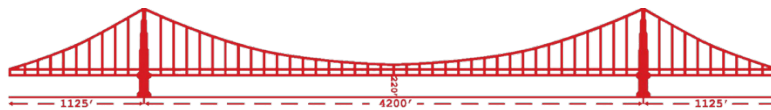


Item 1. Cover Page

Golden Gate Private Equity, Inc.



G O L D E N G A T E C A P I T A L

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**Part 2A of Form ADV: Firm Brochure
March 29, 2024**

This brochure (this “Brochure”) provides information about the qualifications and business practices of Golden Gate Private Equity, Inc. (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us by phone at (415) 983-2700. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Item 2. Material Changes

This Brochure, dated March 29, 2024, serves as an annual update to the Adviser's Brochure.

This Brochure provides updated regulatory assets under management and contains several changes from the Adviser's last annual update to this Brochure, dated March 31, 2023, including, but not limited to: (i) updates to Item 5 to reflect additional disclosure with respect to certain fees and expenses; (ii) updates to Item 8 to reflect new and updated material risk factors related to the Adviser's investment strategy; and (iii) updates to Item 11 to reflect new disclosure regarding potential and/or actual conflicts of interest faced by the Adviser related to its discretion to engage in allocation of fees and expenses and adjust the Advisory Fee calculation based on investments that are written off. In addition, the Adviser routinely makes updates throughout this Brochure to improve and clarify the description of its business practices, risks, and compliance policies, as well as to respond to evolving industry best practices.

We encourage all recipients to read this Brochure carefully and in its entirety.

Item 3. Table of Contents

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Item 4. Advisory Business

For purposes of this Brochure, the “Adviser” means Golden Gate Private Equity, Inc. (“Golden Gate”) together (where the context permits) with its affiliated general partners of the Funds (as defined below) and other affiliates (excluding certain other registered investment advisers that may be deemed to be affiliates of Golden Gate, including, but not limited to, NGC Capital Management LLC f/k/a/ Angel Island Capital Management, LLC (“AICM”)) that provide advisory services to and/or receive advisory fees and other compensation from the Funds. Such affiliates are generally under common control with Golden Gate or otherwise possess a substantial identity of personnel and/or equity owners with Golden Gate. These affiliates may be formed for tax, regulatory, or other purposes in connection with the organization of, or the advisory services provided to, the Funds, or may serve as general partners (or equivalent) of the Funds (the “General Partners”).

The Adviser provides investment supervisory services to funds that primarily make private equity investments (collectively, the “Funds”). Additionally, the Adviser expects to organize and serve as general partner (or in an analogous capacity) of certain other entities which are AIVs (as defined below) organized to address, for example, specific tax, legal, business, accounting, or regulatory-related matters that may arise in connection with a transaction or transactions.

The General Partners each serve as general partner to one or more Funds and have the authority to make the investment decisions for the Funds to which they provide advisory services. In general, the Adviser provides the day-to-day advisory services for the Funds. As described elsewhere herein, the Adviser also expects in certain instances to establish (and, in the case of AICM, has established) sub-advisory relationships with certain other investment advisers, including, but not limited to, AICM, pursuant to which such investment adviser(s) provide investment advisory services to one or more of the Funds and/or certain portfolio company investment vehicles.

Each General Partner is deemed registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), pursuant to the Adviser’s registration in accordance with SEC guidance and is under common control with the Adviser. This Brochure describes the business practices of the Adviser and the General Partners which operate as a single advisory business. References contained in this Brochure to the strategy and operations of a General Partner should be read to include the activities of the Adviser and other Golden Gate affiliates that collectively engage in the investment process and ongoing management of the Funds’ portfolio companies and other Fund investments.

The Funds make investments in private equity and, in certain instances, other indebtedness or equity and debt securities of public and private issuers (including securities convertible into equity and debt securities), derivative instruments and any other financial instruments or assets (including real estate) that the Adviser believes may help achieve the Funds’ respective investment objectives. In accordance with the Funds’ respective investment objectives, investments are made in companies doing business in a variety of industries, including, without limitation: consumer products and services; financial services (including insurance, asset management and broker-dealer services); industrials; software, information systems, and tech-enabled services.

More detailed descriptions of the Funds’ investment strategies are included in Item 8 below.

The Adviser's advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments. The Adviser typically will serve as the investment adviser or general partner to the Funds in order to provide such services, and, with respect to certain Funds, the Adviser expects in certain instances to delegate (and, in the case of AICM, has delegated) such responsibilities to a sub-adviser (including, but not limited to, AICM and other portfolio company asset managers).

The Adviser provides investment supervisory services to each Fund in accordance with the limited partnership agreement (or analogous organizational document) of such Fund, separate investment and advisory, investment management or portfolio management agreements and/or side letters entered into with certain Funds or their investors (each, a "Governing Document").

Investment advice is provided directly to the Funds and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Governing Documents. Investment restrictions for the Funds, if any, are generally established in the Governing Documents.

The terms of the investment advisory services to be provided to a Fund, including any restrictions on investments in certain types of securities, are generally established by the Adviser and modified by negotiations with investors in the applicable Fund, and are set forth in such Fund's Governing Documents and other documentation received by each investor prior to investment in such Fund. Once invested in a Fund, investors cannot impose restrictions on the types of securities in which such Fund may invest.

The information provided above about the investment advisory services provided by the Adviser is qualified in its entirety by reference to the Governing Documents and the Funds' subscription agreements.

The principal owner of Golden Gate is David Dominik. The Adviser has been in business since 2000. As of December 31, 2023, the Adviser had approximately \$10,463,732,884 of regulatory assets under management, all of which was managed on a discretionary basis (though the Adviser expects in certain instances to delegate (and, in the case of AICM, has delegated) day-to-day investment advisory responsibility for all or a portion of certain Funds to a sub-adviser, including, but not limited to, AICM).

Item 5. Fees and Compensation

The Adviser or its affiliates generally receive Advisory Fees and Incentive Allocations (each as defined below) or similar performance-based remuneration from a Fund. A Fund and/or its portfolio companies generally also make other payments to the Adviser, its affiliates or certain other parties (including former affiliated law firms, or future affiliated law firms, engaged by Golden Gate for legal and/or other consulting services to, or on behalf of, portfolio companies of the Funds, operating partners and/or operating executives) for services provided to the portfolio companies which, in certain circumstances, serve to reduce the Advisory Fees payable to the Adviser. Additionally, consistent with the Governing Documents of a Fund, each Fund typically bears certain out-of-pocket expenses incurred by the Adviser in connection with the services

provided to such Fund and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Advisory Fees; Other Fees

As compensation for investment supervisory services rendered to the Funds, the Adviser receives an advisory fee (each, an “Advisory Fee”) from some, but not all, of the Funds, typically calculated as a percentage of the sum of (i) committed capital and (ii) remaining invested capital and allocated among investors in a Fund based on their respective capital accounts. Except where the Governing Documents expressly provide to the contrary, the amount of Advisory Fees with respect to a Fund generally will not correspond with fluctuations in the Fund’s net asset value or the net asset value of individual investments. Therefore, subject to the applicable Governing Documents, Advisory Fees generally will not be reduced (in whole or in part) in the event of write downs of investments that have not otherwise been completely written off. In certain instances, Advisory Fees are reduced during the life of a Fund and/or reduced by other fees or compensation received by the Adviser, its affiliates or certain other parties (as disclosed elsewhere herein) that relate to such Fund’s activities and investments, or by certain excess organizational or other categories of expenses borne by such Fund, as described in more detail below. Advisory Fees and expenses paid by a Fund are indirectly borne by investors in such Fund. The Governing Documents set forth the precise amount and calculation of the applicable Advisory Fees and the full list of terms under which an Advisory Fee will be reduced, offset or otherwise be limited. Investors should expect to bear the full specified Advisory Fee in the relevant Governing Documents until reduced in the circumstances and on the date(s) specified therein.

In addition, the Adviser, its affiliates and/or their personnel typically perform certain management, advisory, financial advisory or legal and other services for, and receive fees (“Corporate Service Fees”) from, actual or prospective portfolio companies or other investment vehicles of the Funds, and typically perform certain transaction-related activities and receive fees in connection with structuring investments in portfolio companies, as well as mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales, divestments or other similar dispositions, recapitalizations and similar transactions with respect to such portfolio companies (“Transaction Fees”).

The Adviser and its affiliates from time to time receive fees in connection with an unconsummated transaction (“Break-Up Fees”, together with Corporate Service Fees, Transaction Fees and any applicable consulting fees, organization and financing fees, operation fees, commitment fees, topping fees, divestment fees, termination fees, project fees, fees relating to the arrangement of acquisitions or other financial restructuring, investment banking fees, fees relating to credit origination, loan syndication, loan servicing and/or other types of similar operational and financial matters and/or other fees and annual retainers from, or with respect to, portfolio companies and prospective portfolio companies, “Other Fees”) of a Fund. The amount and timing of Break-Up Fees received by the Adviser are generally specified in the agreement or other documentation governing the transaction.

Generally, under the terms of the applicable Governing Documents, these Other Fees are in addition to out-of-pocket costs and expenses incurred by the Adviser in connection with any consummated or unconsummated (including terminated) transaction or in connection with

generating any such fees. These Other 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 Advisory Fees, the Adviser will in some circumstances reduce or offset the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of such fees. However, pursuant to the Governing Documents of certain Funds, the Adviser will retain certain Other Fees without any corresponding Advisory Fee offset. The amount and manner of such reduction is set forth in the Governing Documents of the applicable Fund and in certain circumstances vary based on the type of services, which will be determined by the Adviser in its sole discretion.

As some Funds do not pay Advisory Fees, any such reduction will not benefit such Funds. There are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of Corporate Service Fees. Since the agreements with the portfolio companies providing for such Corporate Service Fees may have prolonged terms (possibly exceeding ten years and/or subject to automatic extensions and renewal), the effect of such acceleration could be substantial, particularly in the event such circumstances occur early in the life of the Fund's investment in such portfolio company. In the event that a portfolio company does not have sufficient capital to pay a Corporate Service Fee owed, the applicable Fund's indirect pro rata portion of such payment may be funded by such Fund through a capital call for contribution of capital by the investors in such Fund.

The payment of Other Fees by portfolio companies creates a conflict of interest between the Adviser and its affiliates and the Funds and their investors because the amounts of these Other Fees and reimbursements (see below) are often substantial and the Funds and their investors generally do not have a direct interest in these fees and reimbursements. The Adviser determines the amount of these fees for the services provided 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 are generally not (except in connection with the reductions described throughout this Brochure or as required by applicable law) required to be disclosed to investors in the Funds. The Adviser will, in its sole discretion, disclose to an investor the amount of Other Fees allocated to the Fund in which such investor has invested in account statements or other similar periodic reports delivered to investors.

Portfolio Company Expense Reimbursements

Portfolio companies commonly reimburse the Adviser for certain expenses (including, without limitation, certain travel and travel-related expenses, meals and entertainment expenses (including, as applicable, closing dinners and mementos, cars and meals, social and entertainment events with, inter alia, portfolio company personnel, customers, clients, borrowers, brokers, other financial sponsors and service providers), expenses relating to training programs, meetings or other events (to the extent such programs, meetings or events are attended by portfolio company personnel), expenses relating to hiring portfolio company personnel (including background checks, recruiting, relocation expenses and placement fees), indemnification expenses, certain legal expenses (including legal costs associated with reviewing financing documents and agreements, whether on behalf of a portfolio company borrower or a lender) and similar out-of-pocket expenses, consulting fees and other cash and non-cash compensation and expenses, or reimbursement of the payment

by the Adviser for payments made to its employees, consultants, operating partners and/or operating executives in connection with their performance of services for such portfolio companies, as well as consulting fees and expenses incurred by the applicable Fund for the benefit of any portfolio company); such reimbursed expenses are generally not included in the definition of “Other Fees” under the terms of the applicable Governing Documents and such reimbursements are generally not subject to the offset arrangements described above; provided, however, that with respect to certain contracts entered into by the Adviser and/or Fund portfolio companies on or after a specified date, consistent with the applicable terms of the relevant Governing Documents, payments made by or on behalf of such Fund portfolio companies to certain Operations Support Advisers (as defined in Section 11 hereof) for work performed on behalf of such Fund portfolio companies may be subject, in whole or in part, to the offset arrangements described above. As used throughout this Brochure, “travel” and “travel-related” expenses shall be deemed to include, without limitation, commercial and non-commercial transportation costs (including, but not limited to, chartered, private plane, first class or business class travel, black car, Uber, Lyft, and taxis), lodging and accommodations, meals and related entertainment. The Adviser has agreed in the past and in the future may (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, adviser, professional finder, broker, co-investor, and/or investment bank. In such event, the Third Party Fee is not a fee that the Adviser is entitled to retain and therefore, the Adviser is not required under the terms of the applicable Governing Documents to share such Third Party Fee with the Funds (and their investors) and such Third Party Fee will not reduce the Advisory Fee.

