (ii) aggressively identifying, pursuing and investing in growth opportunities, (iii) professionalizing management practices, (iv) initiating process improvements, (v) driving cost efficiencies, and (vi) creating a professional board with strong incentive alignment.

Some Funds may enter into a subscription credit facility with one or more lenders in order to finance the acquisition of portfolio investments. Any such credit facility may be secured in part by a pledge of the partners' remaining capital commitments in the Fund. In connection therewith, the partners may be required to confirm the terms of their respective commitments, to provide financial information, and to execute other documents as may be required by credit providers to the Fund. Genstar maintains substantial flexibility in choosing when and how Funds utilize borrowings under credit facilities. Additionally, Funds may make a portion of the borrowings under their credit facilities available for the benefit of co-investment vehicles in connection with investments made by such vehicles. In such cases, such borrowings are secured by a pledge of the affiliated Funds' partners' remaining capital commitments in the affiliated Fund(s), the co-investors would be expected to bear their share of any expenses incurred in connection with such borrowing, and the co-investment vehicles will be contractually obligated to the affiliated Fund(s) for their share of such borrowing pursuant to an intercompany note. Investors in such co-investment vehicles will benefit from such Fund credit lines even though the investors in the co-investment vehicles do not provide direct credit support under the credit facilities of the affiliated Fund(s). The relevant affiliated Fund(s) will remain contractually obligated to satisfy their obligations under the credit facilities notwithstanding the failure by any such co-investment vehicle to satisfy its share of any borrowing pursuant to the terms of the intercompany note.

Risk of Loss

Investing in securities involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. Performance of any investment is not guaranteed and as a result, there is a risk of loss of the assets of the Funds that may be out of Genstar's control. Genstar can provide no assurance that the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in the Firm's investment strategy. The marketability and fair market value of any investment will depend upon a variety of factors beyond the control of the Funds and Genstar. The expenses of a Fund may exceed its income, and an investor in a Fund could lose the entire amount of its contributed capital. As a result, an investor should only invest in a Fund if the investor can withstand a total loss of its investment. Past performance of Genstar and the Funds is not indicative of future performance.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Funds, include the following:

Business Risks

Business and Regulatory Risks of Private Equity Funds. Legal, tax and regulatory changes could occur that may adversely affect or impact the Funds at any time during the term of the Funds. The legal, tax and regulatory environment for private equity funds is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by regulators and politicians and market commentators, may materially adversely

affect the ability of the Funds to pursue their investment strategies and the value of the investments held by the Funds. In recent periods, market disruptions, such as the type experienced in 2008, and the increase in focus on the alternative investment fund (“**Alternative Investment Fund**”) industry among politicians and regulators, and the increase in the capital allocated to alternative investment strategies have led to increased governmental and regulatory (as well as self-regulatory) scrutiny of the private equity and Alternative Investment Fund industry in general, and certain legislation both proposing and effectuating greater regulation of the private equity and Alternative Investment Fund management industry is being, and may in the future be, considered or acted upon by governmental or self-regulatory bodies of both U.S. and non-U.S. jurisdictions.

The SEC has recently adopted new rules (the “**Private Fund Adviser Rules**”) promulgated under the Advisers Act that, when effective in late 2024 and early 2025, will require changes to the operation of private investment funds. The Private Fund Adviser Rules are expected to increase costs of compliance, much of which will be borne by private funds, and could reduce such private funds’ general partners’ flexibility to engage in conduct that they would otherwise believe to be in the best interests of the private fund. As the Private Fund Adviser Rules have only recently been adopted, they are still subject to ongoing interpretation and it remains unclear how the Private Fund Adviser Rules will ultimately be implemented by private funds and enforced by the SEC.

The SEC has also recently adopted new Form PF reporting rules and amendments (the “**Form PF Rules**”) and separately proposed new rules and amendments (the “**Proposed Rules**”) that change private fund advisers’ practices relating to the management and safeguarding of client assets, impose new due diligence and monitoring obligations with respect to service providers, require the implementation of cybersecurity risk management programs and new incident notification regimes, require the adoption and implementation of policies and procedures regarding environmental, social and governance (“**ESG**” or “**responsible investment**”) considerations and require additional disclosures regarding ESG practices in Form ADV. Additionally, the SEC’s amended rules for investment adviser marketing (the “**Marketing Rule**”) went into effect on November 4, 2022.

As is the case with the Private Fund Adviser Rules, the Marketing Rule, the Form PF Rules and the Proposed Rules (if adopted) are similarly expected to increase the costs of compliance, and could expose Genstar and its affiliates to regulatory scrutiny, censure and penalties if they are unable to comply.

It is impossible to predict what, if any, further changes may be instituted with respect to the regulations applicable to the Funds, the General Partner, Genstar, their respective affiliates, the markets in which they operate and invest or the counterparties with which they do business, or what effect such legislation or regulations may have. There can be no assurance that the Funds, the General Partner, Genstar or their respective affiliates will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of the Funds to implement their investment strategy could have a material adverse impact on the Funds and their portfolio. To the extent that the Funds or the Funds’ investments are or may become subject to regulation by various regulatory authorities or bodies in the U.S. or abroad, the costs of compliance generally will be borne by the Funds.

Inflation Risk. In 2022 and 2023, in light of increasing inflation, the U.S. Federal Reserve (the “**Fed**”) and other global central banks increased interest rates multiple times. Although interest rates have come down in the latter half of 2023, inflation is still a concern and the Fed and other global central banks could raise interest rates again, which could create downward pressure on the value of certain investments made by the Funds. Further, the Funds could face difficulty in realizing value from investments due to sustained declines in equity market values as a result of concerns regarding interest rates. Inflation and rapid fluctuations in inflation rates have in the past had, and may in the future have, negative effects on economies and financial markets. In an attempt to stabilize inflation, governments have imposed wage and price controls and will likely continue to intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity. If inflation were to decrease at rates slower than those anticipated in underwriting investments, the effective rate of return on such investments may be reduced and as a result, could have a material and adverse impact on Genstar and its investments. Additionally, rising interest rates, coupled with periods of significant equity and credit market volatility, may potentially make it more difficult for us to find attractive opportunities for our Funds to exit and realize value from their existing investments.

Illiquid and Long-Term Investments. An investment in the Funds requires a long-term commitment, and limited partners should expect little or no near-term cash flow. Many of the Funds’ investments will be highly illiquid, and there can be no assurance that the Funds will be able to realize such investments in a timely manner. Consequently, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment and may result in distributions in-kind to the limited partners. The Funds intend generally to seek controlling interests in the portfolio companies in which they invest, and such investments are inherently illiquid. While a portfolio company may be sold at any time, it is generally expected that the disposition of most of the Funds’ portfolio companies will not occur for a number of years after the applicable investments are made. It is unlikely that there will be a public market for the securities held by the Funds at the time of their acquisition, and such securities may require a substantial length of time to liquidate. The Funds generally will not be able to sell the securities they hold of any investment publicly unless the sale of such securities is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In some cases, the Funds may be prohibited or limited by contract from selling certain securities or debt instruments for a period of time and as a result, may not be permitted to sell an investment at the time or price they might otherwise desire to do so.

Availability of Suitable Investments. The success of the Funds depends, in large part, on the identification and availability of a sufficient number of investment opportunities that fall within the Funds’ investment objectives and the ability of the General Partners and Genstar to identify, negotiate, close, manage and exit those investment opportunities. The General Partners and Genstar believe that they will ultimately be able to locate sufficient investments suitable for the Funds, but the identification of attractive investment opportunities is a long and complex process and involves a high degree of uncertainty, especially with regard to timing. The Funds compete for the right to make investments with an ever-increasing number of other parties, including other private investment funds as

well as individuals, financial institutions and other institutions, some of which may have greater resources than the Funds. In addition, private investment funds with similar investment objectives may be formed in the future, which may compete for investment opportunities. As a result, the Funds may have difficulty in making certain investments or, alternatively, be required to make investments on economic terms less favorable than anticipated. While the General Partners and Genstar plan to minimize such competition by relying on their network of relationships, there can be no guarantee that the Funds will be able to fully invest their committed capital or that the General Partners and Genstar will be able to identify investment opportunities that satisfy the Funds' targeted investment objectives. If the Funds fail to make new investments or make investments on less favorable terms, their financial condition and results of operations could be materially and adversely affected. Regardless, limited partners will be required to pay management fees based on aggregate commitments during the Funds' commitment periods. While the General Partner and Genstar have an obligation to manage the Funds in the interests of the limited partners as a whole, such obligation does not impose a duty to invest 100% of the aggregate commitments of the limited partners.

Leverage. The Funds' investments are expected to include portfolio companies whose capital structures may have significant leverage. Although the General Partner will seek to use leverage in a manner it believes is appropriate under the then-circumstances, the leveraged capital structure of such portfolio companies will increase the exposure of such portfolio companies to adverse economic factors, such as rising interest rates, downturns in the economy or deteriorations in the condition of the applicable portfolio company, and such portfolio company may be subject to restrictive financial and operating covenants. This leverage may result in more serious adverse consequences to such portfolio companies (including their overall profitability or solvency) in the event these factors or events occur than would be the case for less leveraged companies. As a result, such portfolio companies' flexibility to respond to changing business and economic conditions may be limited. In the event that a portfolio company is unable to generate sufficient cash flow to meet principal and/or interest payments on its indebtedness, such portfolio company may default on its loan agreements or be forced into bankruptcy, resulting in a restructuring of such portfolio company's capital structure or liquidation, in which case the value of the applicable Fund's investment in such portfolio company could be significantly reduced or even eliminated. Moreover, the Funds may invest in securities that are not protected by financial covenants or limitations on additional indebtedness.

The General Partners may also obtain leverage at the Fund level in order to fund all or a portion of the capital necessary for investments. The Funds will, from time to time, borrow on a secured or unsecured basis. It is expected that this indebtedness, if incurred, will be secured primarily by the unfunded commitments of the limited partners of the applicable Fund. In addition, the General Partners intend to evaluate whether it is prudent and appropriate to incur this leverage and there can be no assurance that leverage will be incurred given that adverse economic factors, such as a significant rise in interest rates, may cause the General Partners, in its discretion, to elect not to incur such leverage. The extent to which a Fund or its subsidiaries (including investment entities) uses leverage may have important consequences to its limited partners, including, but not limited to, the following: (i) greater fluctuations in the valuation of such Fund's assets; (ii) use of cash flow (including capital contributions) for debt service and related costs and expenses,

rather than for additional investments, distributions or other purposes; (iii) increased interest expense if interest rate levels were to increase; (iv) in certain circumstances, prematurely disposing of investments to service such Fund's debt obligations; (v) limitation on such Fund's flexibility to make distributions to its limited partners or to sell assets that are pledged to secure the indebtedness; (vi) a decrease in the amount of distributions that the limited partners might otherwise have received in respect of a preferred return had such leverage not been incurred; and (vii) the net internal rate of return of such Fund's being higher than it otherwise would have been without fund-level borrowing, particularly during the early years of a Fund's life. Additionally, the General Partners may be entitled (a) to receive Carried Interest earlier than it otherwise would have and (b) in certain circumstances, to receive more Carried Interest than it otherwise would have, in each case had such Fund not incurred such indebtedness and, instead, had required the limited partners to make additional capital contributions.

In addition, following the investment period, limited partners will be required to pay the management fee based on the capital invested by the Funds in investments, including, in some cases, through the use of borrowings, irrespective of whether the investments are being held at or below cost. As a result of the foregoing factors, the General Partner may be incentivized to fund the acquisition of investments and ongoing capital needs of Funds with the use of indebtedness in lieu of drawing down unfunded Commitments. There can be no assurance that Funds will have sufficient cash flow to meet its debt service obligations. As a result, a Fund's exposure to losses may be increased due to the illiquidity of its investments generally. Finally, in the case of borrowings which are secured by the unfunded commitments, limited partners whose unfunded commitments have been pledged may be called upon to fund their entire unfunded commitments to repay indebtedness and the failure of other limited partners to honor their respective unfunded commitments may result in a limited partner's payment exceeding its *pro rata* share of the indebtedness that has been incurred by a Fund or a Fund could be forced to divest existing investments to repay borrowings and there is no guarantee that the Fund would be able to divest those assets at their current value. Tax exempt prospective investors should note that the use of leverage by certain Funds or its subsidiaries may create Unrelated Business Taxable Income ("UBTI").

In connection with any credit facility entered into by certain Funds, the borrowers thereon (and the limited partners) may be required to (i) make certain representations and warranties to one or more lenders and (ii) indemnify the lenders pursuant to any credit facility in case any such representations and warranties are inaccurate. These arrangements may create contingent liabilities of a Fund and/or its subsidiaries, for which the General Partner may establish reserves or escrow accounts in which the limited partners would be required to fund a pro rata share. A limited partner may also be required to fund amounts to repay subscription-based credit facility borrowings incurred in connection with an investment even if such limited partner did not participate in the relevant investment in connection with which such borrowings were incurred. In addition, to the extent the credit facility borrowings of a parallel fund are guaranteed by, or cross-collateralized by the capital commitments or other assets of, one or more other parallel funds, such other parallel fund (or the limited partners of such other parallel funds) may be required to satisfy the borrowing parallel fund's obligations. Parallel funds will only enter into such arrangements when Genstar determines it is in the best interests of the applicable parallel

funds to do so.

Portfolio Company Management. Each portfolio company's day-to-day operations will be the responsibility of such portfolio company's management team. Although the General Partners and Genstar will be responsible for monitoring the performance of each applicable portfolio company, there can be no assurance that the existing management team of a portfolio company, or any new team installed by the relevant General Partner or Genstar, will be able to successfully operate the portfolio company in accordance with Genstar's plans. Some portfolio companies will depend for their success on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would significantly and adversely affect the applicable portfolio company's performance. Additionally, portfolio companies need to attract, retain and develop executives and members of their management teams. The market for executive talent can be, notwithstanding general unemployment levels or developments within a particular industry, extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the Funds may be adversely affected thereby. Additionally, Genstar may rely on portfolio company management to comply with laws and regulations as they relate to such portfolio company. There can be no assurance that portfolio company management will assure such compliance.

General Economic Conditions. Changes in general global, regional and U.S. economic and geopolitical conditions may affect the Funds' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by the Funds or considered for prospective investment. The Funds' investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence has increased market volatility and reduced liquidity, both of which could have a material adverse effect on the performance of the Funds' investments.

Financial Market Fluctuations. Material changes and fluctuations in the economic environment, for example, of the type experienced in the years following 2008 that caused significant dislocations, illiquidity and volatility in the wider global economy, and the market changes that have resulted from the COVID-19 pandemic (see also "*Public Health Risk*," below), may affect the Funds' ability to make investments and the value of investments held by the Funds. Any resulting economic downturn resulting from any such marketplace events and/or volatility in the financial markets could adversely affect the financial resources of portfolio companies and/or result in the inability of such portfolio companies to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such defaults, a Fund may suffer a partial or total loss of capital investment in such portfolio companies, which would, in turn, have an adverse effect on the Fund's returns. Such marketplace events also may restrict the ability of the Funds to make new investments, or sell or liquidate investments at favorable times or for favorable prices.

Furthermore, the public securities markets have seen increased volatility and the ability of companies to obtain financing for ongoing operations or expansions may be severely hampered by, among other reasons, the tightening of the credit markets and further

financial turmoil and uncertainty. The repercussions of any market turmoil are unclear. The ability to realize investments depends not only on portfolio companies and their historical results and prospects, but also on political, market and economic conditions at the time of such realizations. In the past, many private equity funds looked to the public securities markets as a potential exit strategy, and there can be no assurance that the Funds will be able to exit from an investment by listing their shares on securities exchanges. The trading market, if any, for the securities of any portfolio company may not be sufficiently liquid to enable the Funds to sell these securities when the General Partners believe it is most advantageous to do so, or without adversely affecting the stock price. Continued or renewed volatility in the financial sector may have a material adverse effect on the ability of the Funds to buy, sell and partially dispose of their investments. The Funds may be adversely affected to the extent that they seek to dispose of any of their investments in an illiquid or volatile market and the Funds may find themselves unable to dispose of investments at prices that the General Partners believe reflect the fair value of such investments. Future market conditions cannot be predicted.

Public Health Risk Although more normalized activities have resumed and there has been improved global economic activity due to global and domestic vaccination efforts, there are still various uncertainties around the impact COVID-19 and its variants had and will continue to have on the Funds' assets and the economy as a whole, including longer-term macroeconomic effects on supply chains, inflation and labor shortages. Additionally, the effects of future pandemics or other major public health issues could adversely affect the value of the Funds' assets, business, financial condition, cash flows, ability to operate successfully and investors' ability to successfully exit investments in certain assets. Future pandemics or other major public health issues could also directly and/or indirectly adversely impact Genstar and its investments in material respects by creating significant volatility in financial markets, interrupting business activities, supply chains and transactional activities, disrupting travel and negatively impacting the economies of the affected countries or regions in material respects, as well as creating particularly devastating consequences for certain industries, including some in which the Funds invests. Such events could also affect Genstar's ability to raise and deploy capital and the performance of the Funds and their investments.