In addition, the Adviser or its personnel, on behalf of the Adviser, may, on very limited occasions, receive equity of a portfolio company as an Other Fee due to the service of such personnel on the board of such portfolio company or as compensation for other services provided to such portfolio company. Alternatively, an individual that was previously engaged as an Operations Support Adviser (see below) and who may have received equity (or equity-like) grants, issuances or allocations with respect to a portfolio company in such capacity may subsequently commence employment with the Adviser and continue to have rights to such equity (or equity-like) grants, issuances or allocations thereafter which in certain instances will not reduce the Advisory Fee. In either case, in the event of such a distribution or receipt of equity (or equity-like) grants, issuances or allocations, the recipients, or the Adviser, with respect to equity received as an Other Fee, may act in their own interest with respect to such securities and may determine to sell the distributed securities, or hold on to the distributed securities for such time as such recipient shall determine in its sole discretion. The ability of such recipients to act in their own interest with respect to such distributed shares may create a conflict of interest between the Adviser and its personnel, on the one hand, and the Funds, on the other hand because the recipient’s interests may not be aligned with those of the Funds and the recipient may determine to sell the equity received at a different time, or on different terms, than the Fund would sell its interest.

It is possible that certain personnel of the Adviser and/or its affiliates will be seconded or permanently transferred to one or more portfolio companies and provide finance, tax, operations, compliance, legal, or investment-advisory related and other services to or on behalf of such portfolio companies. The salaries, benefits, overhead and other similar expenses for such personnel during the secondment or after their transfer will be borne (in whole or in part) by such portfolio companies. To the extent the Adviser and/or its affiliates receive any fees or expense

reimbursement from such portfolio companies with respect to such personnel, such fees or expense reimbursement generally will not result in any offset to the Advisory Fees payable by the relevant Funds.

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 exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

The Adviser and its affiliates also engage and retain senior advisers, advisers, consultants, operating partners, operating executives and other similar professionals, including the Operations Support Advisers, who commonly receive payments from, and/or equity (or equity-like) grants, issuances or allocations with respect to, portfolio companies, the Funds, and/or other entities. In such circumstances, the amounts of such fees or other compensation received by such persons are generally retained by such persons and will not be deemed paid to or received by the Adviser and its affiliates and will not offset or reduce the Advisory Fee except as otherwise described above. For a discussion of material conflicts of interest created by the engagement of such persons, please see “*Providers of Operations Support Services*” in Item 11 below.

The precise amount of, and the manner and calculation of, Advisory Fees (and Other Fees) applicable to each Fund (or its portfolio companies) are established by the Adviser, subject to the provisions of the Governing Documents applicable to such Funds or the investors in the applicable Fund, respectively. As noted above, Advisory Fees are typically calculated as the sum of (i) a percentage of committed capital plus (ii) a percentage of remaining invested capital, and are allocated among investors in a Fund based on their respective capital accounts. The Adviser is entitled, in its sole discretion, to elect to waive or reduce Advisory Fees (both on a voluntary basis and on a negotiated basis with selected investors) and to charge varying (or no) Advisory Fees to different Funds, as well as to different investors in the same Fund. For example, the Adviser and certain of its principals, strategic partners, service providers, operating partners, operating executives and employees or their family members and related vehicles invest in certain of the Funds, and Advisory Fees assessed on such investments are generally substantially reduced or waived entirely. Notwithstanding that such parties will not typically pay Advisory Fees, they will pay for their pro rata share of certain Fund expenses (or the Adviser may bear those expenses on behalf of such parties).

The fee structures described herein may be modified from time to time. Fees generally differ from one Fund to another. In certain instances, fees also differ as among investors in the same Fund based upon factors established by the Adviser from time to time, resulting in reduced fee levels being available to certain Investors (which may include personnel of Golden Gate and its affiliates) based upon those factors (and such factors may include, for example, whether such investors have subscribed prior to others or early in the term of a Fund). In addition, the Adviser has in certain instances entered into economic and/or other fee sharing arrangements with respect to one or more Funds and/or certain limited partners thereof, the rights of which will not generally be made available to other limited partners.

For those Funds where the Adviser receives an Advisory Fee, such Advisory Fees are generally deducted from the assets of such Funds quarterly in advance. Upon termination of the applicable

Governing Documents, Advisory Fees that have been prepaid are generally returned on a prorated basis.

The Adviser is generally entitled to waive or reduce all or a portion of the Advisory Fee paid by a Fund in full or partial satisfaction of any obligation of the Adviser and certain employees, affiliates, Operations Support Advisers of, and other persons associated with, the Adviser to invest alongside such Fund, which has the effect of accelerating investor capital contributions. Waived or reduced Advisory Fees are generally not subject to various offsets or the reductions described above. Due to waived or reduced Advisory Fees and/or the timing of receipt of compensation subject to offsets, investors in Funds may in certain instances not receive the full benefit of reductions or offsets (e.g., during periods when the Adviser no longer receives Advisory Fees and receives compensation that would otherwise be subject to offset, the Adviser, depending on certain elections that may be made by Fund investors, may be entitled to retain such compensation without remitting any such amounts to the applicable Fund or its investments).

Expenses

Adviser Expenses

To the extent provided in Governing Documents, and except as described below as a “*Fund Expense*”, the Adviser will pay out of Advisory Fees certain expenses and costs associated with the performance of its services, including ordinary office overhead expenses such as certain rent, supplies, charges for furniture and fixtures, travel and entertainment (in the case of travel and entertainment, to the extent not ultimately borne by one or more portfolio companies), compensation of its partners (but generally not operating partners and/or operating executives or their operating expenses, the expense for which is generally ultimately borne by portfolio companies, and except and in the case of former affiliated law firms, or future affiliated law firms, engaged by Golden Gate for legal and/or other consulting services to, or on behalf of, portfolio companies of the Funds or the Funds) and employees (other than Incentive Allocations described in Item 6 below and except in the case of former affiliated law firms, or future affiliated law firms, engaged by Golden Gate for legal and/or other consulting services to, or on behalf of, portfolio companies of the Funds or the Funds) and other routine administrative expenses relating to the advisory services and facilities provided by the Adviser to the Funds. In addition, expenses and fees generated in the course of evaluating and making investments which are not consummated or terminated are generally borne by the Adviser as described in each Fund’s Governing Documents except to the extent such amounts are subject to the offset arrangements described above. Any such expenses or fees not borne by the Adviser will be borne by the applicable Fund(s) in accordance with their respective Governing Documents or, to the extent not addressed in such Governing Documents, in accordance with the Adviser’s fee and expense policy, which generally contemplate such expenses or fees being borne on a *pro rata* basis based upon, in the Adviser’s sole discretion, the anticipated capital commitment amounts with respect to such unconsummated investment, and typically include the portion that would have otherwise been borne by co-investment vehicles had the investment been consummated.

Fund Expenses

Consistent with the applicable Governing Documents, each Fund will bear all other expenses relating to it, to the extent not borne by its portfolio companies (or borne by the Adviser, in its sole discretion, on behalf of a Fund or a portfolio company), including, as applicable, legal, accounting, audit, actuarial, financial statements, and tax returns and preparation fees and expenses (including reimbursements of fees and expenses of third parties, including legal and accounting advisers), investment banking, consulting (including, but not limited to, consulting fees incurred by the Adviser or the applicable Fund for the benefit of a portfolio company and fees of affiliated consultants as well as any consulting and retainer fees paid to consultants (including Operations Support Advisers) performing investment initiatives and other similar amounts)), brokerage, sale, custody, transfer, bank account and other fees and expenses (including bank service charges), depository (including a depository appointed pursuant to the Alternative Investment Fund Managers Directive), marketing, advertising, printing, mailing, wholesaling, and other fundraising expenses associated with the admission of an investor and investor-related services and other similar costs, travel and travel-related and entertainment expenses incurred in connection with the Fund's fundraising and investment activities, premium meals, social and entertainment events (with portfolio company management, customers, clients, borrowers, brokers and service providers), organizational expenses of the Fund's general partner, administration, research and other information (including, but not limited to, but not limited to expert network firms or research costs allocated by the Adviser's internal research team and third-party groups, and including technology-related, data and information service subscriptions, related systems and services from data providers and data management software and including any research or other service that may be deemed to be bundled for the benefit of such Fund), as well as the information technology systems used to obtain such research and other information, third party diligence software and service providers, subject and industry-matter research and experts, brokerage, finders', custody, transfer, registration, all fees and expenses incurred in connection with any conferences or meetings of the advisory committee and limited partners or one or more investors, including, without limitation, set-up costs, speaker fees, honorarium, and travel expenses incurred by a General Partner, the Adviser, or their respective affiliates or their personnel in connection with such meetings and activities, as well as other advisory committee expenses (including legal counsel, accountants, auditors, financial advisors or any other advisors or experts retained to assist the advisory committee and other expenses incurred in connection with advisory committee action), information technology system expenses (including the costs of acquiring, developing, implementing and maintaining specialty and custom computer software and hardware and other technological systems for the benefit of a Fund, its investors, or a portfolio investment or potential investment), bridge financing expenses and guarantees (which may be payable to another Fund co-investing in the bridge transaction or to the Adviser or an affiliate, in each case being the entity providing the bridge financing to the applicable Fund, financing, commitment, origination and similar fees and expenses, insurance premiums of any general partner liability, errors and omissions, or other insurance (including insurance of which the Adviser and its affiliates are beneficiaries), cyber-security insurance premiums, extraordinary expenses, such as litigation (including discovery requests), arbitration and indemnification costs, expenses, judgments, and settlements including, without limitation, all expenses incurred in connection with the resolution of claims or disputes involving existing or potential investments and legal fees and expenses incurred in connection with prosecuting or defending administrative or legal proceedings relating to a Fund brought by or against the Fund or the General Partner, its members or the Adviser or its

personnel, interest, taxes, fees and other governmental charges levied against a Fund or payable by a Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of a Fund, expenses incurred in connection with tax preparation and filings, expenses relating to the preparing, printing, mailing, and distributing investor reports physically or electronically (including software use to electronically distribute such reports), expenses of loan services and other service providers, expenses related to attending trade association meetings, conferences or similar meetings in connection with the evaluation of investment opportunities or business sector opportunities (including the evaluation of potential investments, regardless of whether such investment is ultimately consummated), Operations Support Expenses (as defined in Item 11 below) in respect of services provided for the benefit of a Fund without reference to a particular portfolio company, risk management assessment expenses, fees, costs and expenses related to the organization or maintenance of any intermediary entity used to acquire, hold or dispose of an investment or to otherwise facilitate a Fund's investment activities, expenses associated with a Fund's compliance with applicable laws and regulations, including regulatory filings as they relate to the Fund's activities, out-of-pocket costs and expenses, if any, associated with any third-party examination or audits (including similar services) of a Fund or the Adviser that are attributable to the operation of such Fund or requested by one or more investors in a Fund, expenses incurred in connection with complying with provisions in investor side letter agreements, including "most favored nation" provisions, the costs associated with any amendments, modification, revisions or restatements to the Governing Documents of a Fund, expenses of liquidating a Fund, fees or other governmental charges levied against such Fund, expenses related to short sales (including dividend and stock borrowing expenses), clearing and settlement charges, margin and other interests, other expenses associated with the acquisition, holding and disposition of investments and extraordinary expenses (including, without limitation, litigation), fees paid to third-party valuation agents for valuations, appraisals or pricing services, expenses of Funds in which such Fund invests, expense associated with a Fund, and other similar fees and expenses, as well as any other fees or expenses incurred by the Adviser or such Fund in connection with such Fund's operations that are not specifically set forth above as being paid by the Adviser.

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses (and/or Other Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company.

From time to time, the General Partner of a Fund creates certain "alternative investment vehicles" or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors ("AIVs"). In the event the General Partner creates an AIV, consistent with the Governing Documents of such Fund and to the extent not borne by a portfolio company, the expenses related to its organization and formation and other expenses incurred solely for the benefit of the AIV will typically be borne by the AIV and, indirectly, the investors thereof. In addition, expenses of the types borne by a Fund but associated with any feeder fund or similar vehicle organized to facilitate the participation of certain investors in such Fund (including, without limitation, expenses of accounting and tax services) may be borne by such Fund and,

indirectly, the investors thereof (even if such investors do not participate in any such feeder fund or similar vehicle).

Co-Investment Fund Expenses

In certain cases, a co-investment vehicle, or similar vehicle established to facilitate the investment by investors to invest alongside a Fund will be formed in connection with the consummation of a transaction. Consistent with the Governing Documents of a Fund, in the event a co-investment vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The co-investment vehicle will generally bear its pro rata portion of expenses incurred in making an investment.

If a proposed transaction is not consummated, no such co-investment vehicle may have been formed, and the full amount of any expenses related to such proposed but not consummated transaction (“Dead Deal Costs”) would therefore be borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction (including reverse termination fees, extraordinary expenses such as litigation costs and judgements and other expenses). Furthermore, even if a co-investment vehicle has been formed for the purpose of making an investment in such proposed transaction (or co-investors have otherwise committed to invest in the proposed transactions), if a proposed transaction is not consummated then some or all of the Dead Deal Costs would typically be borne solely by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction, but not to the co-investment vehicle or other co-investor to which the co-investment opportunity was offered. Similarly, co-investment vehicles are not typically allocated any share of Break-Up Fees paid or received in connection with such an unconsummated transaction. As a result, regardless of whether some portion of such prospective investment has been offered to any co-investor(s), it is generally the case that co-investment vehicles will neither bear any Dead Deal Costs nor receive any Break-Up Fees, subject to the terms of any definitive documentation in connection with such transaction (e.g., a binding letter of intent) and the terms of the applicable Governing Documents (which also set forth the terms by which the Adviser will in some circumstances reduce or offset the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of any Break-Up Fees). It is also possible that a co-investor will not agree to share expenses with a Fund if a transaction is not consummated. To the extent that co-investors have already executed definitive documentation (e.g., a binding letter of intent or a co-investment or other vehicle’s subscription agreement) in connection with such transaction, such co-investor is expected to bear its pro rata share of such Dead Deal Costs; however, certain expenses relating to such co-investment vehicle may, in certain situations, be borne by another Fund or Funds, regardless of whether such proposed transaction is consummated. To the extent a Fund makes use of a credit facility to invest in a portfolio company or pay related expenses, it generally will not be reimbursed separately by co-investors for the costs of establishing, negotiating, or maintaining the facility as a whole.

In addition, the Adviser and its affiliates have discretion to (i) receive performance-based compensation, Advisory Fees or similar fees from co-investors, and (ii) collect customary fees in connection with actual or contemplated investments that are the subject to co-investment arrangements.

Allocation of Expenses

The Adviser will be required to decide whether certain fees, costs and expenses should be borne by a Fund, on the one hand, or the Adviser, on the other hand, and/or whether certain fees, costs and expenses should be allocated between or among Funds and/or other parties, including portfolio companies. Furthermore, the Adviser reserves the right to charge such fees, costs and expenses at varying levels in a portfolio company's holding or operating structure. The appropriate allocation among the Funds of expenses and fees generated in the course of evaluating and making investments often may not be clear, especially where more than one Fund participates. Certain expenses may be the obligation of one particular Fund and may be borne by such Fund, or expenses may be allocated among multiple Funds and entities. In exercising its discretion to allocate investment opportunities and fees and expenses, the Adviser may be faced with a variety of potential conflicts of interest. For example, in allocating an investment opportunity among Funds with differing fee, expense and compensation structures, the Adviser may have an incentive to allocate investment opportunities to the Funds from which the Adviser or its related persons may derive, directly or indirectly, a higher fee, compensation or other benefit. Such allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process.

The Adviser allocates fees, costs and expenses in accordance with a Fund's Governing Documents. To the extent not allocated to a portfolio company, the Adviser will allocate fees and expenses incurred in the course of evaluating and making investments that are consummated between Funds in accordance with each Fund's Governing Documents or, to the extent not addressed in such Governing Documents, in accordance with the Adviser's fee and expense policy. However, subject to such policy and the applicable Governing Documents, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles receiving the benefit of such expenses (in the relevant General Partner's sole discretion) and eligible to reimburse expenses of that kind. The allocation of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining which Funds or co-invest vehicles benefit (or to the extent to which they benefit) from the relevant service relating to the expenses, or whether to allocate pro rata based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or the Adviser.

The appropriate allocation between Funds (to the extent not borne by the Adviser as described above), Adviser Investors (as defined elsewhere herein) and Third Parties (as defined elsewhere herein) of Dead Deal Costs, will be determined by the Adviser and its affiliates in their good faith discretion, consistent with the Governing Documents of the Funds, as applicable, and, to the extent not addressed in such Governing Documents, in accordance with the Adviser's fee and expense policy. If multiple Funds evaluate a potential investment that is not consummated, the Adviser generally allocates such fees and expenses generated in the course of evaluating such investment among such Funds based on the anticipated capital commitment amounts with respect to such unconsummated investment. Such expenses typically are not allocated to co-investment vehicles. There are occasions when the Adviser or one Fund (the "Payor Client") pays an expense common to multiple clients (the "Allocated Client") (e.g., legal expenses for a transaction in which multiple

Funds and/or co-investors participate). On such occasions, each Allocated Client will reimburse the Payor Client for its share of such expense, generally without interest, promptly after the payment is made by the Payor Client. In addition, there may be occasions where a Fund procures borrowing through a subscription line or credit facility in order to make an investment, syndicating out a portion of the investment to another Allocated Client. Subject to the Governing Documents, the borrowing Fund will bear the entire cost of interest from the borrowing, even though the investment may ultimately be made by other Payor Clients. Furthermore, while highly unlikely, it is possible that one of the Allocated Clients could default on its obligation to reimburse the Payor Client. In certain circumstances, the Adviser, the relevant General Partner or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

With respect to allocating other expenses among Fund(s), Adviser Investors and/or co-investors (including Third Parties), as appropriate, the Adviser will make any such allocation in accordance with the Adviser's fee and expense policy, which generally requires the Adviser to make such determination in a manner which best matches the benefits received by each party using its good faith judgment, notwithstanding its interest (if any) in the allocation (which such methodologies may include pro rata allocation based on the respective capital commitments of a Fund, pro rata allocation based on the respective investment (or anticipated investment) of a party in an investment, relative benefit received by a party, or such other equitable method as determined by the Adviser in its sole discretion). The Adviser will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. In addition, in certain instances, a Fund will bear expenses in respect of an existing or prospective portfolio company that will not be borne by other owners or investors in such portfolio company (including co-investors or any co-investment vehicle) (e.g., a Fund engages or pays for a consultant for services in respect of a portfolio company without reimbursement by other owners of the portfolio company), where the Adviser has determined such arrangement to be consistent with the Funds' Governing Documents and the policies and procedures of the Adviser. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service will not always reflect the relative benefit derived by such Fund from that service in any particular instance. The Adviser may determine an allocation of expenses to be fair and equitable even where a Fund is required to bear more than its proportional share of such fees or expenses relative to other parties receiving the same service or participating in the same transaction. In addition, a Fund will bear more or less of a particular expense based on the methodology used, and a Fund will bear more or less of a particular expense based on the number of parties the Adviser selects to bear the expense in its initial allocation determination. When making expense allocation determinations, the Adviser generally will allocate an expense to one or more parties that are in existence and identified as allocable parties at the time the expense allocation determination is made. Accordingly, it can be expected that in certain cases parties that were not in existence or otherwise identified as allocable parties at the time an expense is allocated will ultimately benefit from a particular expense, without having borne any portion of such expense, and in such cases the Adviser will not re-allocate the expense to each such future allocable party, and any such future party will benefit at the expense of other allocable parties, including the Funds.

In the event the Adviser is making any determination regarding whether an allocation is fair and equitable, the Adviser will have discretion in such determination, and will typically evaluate facts and circumstances relevant to the particular allocation, which may include consideration of a

number of factors that include, without limitation, some or all of the following: timing of the transaction, benefit to a Fund to have co-investors participate, relative negotiating power, any contractual requirements or limitations, relevant disclosures to the Allocable Parties, whether costs and expenses are incurred for the benefit of one party, and whether costs and expenses are incurred in connection with regulatory, tax, accounting, or similar requirements applicable to a particular party. The application of such considerations is in certain circumstances expected to result in the Adviser determining that it is fair and equitable for a Fund bearing more than its pro rata portion of certain fees, costs and expenses (including Dead Deal Costs). This Adviser's discretion in making such determination creates a potential conflict of interest as the Adviser may have an incentive to allocate expenses to a particular Fund over another Fund or other co-investor.

The Adviser, from time to time, enters into arrangements with third-party advisers and consultants who provide services relating to deal-sourcing and investment opportunities, for which such advisers and consultants are paid compensation or other fees and/or are reimbursed for certain expenses. Any fees and expenses associated with such investment opportunities will be allocated to the applicable Fund(s)' portfolio companies, consistent with the allocation process described above. Additionally, please see Item 6 below regarding "Incentive Allocation" that most Funds pay.

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.

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

With respect to certain Funds, a portion of the profits of each such Fund's portfolio is allocated to the capital account of the Adviser as an "incentive allocation" (the "Incentive Allocation"). Certain Funds allocate and generally distribute an Incentive Allocation to the Adviser upon the disposition of an investment within the Fund's portfolio. Other Funds allocate Incentive Allocation to the Adviser on a periodic basis or at other specified times (irrespective of any investment dispositions) from both the realized and unrealized profits of such Fund's portfolio over the applicable period. The existence of the Incentive Allocation creates an incentive for the Adviser to cause such Funds to make riskier or more speculative investments than they would otherwise make in the absence of performance-based compensation.

The precise amount of, and the manner and calculation of, the Incentive Allocation for each Fund is disclosed in the Governing Documents of each Fund. The Incentive Allocation provisions are negotiated collectively with the Funds or their investors and are also subject to waiver or reduction by the Adviser or the applicable General Partner, each in its sole discretion. For example, the Adviser and certain of its principals, operating partners, operating executives, strategic partners and employees and their family members and related vehicles typically invest in Funds, and the Incentive Allocation assessed on such investments are generally substantially reduced or waived entirely.

As mentioned above, certain Funds do not currently pay an Incentive Allocation. The payment by some, but not all, Funds of an Incentive Allocation or the payment of an Incentive Allocation at varying rates (including varying effective rates based on the past performance of a Fund) creates

an incentive for the Adviser to disproportionately allocate time, services or functions to Funds paying an Incentive Allocation or Funds paying an Incentive Allocation at a higher effective rate or allocate investment opportunities to such Funds. Generally, and except as may be otherwise set forth in the Governing Documents of the Funds, this conflict is mitigated, at least in part, by: (i) certain limitations on the ability of the Adviser to establish new investment funds; (ii) contractual provisions requiring certain Funds to purchase and/or sell investments contemporaneously; (iii) contractual provisions setting forth investment allocation requirements; (iv) certain allocation procedures; and/or (v) Funds having distinct investment goals and criteria.

Please see Item 11 below for additional information relating to how conflicts of interest are generally addressed by the Adviser.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds and not individually to investors in the Funds.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act of 1933, as amended (the “Securities Act”), and the Investment Company Act of 1940, as amended (the “1940 Act”). Investors in the Funds are generally “accredited investors” as defined in the Securities Act and, in many instances, “qualified purchasers” or “knowledgeable employees” as defined in the 1940 Act, and generally include, among others, high net worth individuals, banks, thrift institutions, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, sovereign wealth funds, limited partnerships and limited liability companies or other entities. The Adviser has in the past conditioned (and may in the future condition) the ability to invest in certain of the Funds it manages upon an investor agreeing to invest in other funds managed by the Adviser, its affiliates, or portfolio companies of the Funds (including, for the avoidance of doubt, AICM).

The Adviser does not have a minimum size for a Fund, but the Adviser has established minimum investment commitments for investors in certain of the Funds. The Adviser may in its sole discretion permit (and has in the past permitted) investments below the minimum amounts set forth in the Governing Documents of such Fund.

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

Methods of Analysis and Investment Strategies

The Adviser seeks analytically challenging, change-intensive investments where it believes there is an opportunity to improve both earnings and strategic value. The companies that meet the Adviser’s investment criteria are usually those in change-intensive environments. This includes companies at all stages of their life-cycle facing changing market dynamics and/or strategic, operational, financial or organizational challenges. The Adviser’s investment strategy involves in-depth strategic and financial analysis, placing particular emphasis on industry dynamics, competitive positioning and management capability.

The Adviser seeks investment opportunities in private equity and, in certain instances, other indebtedness or equity and debt securities of public and private issuers (including securities

convertible into equity or debt securities), derivative instruments and any other financial instruments or assets (including real estate) that the Adviser believes may help achieve the Funds' respective investment objectives. In accordance with the Funds' respective investment objectives, investments are made in companies doing business in a variety of industries, including, without limitation: consumer products and services; financial services (including insurance, asset management and broker-dealer services); industrials; software, information systems and tech-enabled services.

The Adviser will invest using a variety of transaction types (including, without limitation, public-to-privates, corporate extractions, acquisitions, bankruptcy acquisitions, and recapitalizations) and investment strategies (including, without limitation, leveraged buyouts, growth equity and build-ups/consolidations).

The Funds, directly or indirectly, are permitted to invest in equity securities, such as common stock, preferred stock, and warrants to purchase common or preferred stock and securities convertible into common or preferred stock. The Funds, directly or indirectly, are also permitted to invest in indebtedness or debt securities (including debt securities that are rated below investment grade), and such investments may include those issued by corporations denominated in currencies other than the U.S. dollar. The Funds have also entered into notional or "derivative" transactions (such as collateralized loan obligations, futures contracts, forward contracts, options and swaps) for hedging purposes or generally in an attempt to increase the Funds' return or otherwise for legitimate business purposes.