Financial Institution Risk. Genstar relies upon third-party banks or other custodians to hold and safeguard client assets and provide credit facilities that may be used to pay Fund expenses and purchase new investments. While Genstar carefully selects and monitors its custodians, there is no guarantee that such custodians will not experience financial difficulties or otherwise fail, which could prevent Genstar from accessing client funds, securities, or credit facilities. Genstar could be required to call investor capital to pay expenses or purchase investments that otherwise would have been financed through a credit facility, or Genstar could be prevented from making timely distributions of investor capital in the event a banking counterparty is shut down by regulators. These events could negatively impact Fund performance or result in substantial delays in the return of capital to investors.

Events involving limited liquidity, defaults, non-performance or other adverse developments that affect financial institutions or the financial services industry generally, or concerns or rumors about any events of these kinds, have in the past and may in the future lead to

market-wide liquidity problems.

Genstar, the Funds and Fund portfolio companies regularly maintain cash balances at banks or other custodians in excess of the FDIC insurance limit. Each of these parties' access to cash in amounts adequate to pay expenses, purchase new investments and otherwise operate its business could be significantly impaired by the financial institutions with which it maintains cash balances to the extent such financial institutions face liquidity constraints or failures. In addition, investor concerns regarding the U.S. or international financial systems may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have a material adverse effect on the performance of the Funds' investments, returns and the ability of the Funds to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Funds' or a portfolio company's ability to recover therefrom. In addition, while it is not possible at this time to predict the extent of the impact that the failure of any bank or financial institution or the high market volatility and instability of the banking sector could have on economic activity and Genstar in particular, any such failure and the measures taken by governments, businesses and other organizations in response could adversely impact Genstar, the Funds and their investments.

Geopolitical Risks and Force Majeure. An unstable geopolitical climate and continued threats of terrorism could have a material adverse effect on general economic conditions, market conditions and market liquidity. For example, a shifting political landscape may increase volatility in the market or alter the regulation of the private equity industry as a whole. In addition, increased focus and scrutiny of globally operating organizations may adversely affect the Funds and their investment activities. Additionally, a serious pandemic or a natural disaster could severely disrupt the global, national and/or regional economies.

Geopolitical tensions, including the conflict between Russia and Ukraine, tensions between the U.S. and China, tensions between Taiwan and China, the ongoing conflicts between Israel and Hamas (including recent attacks on merchant ships in the Red Sea) and the further escalation of tensions between Israel and various countries in the Middle East and North Africa, could lead to uncertainty, severe disruption to supply chains across sectors and industries worldwide and volatility in global markets and industries that could negatively impact the Funds and portfolio companies.

Further, it has become common for politicians in the U.S. Congress to use the statutory debt limit ("**Debt Ceiling**") and budget deficit of the U.S. for political gain. If the Debt Ceiling is breached, the U.S. Department of the Treasury may take extraordinary measures to prevent the U.S. from defaulting on its obligations. Additionally, if Congress fails to pass a long term federal spending bill ahead of funding deadlines, the U.S. government may shut down. A default by the U.S. on its debt obligations and/or a prolonged U.S. government shut down could result in unprecedented market volatility and illiquidity, heightened operational risks relating to the clearance and settlement of transactions, margin and other disputes with clients and counterparties, an adverse impact to investors, downgrades in the U.S. credit rating, further increases in interest rates and borrowing costs and a recession in the U.S. or other economies. Even if the U.S. does not default, continued uncertainty relating to the Debt Ceiling could result in downgrades of the U.S. credit rating, which could adversely

affect market conditions.

Additionally, in recent years, the U.S. government has indicated its intent to alter its approach to international trade policy and in some cases to renegotiate, or potentially terminate, certain existing bilateral or multi-lateral trade agreements and treaties with foreign countries (including China), and has made proposals and taken actions related thereto. Further governmental actions related to the imposition of tariffs or other trade barriers or changes to international trade agreements or policies, could further increase costs, decrease margins, reduce the competitiveness of products and services offered by investments managed by Genstar and adversely affect the revenues and profitability of such investments whose businesses rely on goods imported from outside of the U.S.

Further, political uncertainty caused by, among other things, populist political parties, economic nationalist sentiments, and the 2024 U.S. Presidential election, could have repercussions across regional and global financial markets, which could adversely affect the valuations of Genstar's investments.

Additionally, the Funds or their portfolio companies may be affected by force majeure events such as events beyond the control of the party claiming that the event has occurred including, without limitation, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, cyber-attacks, terrorism and labor strikes. Some force majeure events may adversely affect the ability of a party, including the Funds, a portfolio company or a counterparty to the Funds or a portfolio company to perform its obligations until it is able to remedy the force majeure event. In certain circumstances, the Funds or a portfolio company of the Funds may be parties to a contract that does not provide a remedy in favor of the Funds or such portfolio companies if a force majeure event occurs. In this event, the Funds or such portfolio companies may be required to continue to comply with their obligations (including, but not limited to, payment or performance of their obligations) under the contract even though they may not receive some or all of the benefits to which they are entitled under such contracts. Such a circumstance may cause the Funds or such portfolio companies to suffer economic loss, and such loss may be exaggerated if a force majeure event subsists for an extended period of time.

In addition, the cost to portfolio companies or the Funds of repairing or replacing damaged assets resulting from a force majeure event could be considerable. Certain force majeure events such as war, cyber-attacks or an outbreak of an infectious disease could have broader negative impact on the world economy and international business activity generally or in any of the countries in which the Funds have invested. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, each of which could have a material adverse effect on the performance of the Funds' investments, returns and the ability of the Funds to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of, or markets for, investments, or the Funds' or portfolio companies' ability to recover therefrom.

Governmental Intervention. The global financial markets underwent significant disruptions in 2008 and as a consequence of the spread of COVID-19 that led to governmental

intervention in certain jurisdictions. Such intervention was in certain cases implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the right of their outstanding positions. At the time, the scope and application of these interventions was unclear, arguably resulting in confusion and uncertainty which in itself can be materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. In the case of any future market disruptions, it is impossible to predict what additional interim or permanent governmental restrictions (or easing of restrictions) may be imposed on the markets or the effect of such restrictions on Fund strategies.

Co-Investments with Third-Parties. The Funds may co-invest with certain third parties (which may include certain investors) from time-to-time through jointly owned acquisition vehicles, partnerships, joint ventures or other structures. In such situations, a Fund’s ability to control its equity investments will depend upon the nature of the joint investment arrangements with such co-investors and such Fund’s relative ownership stake in such investments. A Fund may be a minority investor in these circumstances. In addition, such arrangements may restrict such Fund’s ability to dispose of its investments for potentially significant periods of time. Such investments may involve risks not present in investments where co-investors are not involved. A co-venturer or partner of a Fund may at any time have economic or business interests or goals (including with respect to the timing of the sale) that are inconsistent with those of such Fund and may be in a position to take actions inconsistent with (or block actions that are consistent with) such Fund’s investment objectives, which may result in negative consequences, including loss of capital. The Fund may be liable for certain actions of its co-venturers or partners. Co-investments may also involve higher costs than other investments. Co-venturers or partners potentially may include the Funds’ investors.

Non-U.S. Investments. The Funds may make investments outside of the U.S., including in U.S.-based businesses that have substantial non-U.S. operations. Non-U.S. securities involve certain risks not typically associated with investing in U.S. securities, including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which the Funds’ non-U.S. investments may be denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in, and relative illiquidity of, some non-U.S. securities markets; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less governmental supervision and regulation; (iv) certain economic and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation; (v) obtaining non-U.S. governmental approvals and complying with non-U.S. laws and regulations; (vi) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities; (vii) differing tax structures; (viii) non-U.S. tax laws that (A) could adversely impact the cash flow and potential investment returns from such non-U.S. investments and (B) are subject to change, sometimes with retroactive effect; (ix) less developed corporate laws regarding fiduciary duties and the protection of investors; and (x) rudimentary anti-fraud and insider trading regulations. Genstar’s historical returns on its U.S. investments may not be indicative of the

results they may achieve on future investments located in non-U.S. countries. There may be no prohibitions or restrictions on the ability of management to terminate existing business operations, sell or otherwise dispose of a portfolio company's assets, or otherwise materially affect the value of the company without the consent of the portfolio company's shareholders. Anti-dilution protection also may be very limited. In certain of these countries, the concept of fiduciary duty on the part of the management or directors of companies to shareholders may be limited. The legal systems in certain of these countries may offer no effective means for the Funds to seek to enforce their rights or otherwise seek legal redress or to seek to enforce non-U.S. legal judgments.

Equity Securities. The Funds intend to invest in common and preferred stock and other equity securities, including both public and private equity securities. Equity securities generally involve a high degree of risk and will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Prices of equity securities generally fluctuate more than prices of debt securities and are more likely to be affected by poor economic or market conditions. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, contracts markets or financial resources. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be subject to accounting irregularities. The Funds may experience a substantial or complete loss on individual equity securities.

Debt Investments. While not a principal aspect of the Funds' investment strategy, the Funds are permitted to invest in debt securities, including, without limitation, higher yielding (and, therefore, higher risk) debt securities. Such debt may be secured or unsecured and may be structurally or contractually subordinated to substantial amounts of senior indebtedness. In the event of bankruptcy or liquidation of an issuer of such securities, there may not be enough proceeds to repay the holders of such securities following repayment to the holders of senior indebtedness. Moreover, such debt investments may not be protected by financial covenants or limitations upon additional indebtedness and there is no minimum credit rating for such debt investments. In certain cases, such debt will be rated below "investment grade" or will be unrated and face ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer's failure to make timely interest and principal payments. The market values of certain of these debt securities may reflect individual corporate developments. It is likely that a major economic recession could have a materially adverse impact on the value of such securities. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of these debt securities. As interest rates rise, the value of debt securities generally falls.

Possible Hedging Activities. The Funds may, but are not required to, seek to minimize the risk of a decrease in the value of one or more investments by using certain hedging strategies. The use of hedging strategies is a highly specialized activity and there can be no assurance that their use will achieve the intended result. These hedging strategies may limit the ability of the Funds to profit from the increase in the value of an investment above a certain price and may increase the cost of owning certain portfolio companies. In addition, if judgments made with respect to exchange rates, interest rates, market conditions or trends are not correct, these hedging strategies could result in losses to the Funds. While such

hedging transactions may reduce certain risks, such transactions themselves may entail certain other risks, including counterparty credit risk and market liquidity risk. While the Funds may benefit from the use of hedging instruments, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Funds than if they had not used such hedging instruments. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices for derivatives. Thus, while the Funds and the portfolio companies may benefit from the use of hedging instruments, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Funds and the portfolio companies than if they had not used such hedging instruments. In addition, it is possible that the Funds and one or more portfolio companies may determine not to use hedging instruments at times when it would have been economically advantageous to do so, which may result in poorer overall performance of the Funds and/or such portfolio companies, as applicable, than if they had used such hedging instruments.

Furthermore, the creditworthiness of a counterparty to any hedging transaction entered into by the Funds may change over time and, while such counterparty may have been creditworthy at the time such transaction was entered into, there is no guarantee such counterparty will remain creditworthy throughout the duration of such Fund or that such counterparty will be able perform its obligations under, or pay amounts due on, such hedging transactions. This risk is also subject to, and heightened by, commodity price fluctuations.

Moreover, the Commodity Futures Trading Commission (“CFTC”) and other federal and global financial regulators have adopted margin requirements for uncleared derivatives, which may present significant challenges and additional risks for the Funds, including increased costs, reduced access to dealer counterparties, potential decreases in market liquidity and other unforeseen consequences. These requirements also may result in the Funds being unable to adequately hedge its investments, which may have an adverse impact on the performance of the Funds. It is likely that the applicable Fund will leave unhedged certain currency exchange rates, interest rates and public security prices and in any such case, the Funds will be exposed to risk that such fluctuation of prices thereof will decline during the term of the investments such that the results of such investments will be worse in U.S. dollar terms than the results based upon the local currency.

The preceding paragraphs are subject to any limitation imposed in respect of the Funds by the de minimis exemption under CFTC Rule 4.13(a)(3) or any other exemption from registration under the U.S. Commodity Exchange Act, as amended, applicable to the Funds at any time.

U.S. Dollar Denomination of Interests. Interests in the Funds are denominated in U.S. dollars. Investors subscribing for interests in any country in which U.S. dollars are not the local currency should note that changes in the value of exchange between U.S. dollars and such currency may have an adverse effect on the value, price or income of the investment in the Funds to such investor. The fees, costs and expenses incurred by investors in converting their local currency to U.S. dollars (if applicable) in order to meet drawdowns will be borne solely by such investor and will be in addition to the amounts required by such drawdowns (and will not be part of or otherwise reduce their commitments and/or unfunded

commitments, as applicable).

Currency Exchange Risk. Capital contributions to the Funds are payable in U.S. dollars and the Funds' assets are valued in U.S. dollars. Certain of the Funds' investments may be denominated in the currencies other than the U.S. dollar, and therefore the value of such investments will depend in part on the relative strength of the U.S. dollar. Due to recent events such as Russia's invasion of Ukraine, the ongoing conflicts between Israel and Hamas (including recent attacks on merchant ships in the Red Sea) and rising inflation and the resultant actions from governments around the world, global currencies have been fluctuating significantly. The Funds may be affected favorably or unfavorably by exchange control regulations or such significant fluctuations in the exchange rate between non-U.S. currencies and the U.S. dollar, as well as the transaction costs associated with converting non-U.S. currencies into U.S. dollars. Changes in non-U.S. currency exchange rates may also affect the value of dividends and interest earned, and the level of gains and losses realized on the sale of such investments. The rates of exchange between the U.S. dollar and other currencies are affected by many factors, including forces of supply and demand in the non-U.S. currency exchange markets. Exchange rates also are affected by the international balance of payments and other economic and financial conditions, government intervention, speculation and other factors. The Funds are not obligated to engage in any currency hedging operations, and there can be no assurance as to the success of any hedging operations that the Funds may implement. See also "*Possible Hedging Activities*," above.

Environmental Hazards. Under environmental laws enacted by U.S. federal, state and local, as well as non-U.S., governments, owners and lessees of property may be liable for the clean-up and removal of hazardous substances even where the present owner was not responsible for placing the hazardous substances on the property or where the property was contaminated prior to the time the owner took title. If any property acquired or leased by a portfolio company was found to have an environmental problem, the portfolio company could incur substantial costs and a Fund could suffer a complete loss of its investment in such portfolio company.

Responsible Investment. While Genstar may consider selected responsible investment factors as part of its investment process, there is no guarantee that Genstar will successfully implement and make investments in companies that create positive responsible investment impacts while enhancing long-term value and achieving financial returns. To the extent that Genstar engages with companies on responsible investment-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and responsible investment results, or the market or society may not view any such changes as desirable.

Because considering responsible investment attributes when evaluating an investment may result in the selection or exclusion of certain investments based on Genstar's view of certain responsible investment-related and other factors, there is a risk that certain investments may underperform those that do not take responsible investment-related factors into account. Integrating responsible investment factors into investment decisions is, in part, qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Genstar or any judgment exercised by Genstar will reflect the beliefs or values of any particular third-party investor. In recent years, certain investors, including public

pension funds, have placed increasing importance on the impacts of investments made by the private funds to which they commit capital, including with respect to climate change, among other aspects of responsible investment. Conversely, certain investors have raised concerns as to whether asset managers' (i) incorporation of responsible investment factors in the investment and portfolio management process may be inconsistent with their fiduciary duty to maximize return for investors and (ii) policies may result in such managers subordinating the interests of investors based solely or in part on responsible investment considerations. If we do not successfully manage responsible investment-related expectations across the varied interests of our stakeholders, including existing or potential investors, our ability to access and deploy capital may be adversely impacted.

Different stakeholder groups have divergent views on the merits of integrating responsible investment considerations into the investment process. This divergence exists across the jurisdictions and localities where Genstar operates, in which case it may result in conflicting responsible investment-related regulations and legal frameworks which increases our compliance costs and our risk of non-compliance. The increased regulatory and legal complexity and heightened risk of public scrutiny could impact our reputation and lead to increased inquiries, investigations, and reactive stakeholder engagements.

Climate Change. Ongoing changes to the climatic conditions in which the Funds operates and invests may have an adverse impact on Funds and its investments. While the precise future effects of climate change are unknown, it is possible that changes in weather patterns or extreme weather (such as floods, hurricanes and other storms) could, among other adverse impacts, damage Fund investments. Significant increases in precipitation levels or wind could cause damage to Fund investments and create periods in which Fund investments are inoperable. Further, rising sea levels could, in the future, adversely affect the value and operations of any low-lying coastal portfolio companies, result in the imposition of new taxes or increase applicable insurance rates. Climate change may also give rise to changes in regulations and consumer sentiment that could have a negative impact on the operations of certain Funds and its investments by increasing their operating costs or restricting or decreasing demand for their activities, among other effects. The adverse effects of climate change and related regulation at state, federal and international levels could have a material adverse effect on the business, financial position, results of operations or cash flows of Funds and its investments. Any of the foregoing could adversely affect the value of Fund investments and their performance.