With respect to the Funds, the Adviser's philosophy is to approach each investment as co-owners and principals with the management team in order to execute operational and strategic change. The Adviser does so through a collaborative approach with senior management with a focus on corporate strategy, merger and acquisition activity, operational discipline, and financial structuring. The Adviser does not typically seek to run day-to-day operations. In all cases, the Adviser attempts to closely align the interests of management with its own interests.

Risks

The following list is not a complete list of all risks involved in connection with an investment in the Funds. In general, the risks applicable to each Fund and the activities of its related General Partner and the Adviser include, but are not limited to:

Potential Loss of Investment

An investment in the Funds is speculative and involves substantial risks, including the risk that the entire investment will be lost. There can be no assurance that targeted returns for the Funds will be achieved or that investors will receive a return of their capital.

Business Risks

Certain of the Funds' investment portfolios will include securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Competition; Inadequate Return

The Funds expect to encounter competition from entities having similar investment objectives. Potential competitors include other investment funds, business development companies and other financial investors investing directly or through affiliates. Certain of these entities may possess competitive advantages over the Funds in pursuing investment opportunities, including greater financial, technical, marketing and other resources, higher risk tolerances, different risk assessments, lower return thresholds, lower cost of capital and access to funding sources unavailable to the Funds. There can be no assurance that returns of the Funds in future periods will reflect previous historical levels. This may be due in part to changes in market conditions affecting the Funds' investments and strategies, as well as the proliferation of investment funds and other investors pursuing similar strategies (thereby making it difficult for the Funds to outperform other investment funds and investors). In addition, many funds have grown substantially in size, resulting in an unprecedented amount of capital available for investment in such opportunities.

Concentration of Investments

A Fund may not be highly diversified. The Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. In addition, certain of the Funds invest a significant amount of their respective assets in liquid securities. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Lack of diversification would expose a Fund to losses disproportionate to market declines in general if there were disproportionately greater adverse price movements in the particular investments held by a Fund. To the extent a Fund invests a relatively high percentage of its assets in a limited number of portfolio companies, industries or sectors, a Fund will be more susceptible than a more widely diversified investment partnership to the negative consequences of a single corporate, economic, political or regulatory event. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

Illiquidity; Limited Transferability of Interests; Redemptions

Golden Gate Capital Opportunity Fund, L.P. ("GGCOF") and Golden Gate Capital Opportunity Fund-A, L.P. ("GGCOF-A" and together with GGCOF and any other investment funds formed to invest alongside GGCOF and GGCOF-A, the "Opportunity Fund") are continuous investment vehicles, and an investment in the Opportunity Fund should be viewed as an illiquid investment. Investors generally are expected to continue to participate in, and make new commitments to, each subsequent series of the Opportunity Fund. Absent an affirmative action by an investor, an investor in any series may be required to make a commitment to subsequent series. There will be no public market for an investor's interest in the Opportunity Fund, and none is expected to develop.

There are substantial restrictions upon the transferability of investor interests under the Governing Documents for the Opportunity Fund and applicable securities laws. Investors generally have limited rights to redeem their interests in the Opportunity Fund, but the Adviser may, in certain circumstances, require an investor to redeem all or a portion of its interest in the Opportunity Fund. Redemptions by investors may be subject to holdbacks, the application of liquidating run-off

account provisions and other limitations that significantly delay the return of capital, which during such time will remain at risk in the Opportunity Fund's investment program. There can be no assurance that the Opportunity Fund will continue indefinitely or make available future series, and the Adviser may dissolve the Opportunity Fund at any time in its discretion.

Redemptions will generally occur at the applicable Fund's net asset value. Because there is not expected to be an active market for certain investments owned by the Funds, there are inherent uncertainties in the process of valuing such investments, and therefore it is possible that the determination of the Fund's net asset value upon which the redemption proceeds are based may differ from the net asset value that would have been determined had an active market existed for such investments and may differ from the prices at which such investments ultimately may be sold. This could result in the redemption proceeds being greater or less than they would be if there were an active market for all the Fund's investments and, consequently, may reduce the redemption proceeds received by the redeeming investors. The exercise of discretion in valuation by the Adviser may give rise to conflicts of interest relating to such amounts between redeeming investors and new or existing investors.

Future and Past Performance

It should be noted that the performance of the Funds, the Adviser, the Adviser's officers and employees (collectively, "Adviser Personnel") and any applicable sub-adviser's prior investments is not a guarantee of the Funds' future results. The Adviser cannot provide assurance that it will be able to choose, make and realize investments in any particular company or portfolio of companies. There is no assurance that the Adviser will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions described herein. Investors could lose all or a significant portion of their investment, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. An investment in one or more Funds should only be considered by persons who can afford a loss of their entire investment. Although the Adviser Personnel have previous experience making and managing investments similar to those contemplated by the Funds, there can be no assurance that the Funds' investments will achieve results similar to those attained by previous investments of the Funds, the Adviser or their affiliates, including the Adviser Personnel. In addition, the Funds' future investments may differ from previous investments made by the Funds, the Adviser or the Adviser Personnel in a number of respects.

New Investor Buy-In Amount

With respect to any new series of the Opportunity Fund, a new investor may, upon request, be permitted by the Adviser to fund an upfront cash new investor buy-in amount. In such case, the existing investors' participation in each investment of such Fund will be reduced pro rata based on their respective capital account balances. Such upfront cash new investor buy-in amount generally is expected to be funded at the beginning of the commitment period of such new series and may represent a significant funding obligation and a substantial portion of an investor's overall investment in the Opportunity Fund. In addition, it is possible that the estimated new investor buy-in amounts differ substantially from the final determination of the new investor buy-in amounts. Because there is not expected to be an active market for certain investments owned by the Opportunity Fund, there are inherent uncertainties in the process of valuing such investments, and

therefore it is possible that the determination of the Opportunity Fund's net asset value upon which the new investor buy-in amounts are based may differ from the net asset value that would have been determined had an active market existed for such investments and may differ from the prices at which such investments ultimately may be sold. This could result in the new investor buy-in amounts being greater or less than such amounts would be if there were an active market for all of the Opportunity Fund's investments, and consequently, may reduce the new investor buy-in amounts ultimately received by the Opportunity Fund and existing investors (or, conversely, increase the new investor buy-in amounts funded by new investors). The exercise of discretion in valuation by the Adviser may give rise to conflicts of interest relating to such amounts between new investors and existing investors. The Adviser also has discretion over whether such new investor buy-in amounts are to be distributed to investors (or subsequently recalled) or used to fund new investments. In addition, the Adviser has a conflict of interest in determining in consultation with such new investor whether to structure such new investor's capital contributions as new investor buy-in or go-forward capital commitments insofar as the Adviser would be entitled to greater or lesser Advisory Fees, Incentive Allocation and/or Other Fees in respect of one or the other. In the event a new investor does not fund a new investor buy-in amount, such new investor will participate in the allocation of net profits and losses with respect to its new (or increased) capital commitment only to the extent such new investor has made capital contributions to the Opportunity Fund. As net profits and net losses generally are allocated to the investors based on each investor's proportional share of the aggregate capital accounts, in the event a new investor funds less than its full new investor buy-in opportunity, such new investor's allocation of such net profits and losses is expected to be substantially less than the allocation such new investor would have received had such new investor funded a new investor buy-in amount in an amount equal to such new investor's full new investor buy-in opportunity, and such allocations are not expected to correspond to such new investor's proportional share of the aggregate capital commitments to such series.

Lack of Sufficient Investment Opportunities

The business of identifying and structuring private equity, public securities' and other financial transactions is highly competitive and involves a high degree of uncertainty. The Funds will encounter competition from other entities having similar investment objectives. Potential competitors include other investment funds, strategic industry acquirers and other financial investors. Over the past several years, an ever-increasing number of investment funds have been or are being formed, and many fund sponsors have increased the size of successor funds as compared to their corresponding prior funds. Additionally, a number of new funds and established funds with more generalized investment capabilities have entered into the energy industry within the last several years as capital needs in the industry have increased and investment returns in other industries have decreased. As global efforts are made to respond to anticipated future population growth, economic development and increased urbanization, and the effects of each of them, the number of funds and sources of investment capital that have similar investment objectives to the Funds, or that target similar investment opportunities, is likely to increase. Some of the Funds' competitors for investment opportunities may have more relevant experience, greater financial resources, a greater willingness to take on risk, and/or more personnel than the Adviser, the Funds and their respective affiliates. In this highly competitive environment, the valuations of many potential target companies have recently risen to historically high levels as measured by multiples of EBITDA. The Adviser expects that competition for appropriate investment opportunities may

remain high or may increase, which may increase the likelihood that the Funds will participate in auctions for investments, the outcome of which cannot be guaranteed. As a result, the Funds may experience difficulty identifying and consummating investments, and the terms upon which investments can be made may be less favorable than obtained by any prior Adviser fund. To the extent that the Funds encounter significant competition for investments, returns to investors may decrease. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, regardless of the extent to which the commitments of the limited partners are invested (or drawn down to be invested), investors generally will be required to bear Advisory Fees and other expenses throughout the duration of the investment period of the applicable Fund based in part on the entire amount of their capital commitments, as set forth in the Governing Documents for such Fund.

Restricted Nature of Investment Positions; Lack of Current Distributions

Generally, it is possible that there will be no readily available market for a large number of the Funds' investments, and hence, the Funds' investments may be difficult to value. Certain of the Funds' investments are likely to include securities that are subject to restrictions on sale under U.S. securities laws. Generally, the Funds will not be able to sell these securities publicly in the U.S. without the expense and time required to register the securities under the Securities Act or will be able to sell the securities only under Rule 144 or other rules under the Securities Act that permit only limited sales under specified conditions. When restricted securities are sold to the public, such Fund may be deemed an "underwriter," or possibly a controlling person, with respect thereto for the purpose of the Securities Act and be subject to liability as such under the Securities Act.

The sale of investments may be subject to restrictions imposed by the applicable securities laws of the countries in which a Fund invests or in which it wishes to publicly list securities, if applicable. In addition, practical limitations may inhibit a Fund's ability to liquidate certain of its investments in the portfolio companies since the issuer will be privately held and the Fund may own a relatively large percentage of the issuer's equity securities. Sales may also be limited by market conditions, which may be unfavorable for sales of securities of particular issuers or issuers in particular industries. The limitations on liquidity of a Fund's investments could prevent a successful sale thereof, result in delay of any sale, or reduce the amount of proceeds that might otherwise be realized.

Although certain investments may be designated as liquid investments or be comprised of liquid investments pursuant to the Governing Documents, it is uncertain as to when profits, if any, will be realized. In addition, certain investments may be distributed in-kind to the investors and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such investors. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on, or near-term cash flow from, the investment. Furthermore, the expenses of operating the Funds (including the Advisory Fee payable to an affiliate of the Adviser) may exceed its income, thereby requiring that the difference be paid from the Funds' capital, including unfunded capital commitments.

Certain of the Funds' indefinite term and perpetual structure may result in such Funds making longer-term investments than might be made by a fund with a shorter duration.

The Funds' ability to dispose of investments may be limited for several reasons (some or all of which may be outside of the Funds' control), including the absence of an established market for such investments, as well as contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms upon which a disposition could be made. Any possibility of a disposition in the public markets will depend upon favorable market conditions, including receptiveness to initial or secondary public offerings for the companies in which the Funds invest and an active mergers and acquisitions (or recapitalizations and reorganizations) market, among other factors.

Investments in Small Companies

There is no minimum limitation on the size or operating experience of the companies in which the Funds may invest. Some small companies in which the Funds may invest may lack management depth or the ability to generate internally, or obtain externally, the funds necessary for growth. Companies with new products or services could sustain significant losses if projected markets do not materialize. Further, such companies may have, or may develop, only a regional market for products or services and may be adversely affected by purely local events. Such companies may be small factors in their industries and may face intense competition from larger companies and entail a greater risk than investment in larger companies.

Reliance on the Adviser

Control over the operation of the Funds, including decisions with respect to the management thereof, is vested entirely in the Adviser and/or the applicable sub-adviser. The success of a Fund will depend on the ability of the Adviser or the applicable sub-adviser to identify and consummate investments and to dispose of investments of such Fund at a profit. The loss of service of one or more of the Adviser Personnel could have an adverse effect on the Funds' ability to realize their investment objectives. Investors generally have no right or power to take part in the management of the Funds and, as a result, the investment performance of the Funds will depend entirely on the actions of the Adviser. In addition, the Adviser Personnel currently, and may in the future, manage or advise other investment funds, including other Funds managed by the Adviser, including funds that may be raised in the future, proprietary investments made by the Adviser and/or its principals of the type made by a Fund, and funds managed on behalf of the Adviser Personnel, their friends and family. The Adviser Personnel may need to devote substantial amounts of their time to the investment activities of such other funds, which poses conflicts of interest in the allocation of the time, services or functions of the Adviser Personnel. Thus, such persons will have demands made on their time for the investment, monitoring, exit strategy and other functions of other funds and accounts. In addition, certain changes in the Adviser or circumstances relating to the Adviser may have an adverse effect on the Funds or one or more of their portfolio companies including potential acceleration of debt facilities.