Risks Relating to Digital Assets. While the Funds do not intend to invest in cryptocurrencies or other "digital assets" for speculative purposes, portfolio companies of the Funds may own "digital assets" (*i.e.*, cryptographically derived digital assets, sometimes referred to as digital currencies, blockchain tokens, coins, virtual currencies or cryptocurrencies, as well as other assets available on public blockchains or public ledgers), including digital assets with values related to direct or ancillary relationships to other initiatives, enterprises, organizations or businesses. In addition, the Funds' portfolio companies may develop, operate or maintain infrastructures for digital asset networks or operate in or around digital asset networks. Digital assets involve a high degree of risk. The price of digital assets has fluctuated widely over the past several years and may continue to fluctuate significantly. Price volatility is influenced by many unpredictable factors, such as market perception, the development of competing digital assets, the lack of clear governance over digital asset

networks, capacity constraints, changes in government regulation, the occurrence of an adverse incident relating to one or more digital assets, inflation rates, interest rate movements and general economic and political conditions. The SEC, the CFTC, certain state regulators and other U.S. and non-U.S. government or quasi-governmental agencies have asserted authority over digital assets. Such entities have recently and may, in the future, adopt laws, regulations, directives or other guidance that affect digital assets. The effect of any future U.S. federal or state or non-U.S. legal or regulatory changes is impossible to predict, but such change could be substantial and adverse to any portfolio company that owns digital assets. In addition, the taxation of digital asset-related investments is uncertain in many jurisdictions and continuously evolving in others. Furthermore, digital asset networks are vulnerable to hacking and malware and many digital asset exchanges have been closed due to fraud, failure or security breaches.

Cybersecurity Risk. Funds, General Partners, Genstar, the Funds' portfolio companies, Fund service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. For example, Funds have an expectation to provide limited partners all statements, reports, notices, updates, requests and any other communications required under the Fund Documents of the applicable Fund or under any "side letter" in electronic form, such as e-mail or posting on Genstar's web-based reporting site or other Internet service, in lieu of or in addition to sending such communications as hard copies via fax or mail. These systems are subject to a number of different threats or risks that could adversely affect Funds and its investors, despite the efforts of the General Partner and Genstar and any of their respective service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, e-mail and other technology assets, as well as the confidentiality, integrity and availability of information belonging to applicable Funds and its investors. Cyber incidents refer to both intentional attacks and unintentional events including: processing errors, human errors, technical errors including computer glitches and system malfunctions, inadequate or failed internal or external processes, market-wide technical-related disruptions, unauthorized access to digital systems (through "hacking" or malicious software coding), computer viruses, and cyber-attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality (including denial of service attacks). For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Genstar, the General Partners, the Funds' portfolio companies, Fund service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Genstar's systems to disclose sensitive information in order to gain access to Genstar or the General Partner's data or that of Fund investors. A successful penetration or circumvention of the security of Genstar's or the General Partner'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 Funds, the General Partners, the portfolio companies, Genstar or their respective service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

In addition, substantial costs may be incurred in order to prevent any cyber incidents in the

future. While Fund service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Funds cannot control the cybersecurity plans and systems put in place by its service providers or any other third parties whose operations may affect the Funds.

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

Artificial Intelligence. The overall adoption of artificial intelligence throughout society, may exacerbate or create new and unpredictable competitive, operational, legal and regulatory risks to our businesses. There is substantial uncertainty about the extent to which artificial intelligence will result in dramatic changes throughout the world, and we may not be able to anticipate, prevent, mitigate, or remediate all of the potential risks, challenges, or impacts of such changes. These changes could potentially disrupt, among other things, our business models, investment strategies, operational processes, and our ability to identify and hire employees. Some of our competitors may be more successful than us in the development and implementation of new technologies, including services and platforms based on artificial intelligence, to address investor demands or improve operations. If we are unable to adequately advance our capabilities in these areas, or do so at a slower pace than others in our industry, we may be at a competitive disadvantage. Additionally, the rapid evolution and increasing prevalence of artificial intelligence technologies may also increase our cybersecurity risks.

Counterparty Risk. The Funds will be subject to the risk of the inability of counterparties and custodians to perform with respect to transactions or to safeguard assets, whether due to insolvency, bankruptcy or other causes, which could subject the Funds to incur substantial losses. In an effort to mitigate such risks, the General Partner will attempt to limit transactions and entrust assets to counterparties which it believes are established, well-capitalized and creditworthy.

Fraud. Of paramount concern in purchasing securities and other assets is the possibility of material misrepresentation or omission on the part of a counterparty. Such inaccuracy or incompleteness may adversely affect the valuation of a portfolio company or other asset. The Firm and the General Partners rely upon the accuracy and completeness of representations made by counterparties to the extent reasonable and appropriate, but cannot guarantee that such representations are accurate or complete. Under certain circumstances, distributions to the Funds may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance.

Litigation. Litigation can and does occur in the ordinary course of business and in the management of an investment portfolio of securities. The Funds, the General Partners, Genstar and/or their respective partners, managers, members, agents, employees and affiliates may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the Funds exercise control or significant influence over a portfolio company's direction, including as a result of board participation. Such litigation can arise as

a result of portfolio company defaults, bankruptcies and/or other reasons. In certain cases, such portfolio companies and/or third parties may bring claims and/or counterclaims against the Funds, the General Partners, Genstar and/or their respective principals and affiliates and their respective officers, directors, members, partners, shareholders, employees, managers, consultant and agents alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against the Funds by third parties and paying any amounts pursuant to settlements or judgments would, to the extent that (i) the Funds have not been able to protect themselves through indemnification or other rights against the portfolio companies, (ii) the Funds are not entitled to such protections or (iii) the applicable portfolio company is not solvent, be borne by the Funds pursuant to indemnification obligations and reduce net assets. Genstar, the General Partners and others may be indemnified by the Funds in connection with such litigation, subject to certain conditions. The costs associated with any such indemnity obligations would be borne by the Funds to the extent not covered by insurance.

The outcome of any proceedings involving a Fund or its investments may materially adversely affect the Funds and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the General Partner's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Regulated Industries. The Funds may be subject to certain restrictions when considering investments in regulated industries. As a result, the General Partners may restrict or limit transactions or exercise of rights for the Funds or limit the amount of voting securities purchased by the Funds or restrict the type of governance rights it acquires or exercises in connection with its investments in regulated industries. In addition, regulatory changes could occur during the term of the Funds that may materially and adversely affect the Funds.

Market Abuse. Any fraud, price manipulation, market abuse or improper influence in markets in which the Funds directly or indirectly invests may have a material adverse effect on the Funds. There can be no assurance that any form of regulation or any market constraints would prevent fraud, price manipulation, market abuse, or improper influence in the future. Moreover, there can be no assurance that any redress would be available to, or would be practical for, the Funds to pursue with respect to any particular fraud, price manipulation, market abuse, or improper influence.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations ("**Privacy Laws**") in the U.S., Europe and elsewhere could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Firm, the General Partners, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Firm, the General Partners, the Funds and/or their

portfolio companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

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

Cross-Collateralization. Indebtedness incurred by a Fund, any Alternative Investment Funds and any co-investment vehicles is expected to be structured in a way that such Fund, any Alternative Investment Funds and any co-investment vehicles are jointly responsible on a cross-collateralized basis for the repayment of indebtedness, and the capital commitments of the investors of one of the parallel funds composing such Fund or any co-investment structure are pledged to secure indebtedness obtained for the benefit of the other parallel funds composing such Fund, Alternative Investment Funds and co-investment vehicles, as applicable. If the indebtedness is structured in this manner, the failure of investors in one of the parallel funds composing such Fund, any Alternative Investment Fund or any co-investment vehicle to fund a capital call in order to repay indebtedness may result in other investors being required to fund more than their *pro rata* share of the indebtedness, and, in certain circumstances, an investor may be called upon to fund its entire commitment to repay indebtedness. Investors in one or more parallel funds, Alternative Investment Funds or co-investment vehicles may benefit from the incurrence of indebtedness even though their capital commitments may not be pledged to secure such indebtedness. In addition, certain guarantees or hedging arrangements may be cross-collateralized among parallel funds, Alternative Investment Funds and/or co-investment vehicles and any such guarantees or hedging arrangements would be subject to the same risks as cross-collateralized indebtedness. In certain cases, for regulatory or other reasons, the General Partners may structure indebtedness, guarantees or hedging arrangements in a manner that it believes generally benefits the applicable Fund as a whole, which may affect one or more of the parallel funds composing Funds differently from other vehicles. For example, the General Partners may cause certain parallel funds to provide a guarantee for a hedging arrangement while allowing other parallel funds to benefit from such hedging arrangement without providing such a guarantee, following the General Partner's determination that the basis for such arrangement is fair and reasonable to each parallel fund (which may include the General Partners requiring a parallel fund not providing such a guarantee to provide other means of credit support in respect of such arrangement).

Control Position. The Funds will generally seek investment opportunities that allow the Funds to either acquire control or exercise significant influence over the management, operations and strategic direction of the portfolio companies in which they invest. The exercise of control and/or significant influence over a company imposes additional risks of liability for regulatory non-compliance, environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The exercise of control and/or

significant influence over a portfolio company could expose the assets of the Funds to claims by such portfolio company, its security holders, its creditors and its regulators. While the General Partners intend to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Non-Controlling Investments. Although not generally expected, certain of the Funds' investments in their portfolio companies may be non-controlling or minority equity investments, including in the form of marketable securities, debt securities or similar debt or equity-like instruments, and, therefore, the Funds may have limited influence and limited ability to protect their positions in such investment. Such portfolio companies may have economic or business interests or goals that are inconsistent with those of the Funds, and the Funds may not be in a position to control the investment policies of such portfolio companies or otherwise protect the value of their investments in such portfolio companies. This could result in the Funds' investments being frozen in investments that incur substantial losses. In addition, if the Funds take minority positions in publicly-traded securities as a "toehold" investments, such publicly-traded securities may fluctuate in value over the limited duration of the Funds' investments in such securities, which could potentially reduce returns to investors. Therefore, there can be no assurance that the Funds will be able to realize the value of investments and distribute proceeds in respect thereof in a timely manner. Furthermore, although the Funds will generally seek board representations in connection with their minority investments, there is no assurance that such representations, if sought, will be obtained. However, appropriate rights generally will be sought in such circumstances to protect the Funds' interests.

Board Participation. The Funds are expected to be represented on the boards of directors of certain of their portfolio companies and may have their representatives serve as observers to such boards of directors. Although such positions in certain circumstances may be important to the Funds' investment strategy and may enhance the General Partners' and Genstar's ability to manage the Funds' investments, they may also have the effect of impairing the General Partners' ability to sell the related securities when, and upon the terms, they may otherwise desire, and may subject the General Partners, Genstar and the Funds to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, each of the Funds will indemnify certain persons under the applicable limited partnership agreement.

Projections. The Funds may rely upon projections developed by Genstar or a portfolio company concerning such portfolio company's future performance, outcome and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of Genstar and the portfolio company. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values, outcomes and cash-flow.

Adverse Publicity. Each of the Funds, the General Partners and the Firm face the risk of negative publicity, including in matters such as labor disputes and adverse environmental attention, as well as arising out of municipal and federal government scrutiny both in the U.S. and globally. Additionally, portfolio company and Firm employees could pursue claims against the Firm or the Funds, which may draw negative publicity, as well as negative news media attention. Such adverse publicity may have a material effect on

Genstar's ability to source investments or otherwise meet the Funds' investment objectives. Moreover, recently, the private equity industry has been subject to negative publicity and negative commentary globally, including from both the media and politicians. While it is yet to be seen whether such adverse publicity and commentary will adversely impact the private equity industry, there is a risk that during a Fund's term such negative publicity may lead to increased regulation or scrutiny of the industry or otherwise have an adverse effect on such Fund's ability to meet its investment objectives.

Third-Party Advice. Each Fund, the General Partners and the Firm utilize the services of attorneys, accountants and other consultants in their operations. Each Fund, the General Partners and the Firm generally rely upon such advisors for their professional judgment with respect to legal, tax and other regulatory matters. Nevertheless, there exists a risk that such advisors may provide incorrect advice from time to time or make errors when providing services. None of the Funds, the General Partner or the Firm will have any liability to limited partners for any good faith reliance upon such advice. Additionally, subject to certain limitations, Genstar may be required to exculpate and indemnify such service providers for any losses incurred.

Partnership Risks

Restrictions on Transfer and Redemption; No Right of Withdrawal. The interests in the Funds have not been registered under the Securities Act or any other U.S. or non-U.S. securities laws, and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and applicable securities laws, or an exemption from registration is available. It is not expected that registration of the interests under the Securities Act or other securities laws will ever be effected. There is no public market for the interests, and none is expected to develop. In addition, the interests are not assignable or transferable without the consent of the applicable General Partner, which may be given or withheld in such General Partner's sole discretion, and redemptions are not permitted except in extremely limited circumstances as described in the Fund Documents. In addition, no such sale, transfer, assignment, pledge or other disposition may take place if it would cause a Fund to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code or cause the assets of a Fund to be considered "plan assets" for purposes of ERISA. Except in extremely limited circumstances, voluntary withdrawals from a Fund are not permitted. Consequently, investors may not be able to liquidate their investments before the end of a Fund's term, and must be prepared to bear the risks of owning interests and contributing capital for an extended period of time.

Required Withdrawal. The General Partner, in its sole and absolute discretion, may require an investor to withdraw from a Fund under certain circumstances set forth in the applicable Fund Documents. Such required withdrawal may result in negative consequences, including the failure of such investor to recognize the full value of its investment in a Fund or to receive distributions in respect of its withdrawal in a timely manner.

Interpretation of Governing Documents. The Fund Documents establish complex arrangements among the applicable Fund, the Firm, the 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 Fund Documents, if any, 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 legal obligations, the interpretations used may not always be the most favorable to the Funds or investors.

Passive Investment. The management of the affairs of each Fund are vested exclusively in the applicable General Partner and the Firm, and each investor must rely upon the General Partner's and the Firm's ability to identify and consummate investments suitable for the Funds, properly manage the investments in portfolio companies, and determine the appropriate time and terms on which to exit such investments. Investors will have no control with respect to the day-to-day operations of the Funds and will not take part in the management or control of the business of the Funds. No investor will have the opportunity to evaluate for itself the relevant economic, financial and other information regarding the investments which the Funds will acquire. Investors will not receive the detailed financial information issued by portfolio companies which is available to the General Partners. As a result, investors must rely on the ability of the General Partners and the Firm to make appropriate investments and to manage and dispose of such investments. No assurance can be given that the General Partners and the Firm will be successful in selecting suitable investments or that the objectives of the Funds will be achieved.

Diversification. The ability of a Fund to diversify its investments will depend upon the ultimate size of that Fund relative to the size of the available investment opportunities. To the extent the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies than anticipated and thus be less diversified. Furthermore, because a Fund's General Partner has the ability to concentrate its investments by investing a significant percentage of aggregate commitments, subject to certain limitations, in specific investments and an unlimited amount of its assets in a single industry, the overall adverse impact on a Fund of adverse performance of one portfolio company or industry may be considerably greater than if its General Partner were not permitted to concentrate its investments to such an extent. Similarly, to the extent that the Funds concentrate their investments in a particular geographic region, security, investment sector or stage of investment, such investments may become more susceptible to fluctuations in value resulting from adverse economic or business conditions applicable to such region, type of security, investment sector or stage of investment. As a result, poor performance by one or more of its investments could severely affect a Fund's total returns and profitability. The Funds expect to make multiple investments in different industries, but unforeseen circumstances may cause them to limit the number and diversity of their investments.

Liability for Return of Distributions. Under Delaware and other applicable law, if a Fund is otherwise unable to meet its obligations, its limited partners may be obligated to return cash distributions with interest previously received by them if such distributions are deemed to be wrongfully paid to them and such limited partners knew at the time of such distributions that they were wrongfully paid. In addition, a limited partner may be liable under applicable federal or state bankruptcy laws to return a distribution made during a Fund's insolvency. Under the terms of the Fund Documents, the limited partners also may be required to return amounts distributed to them to fund the applicable Fund's indemnity obligations.

Disclosure of Information. The General Partner of a Fund, Genstar and/or certain investors in a Fund may be required by law, regulation or otherwise to disclose certain confidential information relating to an investment of such Fund. Such disclosure may affect the ability of such Fund to realize its investment in such investment or the price that such Fund is able to obtain upon any subsequent realization or may otherwise adversely affect such Fund.