Although the Adviser will monitor the performance of each Fund investment, it primarily will be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with

strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the Funds' objectives.

Risks in Effecting Operating Improvements

The success of the Funds' investment strategy is likely to depend, in part, on the ability of the Funds to effect improvements in the operations of certain portfolio companies. Identifying and implementing operational improvements at portfolio companies entails a high degree of uncertainty. In addition, executing operational improvements may divert the attention of key portfolio company personnel and disrupt normal business. There can be no assurance that the Funds will be able to successfully identify and implement such improvements.

Risks Relating to Due Diligence of and Conduct at Portfolio Companies; Expedited Transactions

Before making an investment, the Adviser will often conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to such investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, technical, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto, and the Adviser may rely on the advice received from such third parties. Investment analyses and decisions by the Adviser will often be undertaken on an expedited basis in order for the Funds to compete for investment opportunities and/or consummate investments. In such cases, the information available to the Adviser at the time of an investment decision may be limited, and the Adviser may not have access to the detailed information necessary for a full evaluation of an investment opportunity. The due diligence investigation carried out with respect to any investment opportunity is unlikely to reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in an investment being successful or even ensure a return on invested capital. Additionally, in connection with the evaluation of potential investment opportunities, the Adviser from time to time engages with persons retained by expert networks who are under an obligation not to disclose confidential information. The Adviser seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented procedures to mitigate the risk that the use of expert networks could result in the receipt of confidential information by investment professionals. However, no assurance can be made that such individuals do not share confidential information. In such cases, the Adviser could become restricted from pursuing investments, which could have an adverse effect on a Fund.

Significant Adverse Consequences for Default

The Governing Documents generally provide for significant adverse consequences and/or forfeiture of some or all of an investor's interest in the event an investor defaults on its capital commitment or any other payment obligation. In addition to losing its right to potential distributions from the Funds, a defaulting investor may be forced to transfer its interest in the Funds for an amount that is less than the fair market value of such interest.

Need for Follow-On Investments

Following a Fund's initial investment in a given portfolio company, such Fund is permitted to decide to provide additional funds to such portfolio company or consider the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, to improve its operating performance, to meet its debt service obligations or refinance its outstanding debt securities or as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by the Adviser not to make follow-on investments or a Fund's inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for such Fund to increase its participation in a successful portfolio company or the dilution of such Fund's ownership in a portfolio company if a third party (or successor Fund) invests in such portfolio company. In certain circumstances, including follow-on investments by successor Funds in a portfolio company owned by one or more predecessor Funds, the decision by a Fund to make follow-on investments may present conflicts of interest, including with respect to the determination of the structure and other terms of any new financing. In certain circumstances, redeeming investors may not participate in follow-on investments, while other investors in the Funds do participate therein, which could present actual or potential conflicts of interest.

Recycling/Reinvestment

For the Opportunity Fund, in addition to having the right to recall distributions previously made to the investors (subject to certain limitations set forth in the Governing Documents), the Adviser may return to the investors all or any portion of any capital contribution that (i) is not invested in an investment or used to pay partnership expenses, or (ii) is invested in investments that have been sold to a parallel Fund, and any such distributed amounts will be treated as not having been called and funded and will be subject to a recall. Furthermore, the Opportunity Fund may recycle proceeds from private equity investments in an aggregate amount of up to 20% of the base capital commitments of the investors to the then-current series during the commitment period of such series, and proceeds from liquid investments generally may be recycled without limitation. The Adviser has in the past elected (and expects in the future to continue to elect) to first recycle out of the Opportunity Fund's invested capital. The Adviser has a conflict of interest in making such determination insofar as the Adviser remains entitled to (a) Advisory Fees in respect of recycled invested capital proceeds, and (b) the Incentive Allocation in respect of any distributed profits. For all of the reasons set forth above, during the term of the Opportunity Fund, an investor may be required to make capital contributions in excess of its capital 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.

Dilution

For the Opportunity Fund, investors admitted and existing investors that increase their respective capital commitments to such Funds above their renewal shares with respect to any series

subsequent to the initial series generally will participate in then-existing investments of the Opportunity Fund, thereby diluting the interests of existing investors in such investments.

Public Company Holdings

The Funds' investment portfolios generally contain securities and debt issued by publicly held companies. The Governing Documents do not limit the amount of assets that may be invested in such investments. Such investments subject the Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Adviser Personnel, and increased costs associated with each of the aforementioned risks. In addition, by reason of their responsibilities in connection with such investments or other activities, the Adviser Personnel may have access to confidential or material, non-public information or be otherwise restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information and, consequently, may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Furthermore, despite the heavy volume of trading in securities, the markets for some securities may be thinly traded from time to time. This lack of liquidity and market depth could disadvantage the Funds, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Also, securities exchanges and the SEC have authority to suspend trading in a particular security without notice. In addition, the Adviser 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. The Adviser and its affiliates may combine orders on behalf of the Funds with orders for other Funds for which the Adviser or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally intend to aggregate trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction.

Projections

Projected operating results of a company in which the Funds invest normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the Adviser in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Uncertainty Regarding Investments

Although the Adviser will make every effort to conduct appropriate due diligence prior to making an investment, the due diligence process may be subjective at times, may be required to be undertaken on an expedited basis in order to take advantage of available investment opportunities and may require the Adviser to rely on limited resources available to it including information provided by the target of the investment and third-party consultants, legal advisors, accountants and investment banks. As a result, it is uncertain whether the due diligence investigation will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. The Adviser also cannot be certain that the due diligence investigation will result in investments being successful. The ability to conduct certain due diligence may be limited in connection with certain liquid investments.

General Risks Associated with Non-U.S. Investments

The Funds may, directly or indirectly, make investments in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States and its territories and possession or in non-U.S. long or short securities, options, swaps and “contracts for differences” (“CFDs”). Investments in non-U.S. securities or instruments involve certain considerations not typically associated with investing in U.S. securities and instruments, including risks relating to: (i) currency exchange matters (including fluctuations (whether favorable or unfavorable) 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 (including risks associated with potentially rapid inflation), and costs associated with conversion of investment principal and income from one currency into another); (ii) exposure to fluctuations in interest rates payable with respect to the instruments in which the Funds invest; (iii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (iv) differences between the U.S. and non-U.S. securities markets (including potential price volatility in, and relative illiquidity of, certain non-U.S. securities markets); (v) the absence of uniform accounting, auditing, and financial reporting standards, practices and disclosure requirements, and less or more government supervision and regulation; (vi) certain economic, social and political risks (including potential exchange control regulations, restrictions on non-U.S. investment and repatriation of capital, and the risks of political, economic, governmental or social instability (including the risk of sovereign defaults, regulatory change, and the possibility of expropriation or confiscatory taxation)); (vii) the possible imposition of non-U.S. taxes (including withholding taxes) on income, gains and gross sales or other proceeds recognized with respect to non-U.S. securities or instruments (including the imposition of such taxes as a result of the formation by the Adviser of an alternative investment vehicle outside of the United States); (viii) the application of complex U.S. and non-U.S. tax rules to cross-border investments; (ix) possible non-U.S. tax return filing requirements for the Funds and/or certain investors (including as a result of the formation by the Adviser of an alternative investment vehicle outside of the United States); (x) differing and potentially less well-developed or well-tested corporate laws regarding stakeholder rights, creditors’ rights (including the rights of secured parties), fiduciary duties and the protection of investors; (xi) differences in the legal and regulatory environment (including enhanced legal and regulatory compliance); (xii) political hostility to investments by foreign or private equity investors; and (xiii) less publicly available information.

Additionally, the Funds may be less influential than other market participants in jurisdictions where they and/or the Adviser do not have a significant presence, and they may have greater difficulty enforcing their legal rights in a non-U.S. jurisdiction. The Funds may be subject to additional risks, which include possible adverse political and economic developments, possible seizure or nationalization of foreign deposits and possible adoption of governmental restrictions which might adversely affect the payment of principal and interest to investors located outside the country of the issuer, whether from currency blockage or otherwise. Furthermore, certain of the Funds' investments may be subject to brokerage taxes levied by non-U.S. governments, the effect of which would be to increase the cost of such an investment and reduce the realized gain (or increase the realized loss) on such an investment at the time of its disposition. There can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of the Funds that are held in certain non-U.S. jurisdictions.

Emerging Market Risks

The risks of investments in non-U.S. markets described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging market countries are generally smaller, less developed, less liquid, and more volatile than the securities markets of the U.S. and other developed markets. Disclosure and regulatory standards in many respects are less stringent than in the U.S. and other developed markets. There also may be a lower level of monitoring and regulation of securities markets in emerging market countries and the activities of investors in such markets and enforcement of existing regulations may be inconsistent and subject to change without warning. In addition, custodial services and other costs relating to investments may be more expensive in emerging markets than in many developed markets, which could reduce a Fund's income from such securities. In many cases, governments of emerging market countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, may adversely affect the liquidity and price of securities, regardless of the issuer's financial condition. In addition, there is a heightened possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest or dividend payments, or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Funds to suffer a loss of any or all their investments.

Non-U.S. Currency Risks

Although many of the Funds' investments are expected to be U.S. Dollar-denominated, an investment that is denominated in a non-U.S. currency is subject to the risk that the value of the particular currency in which such investment is denominated will change in relation to one or more other currencies, including the U.S. Dollar, which is the currency in which the books of the Funds will be kept and contributions and distributions generally will be made. Among the factors that may affect currency values are trade balances between nations, short-term interest rates, variations in the relative value of similar assets in different currencies, long-term opportunities for investment and capital appreciation, and political developments. The Funds and/or the portfolio companies would likely incur costs in converting investment proceeds from one currency to another. The Adviser is permitted, but it is under no obligation, to employ hedging techniques to manage currency exchange exposure, although there can be no assurance that such techniques will be effective. Interests in the Funds are denominated in U.S. Dollars, and prospective investors in any

country in which U.S. Dollars are not the local currency should note that changes in the exchange rate between the U.S. Dollar and such local currency may have an adverse effect on the value, price or income of an investment in a Fund. Foreign exchange regulations may be applicable to investments in certain jurisdictions. Any fees, costs and expenses incurred by a non-U.S. investor in converting its local currency to U.S. Dollars in order to make capital contributions to the Funds will be borne solely by such non-U.S. investor, will be in addition to the amounts required to be contributed, and will not be part of the capital commitment of such non-U.S. investor.

Hedging Risks

The Adviser is permitted to hedge some or all of a Fund's investments or other assets by entering into hedging arrangements with a broker, a bank or other organizations. Hedging against a decline in the value of an investment or other asset of a Fund does not completely eliminate risks associated with fluctuations in the values of such investment or asset or prevent losses if the values of such investment or asset decline. In addition, any hedging arrangements may limit a Fund's opportunity for gain if the values of the investment or asset subject to hedging increase. Furthermore, hedging entails its own costs, and it is often not possible to hedge fully or perfectly against all risks. There can be no assurance that the Adviser will choose to hedge against any of the risks relating to a Fund's investments.

Effect of Incentive Allocation and Advisory Fees

The existence of the Incentive Allocation creates an incentive for the Adviser to make more speculative investments on behalf of the Funds than it would otherwise make in the absence of such performance-based arrangement. For certain Funds, the Incentive Allocation is determined based in part on the unrealized value of the Funds' investments. It is possible that the actual value of such investments may differ from values that would have been determined had an active market existed for such investments and may differ from the prices at which such investments ultimately may be sold. This potentially could result in the Adviser receiving a greater Incentive Allocation than what it would receive if the Incentive Allocation were solely determined based on realized values. There is generally no obligation on the Adviser to return amounts previously distributed to it in respect of the Incentive Allocation, even in the event of subsequent losses. In addition, if distributions are made of property other than cash, the amount of any such distribution will be accounted for at the fair market value of such property, as determined in accordance with procedures specified in the Governing Documents. An independent appraisal generally will not be required and is not expected to be obtained. In addition, the Adviser is incentivized in certain circumstances, including when Advisory Fees are calculated and charged based on invested capital, to hold on to investments that have poor prospective for improvement in order to receive ongoing Advisory Fees in the interim and, potentially, a more likely or larger Incentive Allocation if such asset's value appreciates in the future. To the extent the Advisory Fee is calculated based upon invested capital, the Advisory Fee structure creates an incentive for the Adviser to deploy capital and/or to delay writing off investments when it might not otherwise have done so.

Written Off Investments

The Governing Documents provide the Adviser with wide-ranging authority on the determination of whether an investment has been written off, and the criteria used by the Adviser in valuing an

investment have the potential to be subjective, to be influenced by market information and other factors, and to vary over time. There can be no assurance that a third party or an investor in a Fund would agree with the substance or timing of the Adviser's determination that an investment has been written off, and, except as set forth in the applicable Governing Documents, the Adviser is not obligated to follow any third-party methodology in making its determination on whether an investment meets the relevant standards or whether value can be recovered or retained during a Fund's holding period. In making its determination, the Adviser is entitled to make its own determination taking into account all facts and circumstances it deems relevant, subject to the provisions of the applicable Governing Documents. As a general matter, the standards for determining that an investment has been written off are intended to be high and to not apply to investments experiencing partial, temporary, or even permanent and total declines in value. Accordingly, the Adviser is permitted to determine that even extremely distressed investments should not be written off. Because the amount of the Adviser's compensation is dependent in part on whether an investment has been written off, the Adviser faces potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria. Ultimately, subject to the applicable Governing Documents, the Adviser expects to continue to calculate and charge an Advisory Fee on invested capital for investments that have experienced a decline in fair value below cost but that have not otherwise been completely written off, as determined by the Adviser in its sole discretion. In general, the Adviser will not determine an investment to be written off so long as the Fund holds an equity investment in such investment, even if the current value of the investment is zero and there is no likely expectation of any recovery. The Adviser may change this approach in its sole discretion from time to time and the Adviser has ultimate discretion in determining whether an investment should be permanently written off. There can be no assurance that an investment, in hindsight, should have been written off or should have been written off at an earlier date.

Monitoring Fee Acceleration

Agreements made with portfolio companies may require the acceleration of future monitoring fees, transaction fees, corporate service fees and other fees payable by a portfolio company at the sale or public offering of such portfolio company and an agreed upon value of such fees may be paid to the Adviser or an affiliate at such time. Although such prepaid or accelerated fees generally will be based on the anticipated level and duration of services that the Adviser believes at the time of such prepayment or acceleration are likely to be provided to the portfolio company, over time, they may be greater or less than the amount that is ultimately incurred with respect to services ultimately provided to such portfolio company.

International Conflicts

Wars and other international conflicts, such as the Israeli-Palestinian conflict and the ongoing military conflict between Russia and Ukraine have caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place sanctions and other severe restrictions or prohibitions on certain of the countries involved as well as related individuals and businesses. However, the ultimate impact of these conflicts and their effect on global economic and commercial activity and conditions, and on the operations, financial

condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

These conflicts may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

Financial Institution Risk; Distress Events

An investment in the Fund is subject to the risk that one or more of the Fund's banks, brokers, hedging counterparties, lenders to or other custodians of some or all of the Fund's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by various factors, including, but not limited to, eroding market sentiment, significant withdrawals (e.g., a bank run in which depositors collectively withdraw their balances within a short period of time), fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, the Adviser, the Funds, and/or their portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, or the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance (including the Funds' cash and securities maintained with qualified custodians pursuant to Rule 206(4)-2 under the Advisers Act (the "Custody Rule")) are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Adviser to manage the Funds and their investments, and on the ability of the Adviser, any Fund and/or portfolio companies to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. The Adviser is under no obligation to use a minimum number of Financial Institutions with respect to any Fund or to maintain account balances at or below the relevant insured amounts. Furthermore, such balances maintained by the Adviser and the Funds are generally expected to fluctuate, including with respect to the Funds in

connection with capital calls to limited partners and dispositions of investments, and certain balances from time to time will substantially exceed applicable deposit insurance.

United Kingdom Exit from the European Union

The United Kingdom left the European Union on January 31, 2020 (commonly referred to as “Brexit”). During an 11-month transition period, the United Kingdom and the European Union agreed to a Trade and Cooperation Agreement which sets out the agreement for certain parts of the future relationship between the European Union and the United Kingdom from January 1, 2021. The Trade and Cooperation Agreement does not provide the United Kingdom with the same level of rights or access to all goods and services in the European Union as the United Kingdom previously maintained as a member of the European Union and during the transition period. In particular the Trade and Cooperation Agreement does not include an agreement on financial services, which is yet to be agreed. Accordingly, uncertainty remains in certain areas as to the future relationship between the United Kingdom and the European Union.

From January 1, 2021, European Union laws ceased to apply in the United Kingdom. However, many European Union laws have been transposed into English law and these transposed laws will continue to apply until such time that they are repealed, replaced or amended. Depending on the terms of any future agreement between the European Union and the United Kingdom on financial services, substantial amendments to English law may occur, and it is impossible to predict the consequences on the Funds and their investments. Such changes could be materially detrimental to investors.

Although one cannot predict the full effect of Brexit, it could have a significant adverse impact on the United Kingdom, European and global macroeconomic conditions and could lead to prolonged political, legal, regulatory, tax and economic uncertainty. 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 United Kingdom or the European Union, including companies or assets held or considered for prospective investment by the Funds.

The future application of European Union-based legislation to the private fund industry in the United Kingdom and the European Union will ultimately depend on how the United Kingdom renegotiates the regulation of the provision of financial services within and to persons in the European Union. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on the Funds and their portfolio companies, including the ability of the Funds to achieve their 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, an adverse effect on the ability of the Adviser to manage, operate and invest the Funds and increased legal, regulatory or compliance burden for the Adviser and/or the Funds, each of

which may have a negative impact on the operations, financial condition, returns or prospects of the Funds.

Areas where the uncertainty created by the United Kingdom's withdrawal from the European Union is relevant include, but are not limited to, trade within Europe, foreign direct investment in Europe, the scope and functioning of European regulatory frameworks (including with respect to the regulation of alternative investment fund managers and the distribution and marketing of alternative investment funds), industrial policy pursued within European countries, immigration policy pursued within European Union countries, the regulation of the provision of financial services within and to persons in Europe and trade policy within European countries and internationally. The volatility and uncertainty caused by the withdrawal may adversely affect the value of the Funds' portfolio companies and the ability to achieve the investment objectives of the Funds.

Equity Risk

The market price of securities owned by a Fund may go up or down, sometimes rapidly or unpredictably. A risk of investing in a Fund is that the equity securities in its portfolio will decline in value due to factors affecting equity markets generally or particular industries represented in those markets. The values of equity securities may decline due to general market conditions which are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or related industries, such as labor shortages or increased production costs and competitive conditions within an industry. Equity securities generally have greater price volatility than fixed income securities.

General Market and Credit Risks of Debt Securities

The Funds are permitted to invest, directly or indirectly, in debt securities. Such securities are subject to credit and interest rate risk.

"Credit risk" refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, subordination, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument and securities which are rated by rating agencies are often reviewed and may be subject to downgrade. Such securities may be rated below "investment grade" and may face ongoing uncertainties and exposure to adverse business, financial or economic conditions that could lead to the issuer's inability to meet timely interest and principal payments. The market values of certain of these lower rated debt securities tend to reflect individual corporate developments to a greater extent than do higher rated securities, which generally react primarily to fluctuations in the general level of interest rates, and tend to be more sensitive to economic conditions than are higher rated securities. Companies that issue lower-rated debt securities often are highly leveraged and may not have access to more traditional methods of financing. Trading in such securities may be limited or disrupted by an economic recession, resulting in an adverse impact on the value of such securities. In addition, it is likely that any such economic downturn

could affect adversely the ability of the issuers of such securities to repay principal and pay interest thereon and, therefore, increase the incidence of default for such securities.

“Interest rate risk” refers to the risks associated with market changes in interest rates. Factors that may affect market interest rates include, without limitation, inflation, slow or stagnant economic growth or recession, unemployment, money supply and the monetary policies of the Federal Reserve Board and central banks throughout the world, international disorders and instability in domestic and foreign financial markets. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable-rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

Benchmark Rate Risk

Prior to June 30, 2023, certain bonds and loans held by the Funds may have had floating interest rates based on the London Inter Bank Offered Rate (“LIBOR”). LIBOR is an estimate of the interest rates to borrow U.S. dollars, sterling, euros and certain other currencies in the London unsecured interbank market, and was widely used as a reference for setting the interest rate on loans, bonds and derivatives globally. Consistent with prior announcements by the United Kingdom’s Financial Conduct Authority, the representative settings for all Swiss franc, euro, British pound sterling, Japanese yen, and U.S. dollar LIBORs are no longer available as of June 30, 2023, while synthetic 3-month British pound sterling LIBOR and 1-, 3- and 6-month U.S. dollar LIBOR settings are expected to cease at the end of March 2024 and September 2024, respectively.

On March 15, 2022, the United States enacted the Adjustable Interest Rate (LIBOR) Act of 2021 (“LIBOR Act”). The federal LIBOR Act preempts similar state legislation (including that enacted in New York) and provides one national approach for replacing U.S. dollar LIBOR as a reference interest rate in certain contracts, including those with no fallback provisions or with fallback provisions that identify neither a specific replacement rate nor a “determining person” as defined in the legislation, once U.S. dollar LIBOR is no longer published or is no longer representative. The U.S. Federal Reserve has adopted the final rule that implements the LIBOR Act, which established certain Secured Overnight Financing Rate (“SOFR”)-based benchmark replacements for contracts governed by U.S. law that reference overnight and one-, three-, six- and 12-month tenors of U.S. dollar LIBOR that do not have suitable fallback provisions after June 30, 2023.

As a result of the transition away from LIBOR as a benchmark reference for interest rates, certain bonds and loans held by the Funds may have floating interest rates based on SOFR or, if otherwise provided in the underlying contracts, other alternative benchmark rates.

Bank Loans

Certain Funds will invest in interests in loans originated by banks and other financial institutions. The loans invested in by the Funds may include term loans and revolving loans, may pay interest at a fixed or floating rate and may be senior or subordinated. Purchasers of bank loans are predominantly commercial banks, investment funds and investment banks. As secondary market trading volumes for bank loans increase, new bank loans are frequently adopting standardized documentation to facilitate loan trading which should improve market liquidity. The global financial crisis of 2007 – 2008 resulted in unprecedented levels of illiquidity and volatility in the bank loan market. A decline in current market conditions could result in similar levels of illiquidity and volatility, which could decrease demand for bank loan trading. In addition, the Funds make investments in stressed or distressed bank loans which are often less liquid than performing bank loans.

Certain Funds may acquire interests in bank loans either directly (by way of sale or assignment) or indirectly (by way of participation). The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a lender under the credit agreement with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating out the interest, not with the borrower. In purchasing participations, the Funds generally will have no right to enforce compliance by the borrower with the terms of the loan agreement, nor any rights of set-off against the borrower, and the Funds may not directly benefit from the collateral supporting the debt obligation in which it has purchased the participation. As a result, the Funds will assume the credit risk of both the borrower and the institution selling the participation.

Non-Performing Nature of Debt

Certain debt instruments purchased by the Funds may be non-performing and possibly in default at the time of such purchase. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to the loans.

Leveraged Investments

While investments in highly leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. Some of the Funds' investments may involve high degrees of leverage, as a result of which recessions, operating problems and other general business and economic risks may have a more pronounced effect on the profitability or survival of the Funds' portfolio companies. A Fund's ability to achieve attractive rates of return on investments will depend on the ability of its portfolio companies to access sufficient sources of debt at attractive rates, including high yield debt. However, availability of capital from the debt markets is subject to volatility from time to time, and there may be times when a Fund might not be able to access those markets at attractive rates, or at all, when completing an investment. Also, increased interest rates generally increase portfolio company interest expenses. In the event any such portfolio company cannot generate adequate cash flow to meet debt service, the applicable Fund may suffer a partial or total loss of capital invested in the portfolio company. The availability

of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency, the U.S. Federal Deposit Insurance Corporation and the European Central Bank) may restrict or otherwise discourage lending that results in companies leveraging large amounts of debt.

In addition, certain Funds expect to utilize leverage directly or indirectly including engaging in trading on margin by borrowing funds and pledging securities as collateral. While such use of borrowed funds increases returns if a Fund earns a greater return on the incremental investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if a Fund fails to earn as much on such incremental investments as it pays for such funds. The effect of leverage may therefore result in a greater decrease in the net asset value of a Fund than if such Fund were not so leveraged. Any use by a Fund of short-term margin borrowings will result in certain additional risks to such Fund. For example, the securities pledged to brokers to secure a Fund's margin accounts could be subject to a "margin call," pursuant to which the Fund would be required either to deposit additional funds with the broker or to suffer mandatory liquidation of the pledged securities to compensate for the decline in value. A sudden, precipitous drop in value of a Fund's assets accompanied by corresponding margin calls could force such Fund to liquidate assets quickly, and not for fair value, in order to pay off margin debt. In some circumstances, the broker-dealer from which a Fund has borrowed the money may have the right to liquidate collateral and/or terminate the Fund's brokerage and related legal agreements with little or no notice. At certain times, it may be difficult for a Fund to secure financing in order to employ leverage, which could negatively impact the return of such Fund.