In addition, as a result of increased regulations in the private funds and related industries, including with respect to the sources of funds used in investments and other Fund activities, the General Partner of a Fund may request additional documentation or information from limited partners in such Fund in order to verify, among other things, such limited partners' and its beneficial owners' identities and the source of funds used to purchase the interests in the applicable Fund. The General Partner of a Fund may decline to accept a subscription on the basis of the information that is provided or if this information is not provided. In order to comply with applicable laws, rules, regulations and policies, the General Partner of a Fund may also request additional information (outside of the subscription process) from the limited partners of such Fund at any time. The General Partners may also, from time to time, be obligated to file reports with various jurisdictions with regard to, among other things, the identity of the Funds' limited partners and suspicious activities involving the interests. Such information may be provided to governmental and regulatory agencies without notification to the limited partners. The failure of a limited partner to comply with such a request may result in adverse consequences applying to such limited partner pursuant to the applicable limited partnership agreement. Further, the General Partners will take such steps as they determine in their sole discretion are necessary or appropriate to comply with applicable law, regulations, orders, directives or special measures.

In addition, the Funds, the General Partners, Genstar or their respective affiliates, service providers or agents may from time to time be required or may, in their discretion, determine that it is advisable to disclose certain information about the Funds and their investors, including, but not limited to, investments held by the Funds and the names and percentage interests of beneficial ownership thereof (and the underlying beneficial owners of such beneficial owners), to third parties, including local governmental authorities, regulatory organizations, taxing authorities, markets, exchanges, clearing facilities, custodians, brokers and trading counterparties of, or service providers to, the General Partners, the Firm or a Fund. The General Partners and the Firm generally expect to comply with requests to disclose such information as they may determine, including through electronic delivery platforms; however, a General Partner or the Firm may determine not to make an investment or to cause the sale of certain assets for a Fund rather than make certain disclosures, including as a result of limitations contained in the Fund Documents, and such sale may be at a time that is inopportune from a pricing or other standpoint. In certain circumstances, the Funds, the General Partners, the Firm or any of their respective affiliates, service providers or agents, may be prohibited from disclosing, or may determine not to disclose, that the request has been made.

Disposition of Private Investments. Many of the Funds' investments will involve private securities, which are generally more difficult to sell than publicly-traded securities, since there is often no liquid market, which may result in selling interests at a discount. In addition, in connection with the disposition of an investment in private securities, the Funds may agree to purchase price adjustments and may be required to make representations about

the business and financial affairs of a portfolio company typical of those made in connection with the sale of any business or be responsible for the content of disclosure documents under applicable securities laws. The Funds may be obligated to fund additional capital pursuant to such purchase price adjustments and may also be required to indemnify the purchaser or underwriter of such investment to the extent that any such representations or disclosure document are determined to be inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Funds.

Recourse to Assets. Each Fund's assets, including any investments made by such Fund, are available to satisfy all liabilities and other obligations of such Fund. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to such Fund's assets generally and may not be limited to any particular asset, such as the asset representing the investment giving rise to the liability. Accordingly, investors could find their interests in a Fund's assets adversely affected by a liability arising out of an investment in which they did not participate because, for example, they were excluded or excused by the General Partner.

Exculpation and Indemnification. Certain exculpation and indemnification provisions contained in the Fund Documents will limit the rights of action otherwise available to investors and other parties against persons identified under the Fund Documents. In addition, each Fund will be obligated to indemnify such persons under the Fund Documents in respect of the operations of such Fund, subject to certain limited exceptions set forth in the Governing Documents. The obligation to fund any indemnification will survive the termination of a Fund or an investor's withdrawal from a Fund. Certain investors may, for regulatory or policy reasons, not be permitted to fund indemnification obligations, or their ability to fund such obligations will be restricted. In those cases, a Fund may be required to satisfy any shortfall with respect to indemnification obligations even if such obligations are the direct result of a breach of representation, warranty or covenant to any such restricted investor.

Expedited Transaction. Investment analyses and decisions by the General Partners may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the General Partners at the time an investment decision is made may be limited. Therefore, no assurance can be given that the General Partners will have knowledge of all facts and circumstances that may adversely affect an investment.

Follow-On Investments. Following an initial investment in a portfolio company, the Funds may be asked to provide additional funds to, or have the opportunity to increase their investment in, such portfolio company or to fund additional investments through such portfolio company. There is no assurance that the Funds will make follow-on investments, as such term is defined in the respective Fund's Fund Documents, or that the Funds will have sufficient resources to, or be permitted to, make all such investments. Any decision by the Funds not to make follow-on investments or their inability to make them may have a substantial negative impact on the portfolio company in need of such investment and may result in missed opportunities for the Funds or result in the dilution of investments (in the event alternative capital is used to satisfy such additional funding needs) in such portfolio company. Additionally, if such Funds makes a follow-on investment, there can be no

assurance that such follow-on investment will be successful. Finally, the tax consequences to investors of a follow-on investment will likely be determined, at least in part, by the investment structure of the investment previously made by the Funds. Such tax consequences may adversely impact investors due to changes to U.S. or non-U.S. tax laws that are made after the Funds' original investment but before a follow-on investment is made.

Liabilities Upon Disposition of Investments. In connection with the disposition of certain types of investments, Funds may be required to make representations about the business and financial affairs of such investment typical of those made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. Funds may also be required to indemnify the purchaser of such portfolio company or underwriter to the extent that any such representations or disclosure documents are determined to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the limited partners to the extent that the limited partners have received prior distributions from the applicable Fund, subject to certain limitations.

Guarantees of portfolio companies. The Funds may guarantee the obligations of their portfolio companies. As a result, if any such portfolio company defaults on its obligations, the applicable Fund will be required to satisfy such obligations. In order to do so, such Fund may call capital, recall distributions or liquidate some or all of the remaining investments prematurely at potentially significant discounts to fair value. In addition, the Funds, subsidiaries of the Funds or the General Partners of the Funds or their affiliates may guarantee obligations or provide letters of credit or other credit support to facilitate investments, including those made alongside any co-investment vehicles, which such letters of credit or other credit support will not have any explicit limitations, and there can be no assurance that such guarantees or letters of credit will not have adverse consequences for the Funds. As a result, if any such investment or affiliate defaults on its obligations, the Funds will be required to satisfy such obligation, in which case the Funds may make a larger investment in such investment than initially expected. In order to do so, the Funds may call capital, recall distributions or liquidate some or all of the investments prematurely at potentially significant discounts to fair value. For example, in connection with certain investments, the Funds may provide completion or performance guarantees. In such cases, the Funds may be required to indemnify the General Partner, the Firm and their employees and affiliates for any losses incurred in connection with such guarantee. Further, the party executing a completion or performance guarantee may be motivated to make decisions that may be advantageous to the guarantor, but detrimental to the Funds or the investors.

The tax treatment of guarantees is complex and could result in a recharacterization of certain guarantee transactions for tax purposes. There can be no assurances that the IRS would not challenge the positions that may be taken by the Funds with respect to the tax treatment of guarantees. Any such recharacterization could have an adverse impact on the U.S. federal income tax treatment of certain investors, including tax-exempt investors who may incur UBTI or non-U.S. investors who may incur ECI or CAI as a result of such recharacterization.

Bridge Financings. From time to time, a Fund may provide interim financing (including

issuing interim guarantees) to, or make investments that are intended to be of a temporary nature in equity or debt securities of, a portfolio company or any subsidiary thereof in connection with, or subsequent to, an investment by such Fund in such portfolio company (“**Bridge Financings**”). Any such investment may include assets that the applicable General Partner may not have caused the Fund to acquire on a stand-alone basis (including, without limitation, because the risk/return profile or other characteristics of such assets may not be desirable or appropriate for such Fund) and the applicable General Partner may seek to reduce the Fund’s exposure to such assets through disposition, refinancing, co-investment or another transaction. In these situations, a Fund’s strategy may depend, in part, on its ability to sell, refinance or otherwise reduce its exposure to such investments after initially agreeing to consummate them. However, for reasons not always in Genstar’s control, such financings may remain outstanding if, for example, refinancings or syndications do not occur as planned. Moreover, there can be no assurance in such instances that the terms of any such transaction will be attractive, including because there may not be sufficient interest in or for the assets or investors or third parties may not accept all or a portion of the amount offered for co-investment. Any such Bridge Financing made by a Fund involves the risk of loss of the entire amount of such Bridge Financing. If a Fund is unable to complete such an anticipated transaction, its investments will be less diversified than they otherwise may have been and the Fund may have greater exposure to certain investments, regions and sectors than intended or desired, including to assets that a General Partner would not have acquired on a stand-alone basis or to investments that exceed the amount that is permitted to be invested in a single investment that does not involve Bridge Financing. To the extent that the Fund is unable to complete an anticipated transaction, it may also incur broken deal and related costs associated with the pursuit of such transaction.

Generally, in the case of a Fund reducing an investment involving Bridge Financing (including through disposition or co-investment), such transaction will be completed at a price negotiated by the applicable General Partner and the purchaser taking into account the then-relevant facts and circumstances, which may include the Fund’s cost of such investment (and an allocable portion of costs and expenses) and other market events and forces. There can be no assurance that such transaction price will be equal to or more than a Fund’s cost of such investment or that it necessarily or accurately reflect the then-market value of such investment, all costs and expenses associated therewith, or any interest or other carrying cost that would typically be associated with a loan. In addition, a Fund may face increased risk of being unable to complete the transaction under certain market conditions, including when the investment has decreased in value while held by the Fund. Each Fund will be required to bear the losses of such investment if such a transaction is not consummated or if required to sell the co-investment at a reduced price in order to reduce a Fund’s exposure to such investment.

In addition, by making such Bridge Financing, a Fund may be subject to various laws and regulations applicable to lenders and the holding of such Bridge Financing could potentially subject a Fund to various “lender liability” risks. In such event, the interest rate, if any, on such Bridge Financing or the terms thereof may not adequately reflect the risk associated with the position taken by the Fund. Amounts distributed to investors in respect of a Bridge Financing will be made on a *pro rata* basis, outside of a Fund’s distributions attributable to portfolio investments. As a result, any capital contributions made by a limited partner in respect of a Bridge Financing will not be taken into account for the purposes of determining

amounts to be distributed to such limited partner from distributable cash attributable to portfolio investments in respect of the preferred return, realized or any unrealized loss or otherwise.

Depending on the applicable facts and circumstances, it is possible that Bridge Financings that are structured as debt for U.S. federal income tax purposes could cause a non-U.S. investor to recognize ECI and CAI. Although a Fund expects to take the position that bridge financed debt investments by a Fund should not cause non-U.S. investors to recognize ECI and CAI, no assurance can be provided that the IRS will not challenge such position and, if so, that the IRS will not be successful in asserting that such non-U.S. investors are engaged in a U.S. trade or business or commercial activities for U.S. federal income tax purposes.

Valuation Risk. Given the nature of the Funds' proposed investments, the Funds will rely upon the General Partners and Genstar for valuation of certain Fund assets, including, without limitation, in connection with any distribution of illiquid securities upon the liquidation of the Funds. The General Partner and Genstar may engage qualified valuation professionals to assist in this determination; however, it is not always required to do so. Given the nature of the proposed investment entities, valuation may be difficult. There may be a relative scarcity of market comparables on which to base the value of the Funds' assets. As such, any such valuations may be speculative. See also "*Valuations*," below.

Investments Longer than Term. A Fund may make investments that, due to various reasons, may not be capable of an advantageous disposition prior to the date it is required to be dissolved, either by the expiration of such Fund's term or otherwise. As a result, the Funds may have to sell, distribute or otherwise dispose of investments at a disadvantageous time or retain or hold such investment during dissolution for an extended period of time (*e.g.*, the General Partner may determine that it is in the best interest of the Funds to hold, and develop a longer-term exit strategy, for certain investments that ultimately extends meaningfully beyond the expiration of the Funds' terms and results in a materially elongated dissolution process), which will result in management fees being payable during such period. Further, investments distributed in-kind may be illiquid and there can be no assurance that any limited partner will be able to dispose of them at the value determined in accordance with the Fund Documents of the applicable Fund. Additionally, if a limited partner elects for the General Partner to sell investments on such limited partner's behalf that would have otherwise been distributed in-kind in accordance with the Fund Documents of the applicable Fund, there is no guarantee that the applicable General Partner will be able to sell such investments or be able to sell such investments at a price that is not significantly discounted.

Contingency Reserves. Under certain circumstances, a General Partner may find it necessary to call capital, or in connection with a distribution to establish one or more reserves for contingent liabilities by holding back a portion of amounts otherwise distributable to the investors until resolution of such contingency or contingencies. As such, investors may be delayed in receiving certain distributions or unable to liquidate their entire investment in a Fund until such time as the General Partner has determined that the need for such reserves has ceased, which may be after the end of such Funds' term. For example, such reserves might be established if a Fund were subject to an audit by the IRS or involved in litigation, or the General Partner determines it is necessary to reserve capital for ongoing expenses of

such Fund.

Recycling. Each General Partner has the right to recall or retain certain distributions as specified in the Fund Documents. Accordingly, an investor may be required to make aggregate capital contributions in excess of its commitment and, to the extent such recalled or retained amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.

Excuse and Exclusion from Investments. Under certain limited circumstances, an investor may be excused from participating in an investment (including, without limitation, to avoid violations of law and violations of an investor's written policies disclosed to and accepted by the applicable General Partner prior to making a commitment to a Fund) or a General Partner may exclude or limit the participation of an investor in an investment (including, without limitation, if an investor's participation is reasonably likely to have a "material adverse effect" on the applicable Fund or portfolio company or result in a violation of law). In any such circumstance, the Fund is likely to require each other investor to make an additional capital contribution to the Fund in respect of such investment, subject to certain limitations set forth in the Fund Documents, thereby resulting in such other investor having an increased investment exposure in such portfolio company compared to the exposure that such other investor would otherwise have had but for such excuse or exclusion event.

Side Letters. The General Partners, on behalf of the Funds, will enter into letter agreements or other similar agreements (collectively, "**Side Letters**") with investors which provide such investors with additional or different rights (including with respect to information and reporting, excuse or exclusion, waiver of certain confidentiality obligations, co-investment, certain rights or terms necessary in light of particular legal, regulatory or policy requirements, additional obligations and restrictions with respect to structuring particular investments, and liquidity and transfer) than such investors have pursuant to the Fund Documents or the subscription agreement. As a result of such Side Letters, certain investors will receive additional benefits that other investors will not receive. The other investors will have no recourse against the Funds, the Firm and/or their affiliates in the event that certain investors receive additional and/or different rights and/or terms as a result of such side letters. Although any rights or terms established in a Side Letter with an investor is intended to govern solely with respect to such investor, such rights or benefits may, by altering the terms of the applicable Fund Documents or requiring the consent of an investor for certain investments and other actions, materially impact a Fund and the other investors. For example, if a General Partner enters into a Side Letter entitling an investor to opt out of a particular investment or withdraw from a particular Fund, any opt out or withdrawal by such investor may increase the *pro rata* interest of the other investors in that particular investment or all future investments, which may have an adverse effect on the investment results of such other investors. A General Partner, on behalf of a Fund, may enter into such Side Letters with any party as such General Partner may determine in its sole and absolute discretion at any time and any rights or terms so established in a Side Letter with a Limited Partner will not require the approval of any other investor. The Funds will generally bear the expenses of administering Side Letters and other investor -specific requests.

Advisory Board. The General Partner will, as contemplated by the Fund Documents of the applicable Fund, seek the approval of the members of the advisory boards with respect to

potential conflict of interest situations and the advisory boards' approval will be required to resolve certain conflicts and other matters. Although the advisory boards are intended to act as the representatives of the limited partners, the advisory boards may not have the same interests as all limited partners and therefore may not always act in a manner that is consistent with the interests of the limited partners as a whole. Furthermore, the advisory boards cannot be expected to be expert in private equity investing, and certain of its determinations may, in fact, adversely affect the limited partners or the performance of the Fund. Nevertheless, any approval by the advisory boards will be binding upon the Fund and all of the limited partners.

Electronic Disclosure. The Funds, the General Partners and Genstar expect to provide investors: (i) statements, reports and other communications relating to the Funds, annual and other updates of Fund's consumer privacy policies and procedures; (ii) all notices and communications required or contemplated to be delivered to such investor by the Fund, the General Partner, Genstar or any of their respective affiliates; (iii) all notices and communications relating to the General Partners and Genstar (including this brochure, privacy policy and any other communication required under the Advisers Act or otherwise); and (iv) funding notices, distribution notices, and any other requests, demands or other communications and any financial statements, reports, schedules, certificates or opinions required to be provided to such investor pursuant to the applicable Fund Documents or any Side Letter with such investor in electronic form, such as e-mail or posting on a web-based reporting site or other Internet service, in lieu of or in addition to sending such communications as hard copies via fax or mail.

There are certain costs (*e.g.*, software; on-line time) and possible risks (*e.g.*, slow downloading time and system outages) associated with electronic delivery. Moreover, the General Partners cannot provide any assurance that these communication methods are secure and will not be responsible for any computer viruses, problems or malfunctions resulting from any computer viruses or related problems that may be associated with the use of an Internet-based system. E-mail messages may not be secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted or interfered with without the knowledge of the sender or the intended recipient. The Funds, the General Partners and Genstar will make no assurances, representations, or warranties in relation to these matters. The General Partners and Genstar reserve the right to intercept, monitor and retain e-mail messages to and from its systems as permitted by applicable law. See also "*Cybersecurity Risk*," above. Similar types of operational and technology risks are also present for portfolio companies, which could have material adverse consequences for such portfolio companies and may cause Fund investments to lose value.

General Data Protection Regulation. Compliance with current and future privacy, data protection and information security laws could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of Genstar's current and planned business activities and as such could increase costs for the Funds and/or portfolio companies. A failure to comply with such laws and regulation could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have an impact on reputation.

The Funds and their portfolio companies are subject to regulations related to privacy, data protection and information security in the jurisdictions in which they operate. As privacy, data protection and information security laws are implemented, interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

In the European Union (the “EU”), the data protection law currently in effect is in the form of the General Data Protection Regulation (EU 2016/679) (the “**GDPR**”) which took direct effect across the EU Member States on 25 May 2018. The GDPR seeks to harmonize national data protection laws across the EU, whilst at the same time, modernizing the law to address new technological developments. The GDPR notably has a greater extra-territorial reach than pre-existing legislation and has an impact on data controllers and data processors, (i) with an establishment in the EU, (ii) which offer goods or services to EU data subjects, or (iii) which monitor EU data subjects’ behavior within the EU. The GDPR imposes operational requirements on both data controllers and data processors, and introduces significant penalties for non-compliance with fines of up to 4 percent of total annual worldwide turnover or EUR 20 million (whichever is higher), depending on the type and severity of the breach. Despite the UK exit from the EU, the provisions of the GDPR have been incorporated directly into UK law as the UK GDPR.

The current ePrivacy Directive 2002/58/EC will also be replaced by the European Union Commission’s Regulation on Privacy and Electronic Communications (the “**ePrivacy Regulation**”), which aims to reinforce trust and security in the digital single market by updating the legal framework on ePrivacy. The ePrivacy Regulation is in the process of being finalized and is expected to come into force in the near future.

Although the UK has exited from the EU (as detailed in the below paragraph headed “Potential Implications of Brexit”), the EU Commission ruled on June 28, 2021 that the UK should be deemed an “adequate” country for data protection purposes. The EU Commission’s adequacy ruling in respect of the UK shall remain in force until June 27, 2025 unless it is successfully challenged and overturned by a ruling of the Court of Justice of the EU before such time. As a result, until the adequacy ruling expires, to the extent that the Funds and/or portfolio companies transfer personal data from the EU to the UK, additional mechanisms will not be required to legitimize such transfers.

Potential Implications of Brexit. On January 31, 2020, the UK formally left the EU (“**Brexit**”). Following its withdrawal from the EU, the UK entered into a transition period, during which EU law continued to apply in the UK while the UK government and the EU negotiated the terms of their future relationship. The transition period expired on December 31, 2020, and EU law no longer applies in the UK.

The UK and the EU have agreed to a trade and cooperation agreement pursuant to which there will be no tariffs or quotas on goods traded between the UK or the EU. However, services are not comprehensively covered in the agreement and negotiations are ongoing in relation to provision of financial services in particular.

Political and economic uncertainty and periods of exacerbated volatility in both the UK and

in wider European markets may continue for some time. It also remains possible that the UK's withdrawal from the EU may lead to a call for similar referendums in other European jurisdictions, which may cause increased economic volatility in the European and global markets.

It is difficult to predict what the future economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry, the broader UK, European and global financial markets generally and for private funds such as the Funds. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by the Genstar.

Future application of EU-based legislation to the private fund industry in the UK and the EU will ultimately depend on the outcome of the ongoing negotiations. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on Genstar and its investments, including the ability of Genstar to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for the investors, the General Partners and /or Genstar, each of which may have a negative impact on the operations, financial condition, returns or prospects of Genstar.

This mid- to long-term uncertainty may have an adverse effect on the economy generally and on the ability of Genstar and its investments to execute their respective strategies and to receive attractive returns. In particular, currency volatility may mean that the returns of Genstar and its investments are adversely affected by market movements and may make it more difficult, or more expensive, for Genstar to execute prudent currency hedging policies. Potential decline in the value of the Pound Sterling against other currencies, along with the potential downgrading of the UK's sovereign credit rating, may also have an impact on the performance of Genstar's investments located in the UK.

In addition to broader economic and market concerns, the exit by the UK of the EU will have implications on the UK and European legal, tax and regulatory regimes. For example: (a) historically, most UK's financial services legislation has derived from EU law and certain aspects may be replaced with less or more restrictive provisions; and (b) certain EU directives and rules in the field of taxation ceasing to apply may lead to higher tax and/or tax compliance costs being incurred by Genstar when making investments in the UK than would otherwise have been the case. In light of the above, no definitive assessment can currently be made regarding the impact that Brexit will have on Genstar, its investments or its organization more generally.

AIFMD and AIFMR. On November 11, 2010, AIFMD was approved by the European Parliament. AIFMD came into force on July 21, 2011 and member states of the European Economic Area (the "EEA") had two years in which to implement the provisions therein (subject to certain transitional provisions). AIFMD applies to: (i) Alternative Investment

Fund managers (“**AIFMs**”) established in the EEA who manage Alternative Investment Funds (“**EEA AIFMs**”); (ii) AIFMs established outside the EEA (“**non-EEA AIFMs**”) who manage EEA Alternative Investment Funds; and (iii) non-EEA AIFMs who market Alternative Investment Funds to investors in the EEA. Following the UK’s departure from the EU, the UK Alternative Investment Fund Managers Regulation 2013/1773 (“**AIFMR**”) implement similar requirements in the UK. AIFMR potentially applies to: (i) AIFMs established in the UK who manage Alternative Investment Funds (“**UK AIFMs**”); (ii) AIFMs established outside of the UK who manage UK Alternative Investment Funds; and (iii) non-UK AIFMs who market Alternative Investment Funds to investors in the UK.

Investors are advised that it is not currently anticipated that the Funds will be operated in accordance with the full provisions of AIFMD or AIFMR. The General Partners are each neither an EEA AIFM nor a UK AIFM and, as such, the General Partners may only market Alternative Investment Funds in the EEA/UK: (i) in accordance with private placement regimes of individual EEA member states and the requirements of Article 42 of AIFMD and in certain other circumstances permitted by AIFMD (and the laws and regulations implementing it); and (ii) in the UK in accordance with Regulation 59 AIFMR. It is anticipated that certain of the Funds may be marketed: (i) in accordance with private placement regimes permitted by Article 42 of AIFMD and in certain other circumstances permitted by AIFMD (and the laws and regulations implementing it); and (ii) in accordance with Regulation 59 of AIFMR.

AIFMD and AIFMR will place certain restrictions and requirements on the General Partners (and indirectly on the Funds) if interests in the Funds are marketed to investors in the EEA and/or the UK (as applicable). The General Partners will be subject to various transparency, disclosure and notification obligations and asset-stripping restrictions which are imposed upon some funds when they acquire EEA and UK based companies that are not “small and medium enterprises” or “SMEs” (“**EEA or UK Company**”) and these provisions could impact and limit the Funds’ ability to invest into the EEA or UK.

The information which may need to be disclosed by the AIFM when an Alternative Investment Fund takes control of an EEA or UK Company includes: (i) a policy for managing conflicts including information on arms-length safeguards (between the AIFM, its funds and the company); (ii) a communications policy including in particular as regards communications to employees; (iii) the intentions as to future business and effects on employment; and (iv) information on the financing of the acquisition. The disclosures may be required to be made to the company, its shareholders, its employees and the regulators in the UK and EEA jurisdictions in which the manager makes regulatory reports and where the target company is based. Additional notifications may need to be made to the UK and EEA regulators where there is an acquisition or disposition which results in the Alternative Investment Fund reaching (either individually or jointly), exceeding or falling below 10/20/30/50/75% voting right thresholds in an EEA or UK Company.

When an Alternative Investment Fund acquires control (either individually or jointly) over an EEA or UK Company, unless the restriction can be dis-applied under limited circumstances when the company makes a distribution or acquires its own shares, its AIFM must ensure that for a period of 24 months following acquisition of “control”, that the company does not make a distribution, capital reduction, share redemption and/or

acquisition of its own shares (each, a “**Capital Event**”). For non-listed companies, “control” is defined as holding 50% of the voting rights in that company. In relation to listed companies (issuers), AIFMD and AIFMR provide that the meaning of “control” is to be defined by reference to the meaning given by the legislation of the jurisdiction of the company being acquired. As a result, the ability of the AIFM to carry out a Capital Event with respect to an investment may be restricted in the first 24 months of acquiring control of an EEA or UK Company.

These various restrictions and requirements under AIFMD and AIFMR may also impact the Genstar’s ability to market the Funds to investors in the EEA and UK or its ability to manage the Funds generally, and the Funds’ investments may be significantly affected. As such, AIFMD and AIFMR may adversely affect Genstar’s ability to carry out and achieve the Funds’ investment strategy and objectives.

Moreover, the various obligations under AIFMD and AIFMR may give rise to certain compliance and other costs, certain of which may be passed on to the Funds.

In addition to the above, Directive (EU) 2019/1160 and Regulation (EU) 2019/1156 on the cross-border distribution of collective investment undertakings, which applied from August 2021, made various changes to AIFMD which may impact the ability of Genstar to market the Funds to Prospective Investors in the EEA.

Sustainability Considerations. The European Commission adopted its Action plan on Financing Sustainable Growth in May 2018, targeting all financial market participants. It aims to introduce measures to clarify asset managers’ duties in integrating responsible investment factors and risks into investments, as well as to clarify and standardize transparency duties and responsible investment reporting requirements.

There are currently a series of initiatives at EU level that are at varying stages of progress to implement the EU’s Action plan on Financing Sustainable Growth. Regulation (EU) 2019/2088 on Sustainability-related disclosures in the financial services sector (the “**SFDR**”) was published on 9 December 2019 and entered into force on 29 December 2019. The purpose of the SFDR is to achieve more transparency on how financial market participants consider any responsible investment event or condition that, if it occurs, could have a negative material impact on the value of an investment (together the “**Sustainability Risks**”). As a result of the SFDR, Genstar may be required to provide certain disclosures in pre-contractual documentation and on its website on the manner in which Sustainability Risks are accounted for and integrated into Genstar’s investment decision-making process and the potential impact of Sustainability Risks on the returns of the Funds.

The SFDR has a staggered application. The initial compliance deadline for disclosures under the SFDR was 10 March 2021 and the requirements for periodic Fund disclosures under the SFDR applied from 1 January 2022. The SFDR disclosures on Fund level principle adverse impacts applied from 30 December 2022.

In order to practically apply the SFDR it must be read in conjunction with the Regulatory Technical Standards which were put in place by the Joint Committee of the European Supervisory Authorities (which includes the European Securities and Markets Authority) as

set out in Commission Delegated Regulation (EU) 2022/1288 (the “**RTS**”). The RTS were finalised and adopted by the European Commission on 6 April 2022 and were published in the Official Journal of the EU on 25 July 2022. The RTS applied as of 1 January 2023.

Compliance with the SFDR, the RTS and other responsible investment-related rules is expected to result in increased legal, compliance, restrictions, reporting and other associated costs and expenses which will be borne by the Funds. Under such requirements the Funds may be required to classify themselves against certain criteria, some of which can be open to subjective interpretation. Genstar’s view on the appropriate classifications under the SFDR may develop over time, including in response to statutory or regulatory guidance or changes in industry approach to classification. A change to the relevant classifications may require further actions to be taken, for example further disclosures may be required or new processes may be necessary to capture data about the Funds or their investments, which may lead to additional costs.

Sustainable Finance Taxonomy Regulations (the “**Taxonomy**”). The Taxonomy is designed to create a benchmark and framework for green products so that investors do not need to conduct their own due diligence with regards to a financial product’s environmental sustainability. The regime came into force on 12 July 2020 and certain aspects have applied in practice from 1 January 2022. The Taxonomy amends the SFDR to require the General Partners to disclose either: (i) information on how and to what extent the investments that underlie their products support economic activities that meet the four tests for environmental sustainability under the Taxonomy; or (ii) for financial products that do not invest in taxonomy-compliant activities, a statement that they do not take the Taxonomy into account. In order to comply with the four tests for environmental sustainability, economic activity must: (i) contribute substantially to at least one of the environmental objectives listed in the Taxonomy; (ii) “do no significant harm” to any of the other environmental objectives listed in the Taxonomy; (iii) be carried out in compliance with minimum social and governance safeguards; and (iv) comply with technical screening criteria to be adopted under the Taxonomy.

Compliance with the Taxonomy related rules in due course is expected to result in increased legal, compliance, restrictions, reporting and other associated costs and expenses which will be borne by the Funds.

Item 9. Disciplinary Information

None.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

An affiliate of Genstar acts as the General Partner of each Fund. Various limited partnerships serve as General Partners of the Funds. For a description of material conflicts of interest created by the relationship among Genstar and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

The General Partners of certain Funds have filed for an exemption from registration as commodity pool operators in accordance with CFTC Rule 4.13(a)(3) and Genstar has filed for an exemption from registration as a commodity trading advisor in accordance with CFTC Rule 4.14(a)(8).

Broker-Dealers

Neither Genstar nor any of its management persons is registered, nor does any such person have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

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

Code of Ethics

Genstar has adopted a Code of Ethics (the “**Code of Ethics**”) which applies to Genstar and its affiliates and sets forth standards of business conduct that Genstar requires of its supervised persons. The Code of Ethics is intended to assist Genstar and its supervised persons in complying with the requirements of Rule 204A-1 under the Advisers Act, as well as provisions of the federal securities laws pertaining to insider trading.

The Code of Ethics contains a section entitled Procedures and Policy Statement on Insider Trading to inform employees and covered persons of what constitutes material, nonpublic information and the laws and requirements relating to insider trading and confidentiality and Genstar’s policies in that area.

The Code of Ethics also sets forth personal trading policies applicable to employees and certain family members and affiliates that are designed to address actual or potential conflicts of interest (or appearances of conflicts) with the Funds (the “**Policies**”).

Employees may not trade for themselves or recommend trading in the securities of a public company while in possession of material, nonpublic information concerning such company, or disclose such information to any person not entitled to receive it. Each employee is required to inform the Firm’s Chief Compliance Officer whenever such employee believes that he or she may have obtained material, nonpublic information regarding a public company. In accordance with the Policies, employees are not permitted to effect transactions individually in public companies that are portfolio investments of any of the Funds without the approval of the Chief Compliance Officer. Every employee who serves on the board of directors of a portfolio company or in another capacity (such as an officer) of a portfolio company may have access to material, nonpublic information about the portfolio company. As such, employees who serve on the board of directors for a portfolio company are required to follow the individual company’s insider trading policy.

The Policies require all employees of Genstar, as well as employees and associated persons of affiliates of Genstar, to report brokerage transactions to the Chief Compliance Officer. Transactions in certain financial products, including certain mutual fund shares, U.S.

government securities, and certain money market instruments may be excluded from such reporting requirements.

A copy of the Code of Ethics is available to any client, prospective client or limited partner upon written request to: Genstar Capital, Chief Compliance Officer, Four Embarcadero Center, Suite 1900, San Francisco, CA 94111-4191.

Participation or Interest in Client Transactions and Potential Conflicts of Interest

As described in the responses to Items 5 and 6, Genstar and the General Partners are generally entitled to receive management fees and Carried Interest from the Funds. The General Partners also make capital commitments to the Funds. Further, certain employees and affiliates of Genstar will invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, may reduce all or a portion of the management fee and Carried Interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below. In addition, Genstar and its affiliates may receive fees from a Fund’s portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such companies and may also receive securities of a Fund’s portfolio company that were granted or paid in the recipient’s capacity as a director of such portfolio company or an affiliate thereof. Each of the foregoing may represent a material financial interest in the securities that Genstar recommends to the Funds.