Leverage Below a Fund

Although it presents many of the same risks as Fund-level borrowing, indebtedness of entities other than a Fund will not be treated as Fund-level borrowing for purposes of the Funds' Governing Documents, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a Fund's value are at risk. As a result, these borrowings will not be subject to any limitations on Fund-level borrowing in the relevant Governing Documents. Since the Adviser has more flexibility to engage in these structures, the Adviser has an incentive to incur significant leverage at the level of holding companies beneath a Fund. The negative performance of one asset may materially and adversely affect the performance of other investments or a Fund as a whole. Furthermore, depending on the terms of the cross-collateralization and the performance of the underlying assets, it is possible that a Fund may ultimately bear a disproportionate share of the risk arising from any guarantees, borrowings or credit support that are incurred on a cross-collateralized or joint basis with other Funds, but a Fund will not receive compensation for bearing such risks for other such Funds.

For example, under the Governing Documents, a Fund is authorized to incur indebtedness that is secured by any assets of such Fund (e.g., asset-based borrowing, as well as "back leverage" and net asset value (NAV) facilities), and is permitted directly or indirectly through one or more intermediate entities (e.g., special purpose vehicles) to incur indebtedness, including to borrow money from any person, to make guarantees or provide other credit support to any person or to incur any other obligation (including other extensions of credit). Indebtedness is permitted to be incurred for any purpose relating to the activities of a Fund, including without limitation to: finance

any investment-related activities of such Fund; increase the buying power of such Fund; provide interim financing to the extent necessary to consummate the purchase of investments prior to the receipt of permanent financing or capital contributions or distributions (as applicable); pay for Fund expenses or fund the payment of Advisory Fees; make, hold or dispose of investments; provide financing or refinancing; fund the payment of amounts to withdrawing limited partners; fund distributions to the partners; and provide collateral to secure outstanding letters of credit or to create reserves, in each case in accordance with the Governing Documents. Additionally, a Fund is expected to enter into letters of credit in support of one or more of its investments, including for the purpose of such Fund agreeing to fund additional equity financing or capital expenditures into a portfolio company (regardless of who the beneficiary to such letter of credit may be) at a certain time or upon the occurrence of a certain event. Although in many cases the Governing Documents impose limits on borrowings at the Fund level, portfolio investments and intermediate entities generally do not have such limits on their ability to engage in borrowings or incur leverage with respect to all or a portion of the relevant investments. For example, any indebtedness obtained by any special purpose vehicle established by a Fund to hold a single, multiple or all investments (such as a lending facility collateralized or secured by a Fund's holdings in some or all of its investments) generally would not be subject to the limits on borrowing or guarantees by such Fund in the Governing Documents. Additionally, letters of credit and/or other guarantees or forms of credit support are not subject to any limitation on indebtedness or any other limitation in the Governing Documents.

Investment in Junior Securities

The securities in which the Funds will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a Fund's investment once made.

Tax Information Exchange Regimes; FATCA Withholding Tax on Certain Non-U.S. Entities

The United States, pursuant to the "Foreign Account Tax Compliance Act" or "FATCA" has entered into numerous intergovernmental agreements with various jurisdictions concerning the exchange of information as a means to combat tax evasion. In addition, the OECD has published a global Common Reporting Standard for the exchange of information pursuant to which many countries have now signed multilateral agreements. One or more of these information exchange regimes are likely to apply to the Funds and/or alternative investment vehicles, and may require the Adviser to collect and share with applicable taxing authorities information concerning investors (including identifying information and amounts of certain income allocable or distributable to them). An investor's failure to provide required information may result in expulsion from the Funds and/or alternative investment vehicles or other potential remedies. In addition, FATCA generally imposes a withholding tax of 30% on a non-U.S. entity's (including certain of the Funds') share of most payments attributable to investments in the United States, including dividends and interest, unless an exception applies. This withholding tax could, under certain limited circumstances, apply to the Opportunity Fund if it fails to comply with certain reporting obligations to the Cayman Islands.

Conflicting Investor Interests

The Adviser expects that certain investors will have conflicting investment, tax, and other interests with respect to their direct or indirect investments in the Funds, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by the Adviser regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Adviser generally will consider the investment and tax objectives of the Funds and their investors as a whole, not the investment, tax, or other objectives of any investor individually.

Enhanced Scrutiny and Certain Effects of Regulatory Changes

There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Funds' activities, including the ability of the Funds to effectively and timely address such regulations, implement operating improvements or otherwise execute their respective investment strategies or achieve their respective investment objectives.

In recent years, the SEC has proposed and adopted, and continues to adopt, various changes to the rules relating to private funds and their advisers. On August 23, 2023, the SEC adopted new rules and amendments to existing rules (collectively, the "Private Funds Rules") under the Advisers Act specifically related to advisers of private funds. The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. Several trade groups representing private fund managers have filed a legal challenge to the Private Fund Rules and other legal challenges to the Private Fund Rules may be forthcoming. Regardless of the outcome of these lawsuits, the implementation of these new rules is expected to create additional burdens for advisers to private funds.

Uncertain Economic, Social, and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, natural disasters, extreme weather or climate-related events, epidemics or pandemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Funds and result in longer holding

periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Funds' portfolio companies.

General Economic and Market Conditions

The state of the private equity industry, generally, and the success of the Funds' investment activities, specifically, will be affected by general economic and market conditions, as well as by changes in laws, trade agreements, currency exchange controls, and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by the Adviser. Conditions such as financial market uncertainty, volatility, instability, illiquidity and/or decline, a generally unstable economic environment (including as a result of a slowdown in economic growth and/or changes in interest rates or foreign exchange rates) and/or a deterioration in the capital markets may negatively impact the availability of attractive investment opportunities for the Funds, the Funds' ability to make investments, the availability of funding to support the Funds' investment objectives, the performance and/or valuation of and/or risks inherent in the Funds' investments (including the ability of portfolio companies to refinance debt securities, which may depend on their ability to sell new securities in the public high-yield debt market or otherwise), and/or the Funds' ability to dispose of investments. In addition, the public market comparable earnings multiples that are frequently used to value privately held portfolio companies and investors' risk-free rate of return may be impacted. In such an environment, the Funds may be more likely to pay reverse break-up, termination or other fees and expenses in the event the Funds are not able to close a transaction (whether due to lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Funds to dispose of investments at prices that the Adviser believes reflect the fair value of such investments. Such conditions could result in substantial or total losses to the Funds in respect of certain investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure.

Market events may also lead to a tightening of the global credit markets which could make it more difficult for financial sponsors like the Adviser to obtain favorable financing for investments.

Risks of Bankruptcy and Default of Portfolio Companies

A Fund may make investments in portfolio companies that may experience financial difficulties and become insolvent or file for bankruptcy protection. Various U.S. and non-U.S. laws in connection with such bankruptcy proceedings could operate to the detriment of a Fund. There is also a risk that a court may subordinate a Fund's investment to other creditors or require a Fund to return amounts previously paid to it by a portfolio company that became insolvent or files for bankruptcy, a risk that could increase if a Fund has management rights in such portfolio company.

Certain Effects of Default and Bankruptcy

Each of a Fund's portfolio companies or its assets may be pledged to third parties, including senior lenders, and could be foreclosed upon or otherwise acquired by such parties under certain circumstances, including an incipient and/or unremedied default. In the event of the bankruptcy of a portfolio company, prior distributions to a Fund may be reclaimed if such prior payments are determined to have been "preference" payments under applicable bankruptcy and related laws and

regulations. See “*Fraudulent Conveyance and Preference Considerations*,” below. In addition, Funds may, from time-to-time, issue guarantees or otherwise enter into credit support arrangements with respect to financing arrangements undertaken by their portfolio companies. In the event of a default by a portfolio company of its obligations that are subject to such an arrangement, the applicable Fund’s assets could be acquired by, or used to satisfy, the applicable lender(s) under certain circumstances.

Fraudulent Conveyance and Preference Considerations

Various federal and state laws enacted for the protection of creditors may apply to the purchase of investments by a Fund, by virtue of such Fund’s role as a creditor with respect to the borrowers under such investments. If a court in a lawsuit brought by an unpaid creditor or representative of creditors of a borrower, such as a trustee in bankruptcy or the borrower as debtor-in-possession, were to find that the borrower did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest or other lien securing such investment, and, after giving effect to the incurring of such indebtedness, the borrower (i) was insolvent, (ii) was engaged in a business for which the assets remaining in such borrower constituted unreasonably small capital, or (iii) intended to incur, or believed that it would incur, debts beyond its ability to pay such debts as they mature, such court could invalidate, in whole or in part, such indebtedness and such security interest or other lien as fraudulent conveyances, could subordinate such indebtedness to existing or future creditors of the borrower or could allow the borrower to recover amounts previously paid by the borrower to the creditor (including to a Fund) in satisfaction of such indebtedness or proceeds of such security interest or other lien previously applied in satisfaction of such indebtedness. In addition, in the event of the insolvency of an issuer of an investment, payments made on a Fund’s investment could be subject to avoidance as a “preference” if made within a certain period of time (which may be as long as one year) before insolvency depending on a number of factors, including the amount of equity of the borrower owned by the Fund and its affiliates and any contractual arrangement between the borrower, on the one hand, and such Fund and its affiliates, on the other hand. The measure of insolvency for purposes of the foregoing will vary depending on the law of the jurisdiction which is being applied. Generally, however, a borrower would be considered insolvent at a particular time if the sum of its debts was greater than all of its assets at a fair valuation or if the then-present fair saleable value of its assets was less than the amount that would be required to pay its probable liabilities on its then-existing debts as they became absolute and matured. There can be no assurance as to what standard a court would apply in order to determine whether a borrower was insolvent after giving effect to the incurrence of the loan or that, regardless of the method of evaluation, a court would not determine that the borrower was “insolvent” upon giving effect to such incurrence.

In general, if payments on an investment are avoidable, whether as fraudulent conveyances or preferences, such payments can be recaptured either from the initial recipient (such as a Fund) or from subsequent transferees of such payments, including investors in the Funds.

Bridge Loans

The Funds may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities. Such bridge loans would typically be

convertible into a more permanent, long-term security; however, for reasons not always within the Funds' control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by the Funds.

Short Sales

Certain Funds are permitted to make short sales of investment securities. In a short sale, the seller sells a security that it does not own, typically a security borrowed from a broker or dealer. Because the seller remains liable to return the underlying security that it borrowed from the broker or dealer, the seller must purchase the security prior to the date on which delivery to the broker or dealer is required. As a result, a Fund will engage in short sales only where the Adviser believes the value of the security will decline between the date of the sale and the date it is required to return the borrowed security. The making of short sales exposes a Fund to the risk of liability for the market value of the security that is sold and unlimited risk due to the lack of an upper limit on the price to which a security may rise. In addition, there can be no assurance that securities necessary to cover a short position will be available for purchase.

Several jurisdictions in which the Funds may trade have adopted reporting rules for short sales and short positions. If the Funds' short positions or their strategy becomes generally known, the Adviser's ability to implement the strategy could be adversely affected. In particular, it would make it more likely that other investors could cause a "short squeeze" in the securities sold short by a Fund, forcing it to cover its positions at a loss. In addition, if other investors engaged in copycat behavior by taking positions in the same issuers as the Funds, the cost of borrowing securities to sell short could increase significantly, and the availability of such securities to the Funds could decrease significantly. Such events could make the Funds unable to execute their investment strategy.

Regulatory authorities in several jurisdictions have also adopted bans on short sales of certain securities in response to market events such as the global financial crisis of 2007-2008. Bans on short selling may make it impossible for a Fund to execute certain investment strategies and may have a material adverse effect on such Fund's ability to achieve its investment objective.

Risk of Third-Party Litigation

A Fund's investment activities subject it to the risk of becoming involved in litigation by third parties. This risk is somewhat greater where a Fund exercises control of, or significant influence over, a company's direction. The outcome of such proceedings may materially adversely affect the value of the Funds and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Adviser's and the Adviser Personnel'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. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent certain conduct by the Adviser, be borne by a Fund, would reduce net assets and could require investors to return distributions to a Fund. The Adviser is generally entitled to be indemnified by a Fund in connection with such litigation, subject to certain limitations as set forth in the Governing Documents for such Fund.

Non-controlling Investments

Certain of the Funds have in the past held (and may in the future hold) meaningful minority stakes in privately held companies and, in some cases, have had (and may in the future have) limited minority protection rights. In addition, during the process of exiting investments, certain of the Funds have in the past held (and may in the future hold) minority equity stakes of any size such as might occur if portfolio companies are taken public. In such instances, the Funds have limited management and/or control rights with respect to the operation of such companies and are dependent on the decisions of the portfolio company and/or third-party investors. As is the case with minority holdings in general, such minority stakes that the Funds hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where the Funds hold minority stakes, it is generally more difficult for the Funds to liquidate their interests than it would be had the Funds owned a controlling interest in such company or were otherwise granted control and/or management rights alongside any such company and/or third-party investor. Even if the Funds have contractual rights to seek liquidity of the Funds' minority interests in such companies, it can be very difficult to sell such interests or to seek a sale of such company upon terms acceptable to the Funds, especially in cases where the interests of the other investors in such company have different business objectives and goals.