Due in part to the fact that potential investors in a Fund (including purchasers of a limited partner’s interests in a secondary transaction) or a co-investment opportunity (see below) may ask different questions and request different information, Genstar may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Conflicts of Interest

Genstar and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Fund likely will conflict with the interests of Genstar, other Funds or their respective affiliates. Potential conflicts of interest exist in the structure and operation of the Funds’ business. If any matter arises that any of the General Partners or Genstar determines in its good faith judgment constitutes an actual conflict of interest, such General Partner or Genstar, as applicable, will take such actions as it determines in good faith may be, or which pursuant to the applicable Fund’s limited partnership agreement are, necessary or appropriate to ameliorate the conflict. There can be no assurance that the General Partners and Genstar, as applicable, will ameliorate or resolve all conflicts of interest in a manner that is favorable to the Funds or any particular limited partner. In addition, the Fund Documents contain provisions that, subject to applicable law, (a) reduce or eliminate the duties, including fiduciary and other duties, to the Funds and the limited partners to which the General Partners would otherwise be subject, (b) waive duties or consent to the

conduct of the General Partners that might not otherwise be permitted pursuant to such duties and (c) limit the remedies of limited partners with respect to breaches of such duties. Additionally, the Fund Documents contains exculpation and indemnification provisions that, subject to the specific exception enumerated therein, provide that the relevant General Partner and its affiliates (including Genstar) will be held harmless and indemnified, respectively, for matters relating to the operation of the Funds, including matters that involve one or more potential or actual conflicts of interest. Certain of these conflicts of interest, as well as a description of how Genstar addresses such conflicts of interest, can be found below.

Genstar expects, from time to time, to establish certain investment vehicles through which certain employees of Genstar or its affiliates, certain business associates, other “friends of the firm,” or other persons are permitted to invest alongside one or more Funds in one or more investment opportunities. Such vehicles, referred to herein as “co-investment vehicles,” generally are contractually required, as a condition of investment, to purchase and sell each investment opportunity at substantially the same time and substantially the same terms as the applicable Fund that is invested in that investment opportunity. Each co-investment by a co-investment vehicle is required to be, subject to legal, tax, regulatory or other such considerations, on terms that are no more favorable to such co-investment vehicle than those received by the respective Fund. Third-party and limited partner co-investors will not necessarily always co-invest through a co-investment vehicle, and, therefore, are not subject to the “no more favorable” requirement found in the Fund Documents. Further, a co-investment vehicle’s terms could still be considered not more favorable than the Fund’s terms even if such vehicle is not required to pay Carried Interest or a management fee. Additionally, a co-investment vehicle may, from time to time, utilize proceeds from credit line borrowings of one or more affiliated Funds to fund its pro-rata share of investment purchases. Typically in such cases, the credit line is secured by a pledge of the affiliated Funds’ partners’ remaining capital commitments in the affiliated Fund(s), and the co-investors would be expected to bear their share of any expenses incurred in connection with such funding. However, investors in such co-investment vehicles will benefit from such credit lines even though those investors do not provide the same level of credit support as the relevant affiliated Fund(s). In the event any such co-investment vehicle does not satisfy its share of any payment in respect of any such borrowing, the relevant affiliated Fund(s) will be contractually obligated to satisfy its share even if such Fund(s) do not have recourse against such co-investment vehicle.

Resolution of Conflicts Generally. In the event that any matter arises that a General Partner determines in its good faith judgment to constitute an actual conflict of interest between the relevant Fund, on one hand, and Genstar or any existing or future vehicle or account or clients, on the other hand, such General Partner may, subject to internal policies and Fund Documents, take such actions as it deems necessary or appropriate, including such actions as described elsewhere herein, taking into consideration the interests of the relevant parties, the circumstances giving rise to the conflict and applicable law. Genstar’s internal policies and protocols may be amended from time to time by Genstar in its discretion without notice to or the consent of limited partners or any other person. Any such resolutions will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict.

Conflicts. The material conflicts of interest encountered by Genstar and the Funds include those discussed below, although the discussion below does not purport to be a complete list or explanation of all conflicts of interests that will be faced by Genstar or a Fund. Other potential conflicts are disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

Investments with Related Parties. Subject to the limitations set forth in the Fund Documents, the Funds expect to participate in investments that involve the General Partners or their affiliates in equity or debt positions within a transaction via the ownership of Passive Securities (defined as securities that are preferred equity, bonds, debentures or other debt securities in which the person owning such securities will not exercise any right to vote with respect to such securities other than (a) through a proxy granted to an unaffiliated third-party which exercises its independent discretion in connection with such vote or (b) on the same basis as the owners of a majority of such securities). See “*Other Investments*,” below. As a result of the various conflicts and related issues described herein, a Fund could sustain losses during periods in which a General Partner or its affiliates achieve profits generally or with respect to particular investments, or could achieve lower profits or higher losses than would have been the case had the conflicts described herein not existed.

In situations where a portfolio company is experiencing distress or bankruptcy and the General Partner or one or more of its affiliates hold Passive Securities, such conflicts of interest will be exacerbated. In such scenarios, the General Partner’s or its affiliates’ interests will likely be senior in priority to those of the applicable Fund and they may take over a portion of such portfolio company. In such circumstances, a General Partner or its affiliates may take actions that are adverse to the interests of the applicable Fund. In this case, a General Partner or its affiliates could, for a relatively small investment, obtain a stake in such portfolio company or be part of a group that takes over the management of (and risk relating to) such portfolio company to the detriment of the applicable Fund.

The interests of a General Partner or its affiliates in such investments would differ from those of applicable Fund(s) and would have been acquired at different times, at different prices, with a different view and subject to different terms and conditions. In addition, a General Partner or its affiliates would likely dispose of their interests at different times and on different terms than the applicable Fund.

If a Fund and the applicable General Partner or its affiliates invest in different classes or types of securities of the same portfolio company (or other assets, instruments or obligations issued by such company) or otherwise on different terms, it would thereby create divergent interests, including the possibility that in a bankruptcy proceeding the Fund’s interest will be subordinated or otherwise adversely affected by virtue of such General Partner’s or its affiliates’ involvement and actions relating to its investment. As a result of differing investment strategies and the facts and circumstances at the times of acquisition and disposition, it is likely that a General Partner or its affiliates will have different returns (including possibly superior returns) on these investments than a Fund will. If a portfolio company in which a Fund has an investment and in which a General Partner or its affiliates also has an investment, but at a different level of the capital structure, becomes distressed or defaults on its obligations, the General Partner will have

conflicting loyalties between its duties to the relevant Fund and to itself and, in this regard, there could be certain actions and remedies in view of these interests and contractual obligations that the General Partner will determine not to undertake on behalf of the Fund, sometimes relying instead upon the actions and remedies undertaken by other lenders and/or investors. The applicable Fund or investment could be negatively affected by these activities, and the applicable Fund's transactions may be executed at prices or terms that are less favorable than would otherwise have been the case. The General Partner does not expect it or its affiliates to be a majority holder of any tranche of debt in a portfolio company in which a Fund holds equity and the General Partner and its affiliates do not intend to exercise any right to vote with respect to such securities (other than through a proxy granted to an unaffiliated third party which exercises its independent discretion in connection with such vote or on the same basis as the owners of a majority of the applicable securities). The General Partner believes that limiting the amount of such Passive Securities it acquires in connection with any particular portfolio company, together with the limits on voting described immediately above, significantly mitigate the conflicts of interest otherwise inherent in such circumstances.

As part of the ability of the General Partner and its affiliates to invest in Passive Securities, the General Partner may extend such right to the Managing Partners or other employees of Genstar as well as limited partners, prospective limited partners or other third parties to participate in such investments via one or more vehicles controlled by the General Partner or an affiliate thereof. Each such person may pay fees or carried interest to the General Partner or an affiliate thereof, which such fees and carried interest would not be for the benefit of applicable Fund or the limited partners and may exacerbate the risks described earlier in this section.

Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities. Genstar serves as the investment manager to a number of private equity funds and will in the future serve as the investment manager to certain other funds or other entities. As such, certain conflicts could arise in the allocation of investment opportunities and in connection with the acquisition and/or disposition of investments by the Funds.

Until the expiration of the investment period of a given Fund, except for investment opportunities (i) related to current portfolio holdings either of the General Partner or its affiliates, (ii) that are allocated to any strategic co-investors (see "*Co-Investment Opportunities*," below) or (iii) that meet the investment objectives of a successor Fund in respect of which Genstar or an affiliate thereof is entitled to collect management fees, any investment opportunity that is presented to the General Partner or any of its affiliates and that the General Partner believes in good faith is suitable and appropriate for the applicable Fund and consistent with the applicable Fund's investment objectives, and where the applicable Fund has available remaining Commitments sufficient to enable the applicable Fund effectively to participate in such investment opportunity, will be made available to such Fund before being offered to any other person. Notwithstanding the foregoing, a Fund may, with the consent of its advisory board, co-invest with an existing Fund or a successor Fund in any investment opportunity offered to such Fund, and the General Partner may allocate such portion of such investment opportunity to such existing Fund or successor Fund as the General Partner determines to be appropriate, provided that any such co-investment and dispositions related thereto will, subject to legal, tax, regulatory or other

such considerations, be made at the same time and on terms that are no more favorable to the existing Fund or successor Fund, as applicable, than those received by the applicable Fund.

Insurance. The General Partners intend to cause the Funds to purchase, and/or bear premiums, fees, costs and expenses with respect to, insurance for the benefit of such Funds, the General Partners and any indemnified party with respect to Fund-related matters. Genstar, other vehicles or accounts affiliated with Genstar and their respective portfolio companies and other investments may leverage the scale of Genstar by participating in shared, or umbrella, insurance policies as part of a broader group of entities affiliated with Genstar. Any insurance policy purchased by or on behalf of the Funds (including policies covering the Funds, the General Partners, Genstar and other funds and accounts) may provide coverage for situations where the Funds would not provide indemnification, including situations involving culpable conduct by the General Partners or Genstar. Nonetheless, each Fund's share of the fees and expenses in respect of insurance coverage will not be reduced to account for these types of situations.

To the extent an insurance policy provides coverage with respect to Fund-related or investment-related matters, all or a portion of the fees and expenses (including premiums) of such insurance policy will be allocated to the relevant Fund.

While shared insurance policies may be cost effective, claims made by any entities affiliated with Genstar may result in increased costs to a Fund and such policies may have an overall cap on coverage. To the extent an insurable event results in claims in excess of such cap, the applicable Fund(s) may not receive as much in insurance proceeds as it would have received if separate insurance policies had been purchased for each party and Genstar may face a conflict in interest in properly allocating insurance proceeds across all claimants, which could result in certain Funds receiving less in insurance proceeds than if separate insurance policies had been purchased for each insured party individually. Similarly, insurable events may occur sequentially in time while subject to a single overall cap. To the extent insurance proceeds for one such event are applied towards a cap and a Fund experiences an insurable loss after such event, such Fund's receipts from such insurance policy may be diminished or such Fund may not receive any insurance proceeds. A shared insurance policy may also make it less likely that Genstar will make a claim against such policy on behalf of a Fund.

In addition, certain Funds may need to determine whether or not to initiate litigation to collect from an insurance provider, which may be lengthy and expensive, and which ultimately may not result in a financial award. The potential for Genstar to be a counterparty in any litigation or other proceedings regarding insurance claims creates a further potential conflict of interest. Genstar will seek to allocate the costs of such insurance and proceeds from claims in respect of such insurance policies and resolve any conflicts of interest, as applicable, in a manner it determines to be fair.

Co-Investment Opportunities. Prior to offering any available co-investment opportunity to investors, the General Partners generally expect to offer such co-investment opportunity to those whom the General Partner believes will add value to the Funds or the applicable portfolio company's activities ("**Strategic Co-Investors**"), including, without limitation,

management of the applicable portfolio company, members of the SAB, operating executives, introducers, lenders (or other capital providers) and other service providers (including consultants), persons serving as outside directors and other persons (which could include one or more investors, as applicable) with industry, geographic or other relevant expertise applicable to such investment. Following any allocation to Strategic Co-Investors, in the event that an investment opportunity available to such Fund exceeds aggregate commitments (inclusive of any reasonably anticipated follow-on investments related thereto) by a certain threshold per the applicable Fund Documents, such investment opportunity is intended to be allocated to a select group of investors (“**Priority Co-Investors**”), solely to the extent of the excess above such threshold. As a result, subject to the diversification limitations in the Fund Documents applicable to such Priority Co-Investors and the remaining capital commitment of such Priority Co-Investors, any such excess will not be allocated per Fund Documents to the applicable Fund and will therefore not receive any benefits associated with such portion of such investment opportunity. Conversely, in the event that the diversification limitation in the Fund Documents applicable to such Priority Co-Investors is met, or there are no remaining capital commitments of such Priority Co-Investors, the applicable Fund may make the portion of such opportunity that otherwise would have been allocable to the Priority Co-Investors and Fund investments may be less diversified as a result than it would have been had such Priority Co-Investors acquired the full amount of such excess. In addition, in certain cases, to the extent that the General Partner reasonably determines, within six months of a portfolio investment being made by a Fund, that there has been a material change in the amount of reasonably anticipated follow-on investments in respect of such co-investment (*e.g.*, as a result of unanticipated follow-on investments related thereto materializing or becoming reasonably anticipated, or certain anticipated follow-on Investments related thereto not materializing or no longer being reasonably anticipated), the General Partner may reallocate such investment opportunity among such Fund and the priority co-investors accordingly, provided that the General Partner reasonably determines that there has been no significant event relating to the applicable portfolio company (*e.g.*, a material change in value) and provides notice to the advisory board. As a result, such Fund may receive a smaller portion of an investment opportunity than was originally allocated to such Fund and therefore, to the extent such investment opportunity proves to be successful, such Fund will not receive all of the economic gains they would have received had they ultimately been allocated the entire portion of such investment that was originally allocated to them. Conversely, such Fund may receive a larger portion of an investment opportunity than was originally allocated to such Fund and therefore, to the extent such investment opportunity proves to be unsuccessful, such Fund will have greater exposure to such unsuccessful investment than would have been the case had such Fund ultimately been allocated only the portion of such investment that was originally allocated to them.

To the extent that the General Partner believes that it would receive more Carried Interest if a particular investment were made by the Priority Co-Investors instead of the applicable Fund, it may incentivize the General Partner to allocate a greater portion of such investment to the Priority Co-Investors than it otherwise would have, and vice versa. While the foregoing is mitigated by the largely formulaic approach to allocating investment opportunities as between applicable Funds and the Priority Co-Investors, whether or not an investment opportunity will be deemed to exceed aggregate commitments limitations per Fund Documents and allocated to the Priority Co-Investors will be influenced, in part, by

the General Partner's determination of any reasonably anticipated follow-on investments related to such investment. Similarly, to the extent that the General Partner believes that it would receive more Carried Interest if a particular follow-on investment were made by the Priority Co-Investors instead of the applicable Fund, it may incentivize the General Partner to allocate a greater portion of such follow-on investment to the Priority Co-Investors than it otherwise would have. While the foregoing is mitigated by the requirement for the General Partner to obtain a third party determination or confirmation of the valuation of the applicable portfolio company in respect of which the follow-on investment is being made by the Priority Co-Investors rather than the applicable Fund, whether or not a follow-on investment opportunity will be allocated to the Priority Co-Investors will be influenced, in part, by the General Partner's determination of the reserves reasonably required for the applicable Fund. Following any such allocation to the Priority Co-Investors and where appropriate, the General Partner intends, but will be under no obligation, to provide co-investment opportunities to investors before making such opportunities available to third parties. Decisions regarding whether and to whom to offer co-investment opportunities are made at the sole discretion of the General Partner and may be offered to some and not other investors with allocations that may differ from their proportionate investments in the applicable Fund and may be based on a number of factors, including, without limitation, an investor's expressed interest in co-investments, the General Partner's assessment of such investor's ability to both fund and timely execute the co-investment, the General Partner's perception of past experiences and relationships with such investor, the size of such investor's commitment, legal, regulatory, reporting, public relations, media or other considerations that may impact the viability of, or affect such investor's ability to participate in, the co-investment, confidentiality concerns relating to the disclosure of information in order to permit such investor to evaluate the opportunity and the potential for establishing or strengthening relationships that may provide indirectly longer-term benefits to the applicable Fund or successor Funds. In light of the foregoing, no investor should have any expectation of receiving co-investment opportunities.

In addition, the General Partners may form one or more additional co-investment vehicles to provide employees of Genstar (other than the Managing Partners) and its affiliates with the opportunity to co-invest with a Fund in an amount not to exceed limitations set forth in the relevant Fund Documents.

For the avoidance of doubt, any co-investments made alongside the Funds and dispositions related thereto will, subject to legal, tax, regulatory or other such considerations, be made at the same time and on terms that are no more favorable to the applicable co-investor than those received by the relevant Funds.

Co-investors will typically bear their *pro rata* share of fees, costs and expenses related to the discovery, investigation, development, acquisition or consummation, ownership, maintenance, monitoring, hedging and disposition of their co-investments and may be required to pay their *pro rata* share of fees, costs and expenses related to potential investments that are not consummated, such as breakup fees or broken deal expenses. Although Genstar endeavors to allocate such fees, costs and expenses on a fair and equitable basis, co-investors may not bear their share as they may not agree to pay or otherwise bear fees, costs and expenses related to unconsummated co-investments (and in certain circumstances, co-investors may not bear such fees, costs and expenses because they have

not been identified as of the time such potential investment ceases to be pursued). In such event, such fees, costs and expenses will be considered operating expenses of, and be borne by, the applicable Fund.

Conflicts Related to Purchases and Sales. Potential conflicts will arise when a Fund makes investments in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment. Investment opportunities may be appropriate for more than one Fund at the same, different or overlapping levels of a portfolio company's capital structure. Potential conflicts arise in determining the terms of investments, particularly if the Funds invest in different types of securities in a single portfolio company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly in Funds that have invested in different securities within the same portfolio company. Certain clients of Genstar may invest in bank debt and securities of companies in which other clients hold securities, including equity securities. In the event that such investments are made by a Fund, the interests of such Fund may be in conflict with the interest of such other Fund, particularly in circumstances where the underlying company is facing financial distress. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Funds may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided, each Fund will supply such additional capital in such amounts, if any, as determined by Genstar. In addition, a conflict may arise in allocating an investment opportunity if the potential investment target could be acquired by either a Fund or a portfolio company of another Fund. Investments by more than one client of Genstar in a portfolio company may also raise the risk of using assets of a client of Genstar to support positions taken by other clients of Genstar. Employees and related persons of Genstar have made or may make capital investments in or alongside certain Funds, and therefore may have additional conflicting interests in connection with these investments. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

A Fund is permitted, subject to the Fund Documents, to invest in opportunities that other Funds or clients of Genstar's affiliates have declined, and likewise, a Fund may decline to invest in opportunities in which other Funds or clients of Genstar's affiliates have invested.

From time to time Genstar may, in its discretion, enter into transactions with investors in one or more Funds to dispose of all or a portion of certain investments held by one or more Funds. In exercising its discretion to select the purchaser(s) of such investments, Genstar may consider some or all of the factors listed above under "*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*". The sales price for such transactions will be mutually agreed to by Genstar and such purchaser(s);

however, determinations of sales prices involve a significant degree of judgment by Genstar. Although Genstar is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the applicable Fund(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Fund(s). Any such transactions will comply with the Fund Documents of the applicable Fund(s).

Cross Trades. When permitted by applicable law and subject to and in accordance with the terms of the applicable Fund Documents, a General Partner is permitted to (but is under no obligation to) cause the relevant Fund to acquire or dispose of investments in cross trades between such Fund and other Funds or clients advised by Genstar or an affiliate thereof. There may be potential conflicts of interest or regulatory issues relating to these transactions, which could limit a General Partner's decision to engage in these transactions for the applicable Fund. In connection with a cross trade, the relevant General Partner and its affiliates may have a potentially conflicting division of loyalties and responsibilities regarding such Fund and the other parties to trade and have developed policies and procedures in relation to such transactions and conflicts. However, there can be no assurance that such transactions will be effected, or that such transactions will be effected in the manner that is most favorable to the applicable Fund as a party to any such transaction.

Principal Transactions. In connection with Genstar's management of the Funds, Genstar and its affiliates may engage in principal transactions. Although Genstar does not anticipate entering into principal transactions, Genstar has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including (i) obtaining any required approvals, including that of the applicable Fund's limited partner advisory board (as required) and (ii) making any disclosures to the applicable Fund(s) required by Section 206 of the Advisers Act.

Management of the Funds. Genstar manages a number of Funds that have investment objectives similar to one another. Genstar will in the future establish one or more additional investment funds with investment objectives that are substantially similar to, or different from, those of the current Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*" above. In addition, it is expected that employees of Genstar responsible for managing a particular Fund will also have responsibilities with respect to other Funds managed by Genstar, including Funds that will be raised in the future. Conflicts of interest will arise in allocating time, services or functions of these officers and employees.

Follow-On Investments. Investments to finance follow-on acquisitions present potential conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company in which another Fund has previously invested. In addition, a Fund may participate in releveraging and recapitalization transactions involving portfolio companies in which another Fund has

already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms. Following its initial investment in a portfolio company, the Funds may be asked to provide additional funds to, or have the opportunity to increase their investments in, such portfolio company or to fund additional investments through such portfolio company. There is no assurance that the Funds will make follow-on investments or that the Funds will have sufficient resources to, or be permitted to, make all such follow-on investments. Any decision by the Funds not to make follow-on investments or its inability to make them may have a substantial negative impact on the portfolio company in need of such investment and may result in missed opportunities for the Funds or result in the dilution of investments (in the event alternative capital is used to satisfy such additional funding needs) in such portfolio company. Additionally, if the Funds makes a follow-on investment, there can be no assurance that such follow-on investment will be successful. Finally, the tax consequences to investors of a follow-on investment will likely be determined, at least in part, by the investment structure of the investment previously made by the Funds. Such tax consequences may adversely impact investors due to changes to U.S. or non-U.S. tax laws that are made after the Funds' original investment but before a follow-on investment is made.

Conflicts Relating to the General Partners and Genstar. Genstar is authorized, in its discretion, to contract with any related person of Genstar (including, but not limited to a portfolio company of a Fund) to perform services for Genstar in connection with its provision of services to the Funds. When engaging a related person to provide such services, Genstar may have an incentive to recommend the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Genstar generally may, in its discretion, recommend to a Fund or a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with certain services providers, and from time to time such service providers are expected to include: (i) Genstar or a related person of Genstar (including but not limited to a portfolio company of a Fund) or (ii) an entity with which Genstar or its affiliates or a member of their personnel has a relationship or from which Genstar or its affiliates or their personnel otherwise derives financial or other benefit; or (iii) certain limited partners or their affiliates. This discretion subjects Genstar to conflicts of interest, because although Genstar selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly returns of the relevant Fund, Genstar has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest.

There is a possibility that Genstar, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Genstar), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Genstar will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur)

such expenses. Although Genstar generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Genstar has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Genstar expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Genstar information about markets and industries in which Genstar operates (or is contemplating operations) or will provide other services that are beneficial to Genstar or one or more other Funds. Genstar expects to be subject to a potential conflict of interest in making such recommendations, in that Genstar has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

Genstar Capital Partners XI, L.P. and its related investment vehicles, Genstar XI Opportunities Fund I, L.P. and its related investment vehicles, Genstar Capital Partners X, L.P. and its related investment vehicles, Genstar X Opportunities Fund I, L.P. and its related investment vehicles, Genstar Capital Partners IX, L.P. and its related investment vehicles, Genstar IX Opportunities Fund I, L.P. and its related investment vehicles, Genstar Capital Partners VIII, L.P. and its related investment vehicles, and Genstar VIII Opportunities Fund I, L.P. and its related investment vehicles, have hired Apex Fund Services, a portfolio company of Genstar VIII, to provide fund administration services. With respect to Genstar Capital Partners VIII, L.P. and its related investment vehicles, prior to engaging Apex Fund Services, the General Partner of Genstar Capital Partners VIII, L.P. and its related investment vehicles obtained limited partner advisory board consent to this arrangement.

Genstar, its affiliates, and members, officers, principals and employees of Genstar and its affiliates are permitted to buy or sell securities or other instruments that Genstar has recommended to the Funds. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by the Funds. Such transactions are subject to the policies and procedures set forth in Genstar's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. If officers, principals and employees of Genstar have made large capital investments in or alongside the Funds, such persons may have conflicting interests with respect to the applicable investments.

Fee Structure. Because there is a fixed investment period after which capital from investors in the Funds will only be drawn down in limited circumstances, and because management fees are, at certain times during the life of the Funds, based upon capital invested by the Funds, this fee structure creates an incentive to deploy capital when Genstar may not otherwise have done so.

Carried Interest of the General Partner. Additionally, as discussed above in Item 6, the existence of the General Partners entitlement to Carried Interest under the terms of the Fund Documents may create an incentive for the General Partners or Genstar (which is an affiliate of the General Partners) to make riskier or more speculative investments on behalf of the Funds than they would otherwise make in the absence of such performance-based arrangement, although the Genstar commitment and the General Partner's clawback are intended to reduce this incentive. In addition, Section 1061 of the Code and recently finalized Treasury Regulations generally have increased the minimum holding period from one to three years in order for a U.S. taxpayer's carried interest in respect of such investments to be taxed at rates applicable to long-term capital gain. The increase in the required holding period, or other laws (including non-U.S. tax laws) applicable to carried interest, may create an incentive for the General Partners to make different decisions regarding the timing and manner of making an investment and the realization of an investment than would be made if long-term capital gain from the sale or disposition of capital assets did not require a three-year holding period (as it relates to the General Partners' receipt of carried interest). Notwithstanding the recent issuance of final Treasury Regulations, many aspects of Section 1061 of the Code as it relates to the treatment of carried interest income remain uncertain. Moreover, there are a number of recent legislative proposals that could further adversely affect the tax treatment of the General Partners' carried interest. Depending on whether, how and when these legislative proposals are enacted into law, there may be incentives for the General Partners to alter the nature of investments made by the Fund and the timing and structure of acquisitions and dispositions in order to improve the tax positions of the General Partners with reference to its carried interest.

The General Partners could be incentivized to continue to hold investments that have poor prospects for improvement in order for the Firm to receive ongoing management fees in the interim and, potentially, a more likely or larger carried interest distributions to the General Partners if such investment's value appreciates in the future. This incentive could be increased by the presence of the clawback obligations of the General Partners, which could incentivize the General Partners to defer disposition of one or more investments or delay the liquidation of the Fund if the disposition and/or liquidation would result in a realized loss to the applicable Fund or would otherwise result in a clawback.

The General Partners are permitted to cause the Funds to distribute their share of certain securities in respect of their carried interest resulting from an investment disposition to the General Partners or their affiliates (and, in turn, to Managing Partners and employees) in-kind, while disposing of investors' share of such securities and distributing the net cash proceeds of such sale of securities to the investors. This ability, if utilized, could create a misalignment of interest as between the General Partners and the investors. The General Partners are particularly incentivized to receive distributions in-kind of securities in respect of its carried interest that it expects to increase in value, and in cases where the increase occurs, the investors will not receive the benefits of that increase. Any such distribution in-kind may also result in tax advantages or efficiencies for the General Partners and in turn for the Managing Partners and employees that would not benefit the investors. However, any such misalignment of interest is partially mitigated by the General Partners' entitlements to carried interest, which is determined based upon the investment results of

investors. Furthermore, the General Partners, or their affiliates, may receive distributions in-kind from an investment disposition alongside the investors. In the event the General Partners, or their affiliates, receives such a distribution, the General Partners will generally act in their own interests with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which an investor sells its distributed securities), or hold on to the distributed securities for such time as the General Partners shall determine. The ability of the General Partners to act in their own interests with respect to such distributed shares creates a potential lack of alignment between the General Partners and the investors.

Related Services. As described in Item 5 above, Genstar and its affiliates expect to perform Related Services for, and will receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds. Such fees will be in addition to any management fees or Carried Interest paid by the Funds to Genstar (or the General Partners). Consistent with the Fund Documents, Genstar may incur expenses, and certain portfolio companies and/or third persons will reimburse Genstar for such expenses, including, without limitation, variable travel expenses incurred in accordance with Genstar's travel policy as in effect from time to time, which may include expenses for chartered or first-class travel; expenses associated with the structuring, negotiating, making, sourcing (including any retainers, success and finder's fees and other compensation paid to contractors), researching, acquiring, monitoring, restructuring, holding, selling and otherwise disposing of, or otherwise related to, such Fund's proposed or actual investments; all third party expenses relating to unconsummated transactions (*i.e.*, broken deal expenses, break-up fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties) and temporary investments, variable administrative expenses (such as research), lodging, meals and entertainment, due diligence expenses (including fees for attending conferences the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts; expenses related to recruitment of executive staff; legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith) incurred by Genstar in connection with its performance of services for such portfolio company. Such reimbursements are not subject to the sharing arrangements described in Item 5. Additionally, since the term of the management agreements with portfolio companies may exceed ten years (and may be subject to automatic extensions and renewals), there are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of such fees. These fees may be substantial, particularly in the event such circumstances occur early in the life of the applicable Fund's investment in such portfolio company. This creates a conflict of interest between Genstar and its affiliates and the Funds and their investors because the amounts of these fees and reimbursements may be substantial and the Funds and their investors generally do not have an interest in these fees and reimbursements. Genstar determines the amount of these fees for Related Services and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements may not (except in connection with the reductions described below) be disclosed to investors in the Funds. Genstar and its affiliates will, in some circumstances, reduce the amount of

management fees paid by the applicable Fund in connection with the receipt of the applicable Fund's share of such fees. The amount and nature of this reduction varies from Fund to Fund and is set forth in the Fund Documents of the applicable Fund. Entities other than the Funds that participate in investments alongside the Funds (such as entities through which Genstar and certain employees and affiliates of Genstar invest alongside the Funds) may have a right to share in such fees, and management fees will generally not be reduced in connection with the receipt of such entities' share of such fees.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest may exist in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

Diverse Membership. The investors, who are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the U.S., may have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests of particular investors may relate to or arise from, among other things, the nature of investments made by a Fund, the residency or domicile of the investors, the structuring or the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the General Partners, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another, including with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Funds, the General Partners and the Firm will consider the investment and tax objectives of the applicable Fund and its investors as a whole, not the investment, tax or other objectives of any specific investor. However, conflicts will arise if certain investors have objectives that conflict with each other or those of the Funds.

Transactions with Potential and Actual Limited Partners. Prospective investors should note that the General Partners, Genstar and their affiliates (including the Funds) from time to time engage in transactions with prospective and actual limited partners and prospective and actual limited partners of other vehicles or accounts that entail business benefits to such investors. Such transactions may be entered into prior to or coincident with an investor's admission to a Fund or during the term of their investment. The nature of such transactions can be diverse and may include benefits relating to a Fund, other vehicles or accounts and their respective issuers or portfolio companies.

Allocation of Time. During a Fund's investment period, the General Partner and Genstar will cause the Managing Partners, for so long as they are employed by Genstar or any of its affiliates, to devote substantially all of their business time and efforts to the investment and other activities of a Fund (including any other parallel fund, any co-investment vehicle, any Alternative Investment Fund and any entity formed in connection with an investment of the applicable Fund). Notwithstanding the foregoing, each of the Managing Partners may (i) devote such time and efforts as they deem reasonably necessary to the affairs of the existing Funds and any successor funds, (ii) engage in such civic and charitable activities as such Managing Partner will choose and (iii) conduct and manage such Managing Partner's personal and family investment activities. However, pursuant to the terms of the Fund Documents, the General Partner and Genstar will, and will cause each of the Managing

Partners for so long as such Managing Partner is employed by Genstar or any of its affiliates to, devote such time to the applicable Fund as is reasonably required to conduct the investment and other activities of the applicable Fund. Subject to the foregoing and any other limitations contained in the applicable Fund Documents, the General Partner, Genstar, the Managing Partners and their respective affiliates are permitted to engage independently or with others in other investments or business ventures of any kind.

Other Investments. During the term of the applicable Fund, neither the General Partner nor any of its affiliates may acquire, invest in or hold securities of any existing portfolio company without the consent of the applicable Fund's limited partner advisory board, provided that the foregoing restriction will not apply to:

- (i) Passive Securities held by the General Partner and its affiliates;
- (ii) securities held by the General Partner and its affiliates through the General Partner (in respect of the General Partner's interest in the applicable Fund), any other parallel fund, any co-investment vehicle, any Alternative Investment Fund (as defined in the Fund Documents), any entity formed in connection with an investment of such Fund, any existing fund, any successor fund; or
- (iii) securities of a portfolio company that were granted or paid to the General Partner, Genstar or any of their respective affiliates in such person's capacity as a director of such portfolio company or an affiliate thereof.

In addition, the Fund Documents do not prohibit any affiliate of the General Partner from acquiring, investing in, reinvesting in, holding or disposing of securities of a person or an affiliate of a person in which such affiliate of the General Partner holds an investment prior to the effective date as described in Fund Documents (or, in the case of any person that becomes an affiliate of the General Partner, after the effective date of such Fund), prior to the date on which such person becomes such an affiliate. See also "*Investments with Related Parties*," above.

Business with Portfolio Companies and Investors. Given the collaborative nature of Genstar's business and the portfolio companies in which the Funds have invested, there are often situations where Genstar is in the position of recommending portfolio company services to other portfolio companies. Genstar may have a conflict of interest in making such recommendations, in that Genstar has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds.

Genstar may have an incentive to recommend the products or services of certain investors in the Funds, certain third parties or their related businesses to the Funds or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

Portfolio companies controlled by a Fund may provide services to certain Fund investors. Genstar may have an incentive to cause the portfolio company to favor those investors

relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Fund. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Fund.

Genstar may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company).

Genstar has service providers, including for example, investment bankers, outside legal counsel and pension consultants, who are investors in the Funds and/or who provide services to businesses that are competitors of Genstar. Genstar may have a conflict of interest with the Funds in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in the Funds or will provide Genstar information about markets and industries in which Genstar operates or is interested or will provide other services that are beneficial to Genstar. There is a possibility that Genstar, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. In addition, Genstar and the Funds' portfolio companies may engage common service providers. In such circumstances, there may be a conflict of interest between Genstar, on the one hand, and a Fund and its portfolio companies, on the other hand, in determining whether to engage such service providers.

Certain members of a Fund's advisory board are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Fund. The General Partner of a Fund may from time to time utilize the services of investors and their affiliates on an arm's length basis, as it deems appropriate.

Conflicts with Portfolio Companies. Members, officers and employees of Genstar serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interest of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of such portfolio company may not be in the best interests of the applicable Funds, and vice versa. Accordingly, in these situations, there may be conflicts of interest between such individual's duties as a member, officer or employee of Genstar, as applicable, and such individual's duties as a director or officer of such portfolio company.

Allocation to Co-Investment Vehicles. To the extent that any co-investment vehicle is offered an opportunity to invest in a portfolio company, because the General Partners are not necessarily required to offset fees for such co-investments, it may incentivize a Fund to allocate a greater portion of the applicable investment to the co-investment vehicle than it would otherwise make in the absence of such an arrangement. Furthermore, there could be circumstances in which a General Partner would receive more Carried Interest if a particular investment were made through a co-investment vehicle instead of the applicable Fund.

Members of the SAB and Operating Executives. Genstar may engage and retain operating partners, senior advisors, operating executives, strategic advisers, consultants and other similar professionals who are not employees or affiliates of Genstar and who, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not offset the management fee payable in respect of a Fund for purposes of Transaction Fees (as defined in the applicable Fund Documents) and third party expenses. Genstar has also created a SAB comprised of persons retained by Genstar who will play a key role in sourcing, performing diligence and advising portfolio companies throughout the applicable Fund's ownership. The SAB consists of senior executives with significant industry transaction, investment or operating experience. The SAB will consult with the General Partner of the applicable Fund on various matters, including issues relating to investments, general market trends, specific transactions and management assessment. Additionally, as part of its strategy, Genstar has entered and may enter into certain strategic relationships with operating executives to provide certain services in connection with sourcing investments, due diligence and/or providing operating management to portfolio companies. Genstar will pay compensation to members of the SAB. Members of the SAB will, and operating partners may, also receive reimbursement from the applicable Fund of certain costs and expenses that are incurred in connection with providing services with respect to the applicable Fund, including their reasonable out-of-pocket expenses (including their travel expenses) incurred in connection with attending meetings of the SAB. In addition, expenses of holding meetings of the SAB (including venue, travel and related expenses) may be borne by the applicable Fund. Members of the SAB will, and operating partners may, also receive other benefits, including the ability to make use of certain of Genstar's resources and the opportunity to invest in an applicable Fund, other private investment funds managed by Genstar and particular investments in portfolio companies.

In connection with their services provided to portfolio companies from time to time, these persons will also (a) receive compensation, guaranteed payments, cash fees, a share of proceeds upon sale of a portfolio company or other incentive-based compensation for their services from the applicable portfolio companies and (b) invest directly in one or more portfolio companies. For the avoidance of doubt, members of the SAB and operating partners will not be deemed to be "Affiliates" of Genstar, the General Partners or the Funds for purposes of the Fund Documents and, as such, they will not be subject to the conflicts of interest provisions set forth in the Fund Documents and any cash or non-cash consideration received by such persons from a portfolio company will not be deemed to be Transaction Fees subject to offset pursuant to the applicable Fund Documents. In addition, certain consideration payable to members of the SAB or operating executives in connection with due diligence on potential investments may be borne by the applicable Fund.

Members of the SAB and operating executives have an economic incentive to recommend transactions on behalf of applicable Funds since some or all of their compensation from Genstar will be tied to such transactions. However, members of the SAB and operating executives have no authority to cause a Fund to enter into a transaction, and Genstar and the applicable General Partner will only do so if such transaction is deemed to be in the best interest of the applicable Fund.

Other Potential Conflicts. Genstar and the Funds will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Fund, and may also represent one or more portfolio companies of or investors in such Fund. In the event of a significant dispute or divergence of interests between one or more Funds, Genstar and/or its affiliates, the parties may engage separate counsel in the sole discretion of Genstar and its affiliates, and in litigation and other circumstances, separate representation may be required.

Service Providers. Genstar, the Funds and the portfolio companies of the Funds, the General Partner's or Genstar's service providers (including, without limitation, deal generators, introducers, lenders, brokers, attorneys, accountants, administrators and outside directors) may be portfolio companies, portfolio companies of other funds or entities advised by Genstar, limited partners and/or sources of investment opportunities and counterparties therein or have other relationships with Genstar. This may influence the General Partners in deciding whether to select such a service provider or have other relationships with such a service provider. In particular, a portfolio company of Genstar, Apex Fund Services, provides fund administration services and depositary and other similar services in connection with compliance with AIFMD to the Funds, as well as services related to the diligence and analysis of responsible investment issues for the Funds and their portfolio companies. Certain other services (including, by way of example and without limitation, risk and cybersecurity advisory services) may in the future be provided by Apex Fund Services to the Funds and/or its portfolio companies. ACA Group ("ACA") provides regulatory compliance consulting and cybersecurity risk services to the Funds. In addition, certain other services (including, by way of example and without limitation, GIPS® standards verification, technology risk, regulatory technology, responsible investment advisory and analytics, anti-money laundering and financial crimes, and financial and regulatory reporting services, as well as services in connection with establishing operations in the EU) may in the future be provided by ACA to the Funds and/or their portfolio companies. Notwithstanding the foregoing, service providers will be selected by the General Partners or Genstar on behalf of the Funds with due care and consistent with their obligations under applicable law and the General Partners will only select a service provider to the extent the relevant General Partner determines that doing so is in the best interests of the applicable Fund given all surrounding facts and circumstances and is consistent with such General Partner's responsibilities under applicable law, provided that such General Partner may not necessarily seek out the lowest-cost option when engaging such service providers. In addition, Genstar, the Funds, portfolio companies of the Funds and portfolio companies of other funds or entities advised by Genstar may engage common service providers. In such circumstances, there may be a conflict of interest between Genstar, on the one hand, and the applicable Fund and its portfolio companies, on the other hand, in determining whether to engage such service providers. There also may be instances where portfolio companies provide services to one another. Moreover, a Fund may bear the risk of any errors or omissions by such service providers. Additionally, subject to certain limitations, a Fund may be required to exculpate and indemnify such service providers for any losses incurred.

Valuations. Valuation of assets acquired in a Fund investment may be difficult, and there generally will be no established market for such assets. A General Partner's determination

of the fair value of an investment may impact the calculation of Carried Interest distributions to the extent such valuation would result in a net unrealized loss, which could incentivize such General Partner to refrain from writing down such investments. The foregoing is mitigated by the fact that the valuations of Fund investments are reviewed by the Funds' independent public auditors in connection with their annual audit of the Funds. In addition, a General Partner's valuation of securities or other property in connection with a distribution in kind may impact the calculation of Carried Interest, which could incentivize such General Partner to value the securities or other property above fair value. The foregoing is mitigated by the fact that the General Partners' valuations for purposes of making distributions in kind are reviewed by the limited partner advisory boards of the relevant Funds and, if necessary, by an independent, nationally-recognized investment banking firm selected by the applicable General Partner and acceptable to the applicable limited partner advisory board (such acceptance not to be unreasonably withheld). In certain circumstances, a General Partner is permitted, pursuant to the applicable Fund Documents, to rely on a valuation of a portfolio company that is determined or confirmed by an independent, nationally-recognized investment banking firm or other appropriate independent expert rather than consulting with the limited partner advisory board or the investors regarding certain transactions that may have conflicted elements.

Travel Expenses. The Fund will reimburse the General Partner and its affiliates for out-of-pocket travel expenses, including, without limitation, air travel (which may be chartered, first or business class), car services, meals and hotels (which may include luxury class accommodations), incurred in structuring, negotiating, acquiring, monitoring, selling or otherwise disposing of, or otherwise relating to, its proposed or actual investments and unconsummated transactions (including expenses related to attendance of industry conferences, the primary purpose of which is sourcing investments) and otherwise in connection with the business of the Funds.

Moreover, Genstar, the General Partners and their affiliates can be expected to receive certain intangible or other benefits arising or resulting from their activities on behalf of the Funds, which will not be shared with the Funds and/or their investors. For example, airline travel or hotel stays incurred as Fund expenses typically result in "miles" or "points" or credit in loyalty/status programs, and such benefits or amounts will, whether or not *de minimis* or difficult to value, inure exclusively to Genstar, the General Partners or such affiliates (and not the Funds and/or their investors) even though the cost of the underlying service is borne by the Funds.

Possible Future Activities. Genstar and its affiliates may expand the range of services that they provide over time. Except as provided in the Fund Documents, Genstar and its affiliates will not be restricted in the scope of their business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. Genstar and its affiliates have, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with companies who may hold or may have held investments similar to those intended to be made by the Funds. These companies may themselves represent appropriate investment opportunities for the Funds or may compete with other Funds for investment opportunities.

Limited Access to Information. Investors' rights to information regarding the applicable Fund will be specified in the relevant Fund Documents. However, certain limited partners may receive additional information that is not available to all limited partners generally. For example, it is expected that limited partners who designate representatives to participate on the advisory board may, by virtue of such participation, have more information about the Funds and investments in certain circumstances than other limited partners generally, or certain information may be disseminated to them in advance of communication to other limited partners. Similarly, certain limited partners are also investors in other vehicles or accounts, or engage in transactions with Genstar or another vehicles or accounts, and may receive additional information through such arrangements. Certain limited partners may periodically request, or have side letters providing for periodic disclosures of, or receive as a result of certain regulatory requirements, information regarding the Funds and their investments that is not otherwise set forth in (or has yet to be set forth in) the reporting and other information delivered to all limited partners. The General Partners will have no duty to ensure all limited partners seek, obtain or process the same information regarding Genstar, the Funds and their investments.

Please see the discussion above under the sub-heading "*Resolution of Conflicts Generally*" for a description of the means by which Genstar and its related persons seek to alleviate conflicts of interest among the Funds or other persons.

Debt Providers. Genstar has previously granted particular investors, funds or accounts (the "**Debt Providers**") exclusive positions as preferred providers of mezzanine debt for investments made by certain Funds. While Genstar does not currently have any such agreements in place in respect of the Funds, it is authorized in the future to grant Debt Providers exclusive positions as preferred providers of mezzanine debt or other debt and debt-like securities for investments made by the Funds. In connection with any such agreements, Genstar may receive fees and Carried Interest from or in respect of Debt Providers, (a) which fees and Carried Interest would not be for the benefit of the applicable Fund or its limited partners and (b) the receipt of which may create conflicts of interest when Genstar selects the provider of mezzanine debt or other debt and debt-like securities for the Funds' investments. Genstar believes this potential conflict of interest is mitigated by the fact that (i) Genstar would be under no obligation to use Debt Providers and (ii) Genstar will, in all circumstances, select lenders for its investments solely on the basis of the terms offered by such lenders to the applicable portfolio company and in a manner consistent with its fiduciary duties.

Item 12. Brokerage Practices

As the Funds invest primarily in private equity ventures, Genstar anticipates that investments in publicly traded securities (e.g., money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, etc.) will be infrequent occurrences. However, to meet its fiduciary duties to the Funds, Genstar has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

Selection of Brokers and Dealers

From time to time, the Firm may use a broker to effect transactions in public securities resulting from, or in connection with, portfolio investments. For each of the Funds, Genstar has full discretionary authority over the purchase and sale of investments (including the size of such transactions), the broker or dealer, if any, to be used to effect transactions and commissions paid to such broker or dealer. In placing each transaction for a Fund involving a broker-dealer, Genstar will seek “best execution” of the transaction. “Best execution” means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, the Firm takes into account all factors that it deems relevant to the broker’s or dealer’s execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, the range and quality of service rendered by the broker or dealer in other transactions, the broker’s or dealer’s responsiveness to the Firm, and the value to the Firm of research provided, if any. In addition, Genstar may consider the use of Electronic Communications Networks when placing trades on behalf of the Funds. When purchasing or selling over-the-counter securities with market makers, Genstar generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Firm will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of Genstar and each Fund.

Genstar does not currently receive soft dollar benefits or client referrals from broker-dealers in connection with Fund transactions.

Aggregation of Trades

Genstar and its affiliates may aggregate (or bunch) the orders of more than one Fund for the purchase or sale of the same publicly traded security. Portfolio managers and traders often employ this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. Genstar and its affiliates may combine orders on behalf of Funds with orders for other Funds for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest.

In such cases, Genstar and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction. Genstar will only aggregate orders for multiple Funds as long as aggregating would be in the best interests of each participating Fund.

If an order for more than one Fund for a publicly traded security cannot be fully executed,

allocation shall be made based upon Genstar's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Genstar has an investment committee comprised of senior investment professionals that is responsible for oversight of the investment process and for the Funds' investment decisions (the "**Investment Committee**"). The Investment Committee meets as required by the investment portfolios and its members are Jean-Pierre L. Conte, J. Ryan Clark, Robert S. Rutledge, Anthony Salewski and Eli P. Weiss. All of Genstar's investment professionals meet weekly to review all potential new and existing portfolio investments, and any issues raised during the weekly meeting requiring the Managing Partners' review will be brought to the Investment Committee.

Limited partners in the Funds are provided with audited annual financial reports and unaudited quarterly reports. Limited partners are also provided with written tax information for the preparation of U.S. federal income tax returns. Genstar and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to a Fund to one or more investors in such Fund as they deem appropriate.

Item 14. Client Referrals and Other Compensation

Genstar and its affiliates do not directly or indirectly compensate any person who is not a supervised person of the Firm for client referrals. However, Genstar or its affiliates utilize a placement agent to assist in the placement of investor interests in one or more of the Funds. The fees paid to any such placement agent generally would be in the form of a percentage of capital committed by investors. Any placement agent would generally be a broker-dealer registered under the Securities Exchange Act of 1934.

For details regarding economic benefits provided to Genstar by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, Genstar expects, in certain instances, to receive discounts on products and services provided by portfolio companies of the Funds and/or the customers or suppliers of such portfolio companies. Because its portfolio companies offer such discounts to customers other than Genstar and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Genstar believes that the potential for conflicts of interest relating to such discounts is mitigated. Discounted prices or better terms offered by a portfolio company to Genstar, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Item 15. Custody

Rule 206(4)-2 of the Advisers Act (the "**Custody Rule**") defines custody as holding client securities or assets or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client's accounts or ownership of or access to client funds or securities. Genstar does not have custody of client funds or securities.

However, affiliates of Genstar, specifically the General Partners of the Funds, are deemed to have custody of Fund assets. All assets and securities of the Funds are held by qualified custodians with the exception of assets that are considered to be “privately offered securities” under the Custody Rule. Fund limited partners receive annual financial statements audited by an independent public accounting firm within 120 days. Fund limited partners are urged to carefully review such statements and compare these statements to the quarterly statements provided by Genstar.

Item 16. Investment Discretion

Genstar, including through its affiliated investment managers, has entered into an investment management agreement with each Fund. Each such agreement, together with the management authority granted to each General Partner pursuant to the relevant Fund’s limited partnership agreement, provides Genstar with full discretion to determine investments to be purchased and sold on behalf of the Funds and the terms of the related transactions. Limitations on Genstar’s investment discretion are set forth in the investment management agreements with, and the limited partnership agreements of, the Funds.

Item 17. Voting Client Securities

While the securities evidencing the private equity investments made by the Funds are not typically the subject of proxies, there could be certain circumstances where Genstar, having discretionary authority over the Funds, may be asked to vote the securities of the Funds on restructuring or other corporate matters. Genstar will ensure that a record of each securities position held by each Fund is maintained and, where any such vote is to occur, the Firm will ensure that it receives all relevant information, disclosure materials and such proxies or consents as are necessary for it to be able to cast votes in a timely manner.

Genstar will also determine whether there is, or appears to be, a material conflict of interest that could influence the voting decision in a manner that would be adverse to the interest of a Fund. If Genstar determines that there is no material conflict of interest, then it will make the voting determination and take the required voting action. If Genstar determines that, due to a conflict of interest, it is not capable of making an independent determination as to the voting decision, then Genstar will seek to resolve such conflict in an appropriate manner, which may include soliciting input from the applicable Fund’s limited partner advisory board. Genstar will also determine whether there is, or appears to be, a material conflict of interest that could influence the voting decision in a manner that would be adverse to the interests of a Fund. The Funds cannot direct Genstar’s vote in a particular solicitation. Each Fund is controlled by its General Partner (Genstar’s affiliate) and, as such, each Fund is aware of how the Firm voted with respect to such Fund’s securities.

A copy of the Firm’s proxy voting policies and procedures will be provided to any Client, prospective Client and limited partner upon request. In addition, any investor may obtain specific information as to how certain proxies for securities held in a Fund were voted upon the request of such information.

Item 18. Financial Information

Genstar does not believe that it has any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients and has never filed for bankruptcy.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Genstar.