In addition, the Funds have in the past co-invested (and may in the future co-invest) with other persons or entities through partnerships, joint ventures or other entities or arrangements as a co-venturer or partner. Such investments generally involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Funds and such co-venturer reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of such Fund has economic or business interests or goals that are inconsistent with those of the Funds; (iii) the co-venturer or partner may have financial, legal or regulatory difficulties, including liquidity or insolvency issues or becomes bankrupt; (iv) the co-venturer or partner is in a position to take action contrary to the Funds' respective investment objectives; (v) the co-venturer or partner takes actions that subject the property to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Funds are liable for actions of its co-venturers or partners. Certain co-venturers or partners are expected to be joint venture partners or interest holders in joint ventures or other vehicles in which the Adviser or its affiliates has an interest or otherwise controls. From time to time, a co-venturer or partner is expected also to be entitled to receive payments from, or allocations or performance-based compensation (e.g., carried interest) in respect of, the Funds and/or such investments, and in such circumstances, any such amounts will not, even if they have the effect of reducing any retainers or minimum amounts otherwise be payable by the Adviser or its affiliates, be deemed paid to or received by such persons or entities or reduce the Advisory Fee. In addition, the Funds expect to co-invest with non-affiliated co-investors or partners whose ability to influence the affairs of the companies in which the Funds invest can be significant, and even greater than that of the Funds and, in such case, the Funds will be required to rely upon the abilities and management expertise of such co-venturer or partner. It is generally also more difficult for the Funds to sell their interest in any joint venture, co-investment, partnership or entity with other owners than to sell its interest in other types of investments (and in certain instances such investments are subject to a buy-sell right). The Funds expect to grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan

for the investment or require the Funds to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. These risks potentially impair the Funds' ability to fully realize their expected return on any such investment. Further, to the extent that the Funds offer any co-investment opportunity to any investors or third parties, some or all of the risks described above also apply to such co-investments.

In circumstances in which third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Season and Sell Transactions

From time to time the Opportunity Fund expects to enter into loan origination transactions that would be conducted through a so-called "season and sell" structure. Under such arrangements, GGCOF would (either directly or indirectly through an entity formed for such purpose) originate loans and, after those loans have been held for a seasoning period (e.g., 90 days), would often sell a pro rata portion of such loans to GGCOF-A (or an entity owned by both GGCOF and GGCOF-A) at the then-current fair market values of such loans. However, since (i) the decision by GGCOF (or such originating entity) to originate the loans, and (ii) the decision by GGCOF-A (or such transferee entity) whether and at what price to acquire a portion of such loans would be made as separate, independent decisions, it is possible that certain loans originated by GGCOF (or such originating entity) may not subsequently be transferred to GGCOF-A or such transferee entity. As a result, GGCOF and GGCOF-A may hold different investments in their respective loan portfolios, and GGCOF would bear all of the risk of the loans during the seasoning period and may be forced to retain a disproportionate amount of non-performing or other loans if GGCOF-A or such transferee entity elected subsequently not to purchase them. This potential difference in investments held by GGCOF and GGCOF-A, together with the different prices at which the loans would be acquired and the fact that GGCOF-A would not participate in loan origination fees, will potentially cause a divergence in the economic returns between GGCOF and GGCOF-A.

CLOs

To finance investments, a Fund or one or more of its portfolio companies may securitize certain of its investments, including through the formation of one or more collateralized loan obligations ("CLOs"), while retaining all or most of the exposure to the performance of these investments. This would involve contributing a pool of assets to a special purpose entity, and selling debt interests in such entity on a non-recourse or limited-recourse basis to purchasers.

If a Fund establishes a CLO, the Fund will depend on distributions from the CLO's assets to enable it to make distributions to investors. The ability of a CLO to make distributions will be subject to various limitations, including the terms and covenants of the debt it issues. For example, tests (based on interest coverage or other financial ratios or other criteria) may restrict a Fund's ability, as holder of a CLO's equity interests, to receive cash flow from these investments. There is no assurance any such performance tests will be satisfied. Also, a CLO may take actions that delay distributions in order to preserve ratings and to keep the cost of present and future financings lower, or the CLO may be obligated to retain cash or other assets to satisfy over-collateralization

requirements commonly provided for holders of the CLO's debt. As a result, there may be a lag, which could be significant, between the repayment or other realization on a loan or other assets in, and the distribution of cash out of, a CLO, or cash flow may be completely restricted for the life of the CLO. In addition, a decline in the credit quality of loans in a CLO due to poor operating results of the relevant borrower, declines in the value of loan collateral or increases in defaults, among other things, may force a CLO to sell certain assets at a loss, reducing its earnings and, in turn, cash potentially available for distribution to a Fund for distribution.

To the extent that any losses are incurred by the CLO in respect of any collateral, such losses will be borne first by a Fund as owner of equity interests. Finally, any equity interests that a Fund retains in a CLO will not be secured by the assets of the CLO and the Fund will rank behind all creditors of the CLO.

Valuation of Assets

Because of the overall size of the Funds and the nature and maturities of positions held by the Funds, the value at which the Funds' investments can be liquidated may differ, sometimes significantly from the interim valuations arrived at by the Adviser. In addition, the timing of liquidations may also affect the values obtained on liquidation. Securities to be held by the Funds may routinely trade with bid-ask spreads that may be significant. There is no actively traded market for most of the securities owned by the Funds. When estimating fair value, the Adviser will apply a methodology based on its best judgment that it determines to be appropriate in light of the nature, facts, and circumstance of the investments and consistent with the terms of the applicable Governing Documents. Valuations are generally subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of the Adviser. However, such valuations are generally subjective in nature, and the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and differs from the prices at which such securities may ultimately be sold. At times, third-party pricing information may not be available for certain positions held by the Funds, and there can be no assurance that the Adviser will have all information necessary to make valuation decisions or that any information provided by third parties on which such decisions are based will be correct. Valuations cannot necessarily be substantiated by comparison to available market data, including public markets. Additionally, there is no assurance that the valuation decision with respect to an investment will represent the value ultimately realized by the Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Furthermore, with respect to the Funds, the exercise of discretion in valuation by the Adviser gives rise to conflicts of interest (including for example, a determination of when an investment should be written up or down or written off completely) as these valuations impact the Adviser's track record and the Incentive Allocation in certain Funds is calculated based, in part, on these valuations and such valuations affect the amount and timing of the Incentive Allocation and calculation of Advisory Fees. Ultimately, whether an investment should be deemed written off will affect the amount of Advisory Fees payable by a Fund during the period the Advisory Fee is calculated and charged on invested capital. To the extent the Adviser, in its discretion, determines an investment to have value and not be written off, there can be no assurance that a third party would not otherwise determine such investment should be written off. While the Adviser regularly seeks third-party

input on valuations for investments, the Adviser is not obligated to follow any such third-party methodology in making its determination on whether an investment should be written off and is entitled to make its own determination, taking into account all facts and circumstances it deems relevant. Accordingly, the Adviser may be incentivized to increase valuations or assign undue importance to factors that would justify an investment not being written off. In addition, the Funds hold loans or privately placed securities for which no public market exists. Valuations by the Adviser generally will be conclusive and binding on all investors.

Industry Relationships

As with other private equity fund sponsors, as part of the Adviser's business, the Adviser and the Adviser Personnel have developed many relationships with third parties which have the potential to raise conflicts of interest. Such third parties include investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), co-investors, current and former directors, officers and employees of current and former portfolio companies and former employees and members of the Adviser. Certain of these third parties are expected to: (i) introduce investment opportunities to the Adviser; (ii) arrange for, or facilitate the financing of, the purchase or recapitalization of current and potential portfolio companies; (iii) introduce portfolio companies to potential acquisition or merger candidates; (iv) facilitate the disposition of portfolio companies; or (v) provide investment banking, consulting, legal or advisory services to the Adviser, the Funds, or the Funds' portfolio companies. Such third parties are also expected to provide goods or services to or have business, personal, political, financial or other relationships with the Adviser Personnel. In addition, such third parties are expected to invest in one or more of the Funds; co-invest in one or more portfolio companies; or provide other significant business or investment services to the Adviser, the Funds and/or their portfolio companies. These relationships have the potential to influence the Adviser in deciding whether to select or recommend any such third-party to perform services for the Funds or a portfolio company. The cost of any services provided by such third parties generally will be borne directly or indirectly by the Funds or its portfolio companies, as applicable.

Material, Non-Public Information

Each of the Adviser and certain of its affiliates are currently considered to be "inside the wall" with regards to trading restrictions based on the possession of material, non-public information by the Adviser and certain of its affiliates. Accordingly, the Adviser and its affiliates or personnel may come into possession of material, non-public information, including in connection with officer or director positions held by the Adviser's personnel, and such information may limit the ability of the Funds to buy and sell investments. To date, the Adviser has not deemed it appropriate to erect information barriers to restrict the transfer of confidential information between or among personnel of the Adviser and certain of its affiliates. In the absence of any such information barriers, or in the event any such information barriers are erected in the future and personnel of the Adviser or certain of its affiliates agree from time to time to "cross" any such information barriers, the Adviser will be required to impose restrictions on transactions involving particular issuers in its sole discretion taking into account all factors it deems relevant in the collective interest of the Adviser, the Funds, their respective portfolio companies and funds of its affiliates. Consequently, the possession of material, non-public information by the Adviser or its respective affiliates or personnel may limit the ability of the Funds to buy and sell investments. Such inability to purchase

or sell, or inability to purchase or sell at a desirable time or price, may be detrimental to the Funds. In determining a course of compliance with respect to material, non-public or other confidential information under the federal securities and other laws, the Adviser and its affiliates are generally authorized by the Governing Documents to make decisions regarding purchase or sale orders, or other transactions, with a view to the Adviser's and its affiliates' overall compliance with applicable law, even where such compliance may be at cost to one Fund or where the interests of one or more of the Adviser, the Funds, their portfolio companies or the funds of its affiliates may conflict (or be deemed to conflict) with the interests of another. In addition, the Adviser and its affiliates, as applicable, may be restricted by contract from using confidential information that it has for the benefit of a Fund.

Side Letters

The Adviser has entered, and expects in the future to enter, into a side letter or other similar agreement with a particular investor in connection with its admission to one or more of the Funds without the approval of any other investor, which, to the extent permitted under applicable law, would have the effect of establishing rights under or supplementing the terms of the Governing Documents with respect to such investor in a manner more favorable to such investor than those applicable to other investors and such rights may be significant. Such rights or terms in any such side letter or other similar agreement may include, without limitation: (i) excuse, exclusion or withdrawal rights applicable to particular investments or investors (which may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, certain investments); (ii) reporting obligations of the Adviser; (iii) waiver of certain confidentiality obligations; (iv) consent of the Adviser to certain transfers by such investor; or (v) rights or terms necessary in light of particular legal, regulatory, or public policy characteristics of such investor. As a result of certain Side Letters, to the extent permitted under applicable law, limited partners holding the same Fund interests could have different returns and will receive different information, depending on any arrangements applicable to a given investor's interest. In addition, if the Adviser enters into a side letter entitling an investor to be excused or excluded from a particular investment, (i) any election to be excused or excluded by such investor will increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, future investments, and reduce the overall size of a Fund, and/or (ii) a Fund's ability to consummate certain investments may be inhibited. Any co-investment rights granted to a limited partner in a side letter or other similar agreement may result in fewer co-investment opportunities (or reduced or no allocations) being made available to other investors.

Contingent Liabilities Upon Disposition

In connection with the disposition of an investment, a Fund may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. It may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be inaccurate. These arrangements may result in contingent liabilities, which might ultimately have to be funded by investors in a Fund. The

Governing Documents of a Fund typically contain provisions to the effect that if there is any such claim in respect of a portfolio company, it will be funded by the investors in the Fund, including, subject to certain limitations, by returning distributions received from the Fund.

Derivatives

The Funds are generally entitled to invest in complex derivative instruments that seek to modify or replace the investment performance of particular securities, commodities, currencies, interest rates, indices or markets on a leveraged or unleveraged basis. These instruments generally have counterparty risk and may not perform in the manner expected by the counterparties, thereby resulting in greater loss or gain to the investors. These investments are all subject to additional risks that can result in a loss of all or part of an investment, in particular, interest rate and credit risk volatility, world and local market price and demand and general economic factors and activity. To the extent that these instruments are or become subject to regulatory “position limits” or other restrictions, the Funds may not be able to implement freely their respective investment strategies. Derivatives may have very high leverage embedded in them that can substantially magnify market movements and result in losses greater than the amount of the investment. Some of the markets in which the Funds may effect derivative transactions are over-the-counter (“OTC”) or “interdealer” markets. The participants in such markets are typically not subject to credit evaluation and regulatory oversight as are members of “exchange-based” markets. This exposes the Funds to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a credit or liquidity problem with the counterparty. See “Counterparty Risk” below.

Counterparty Risk

Certain markets in which the Funds may effect transactions are OTC or “interdealer” markets, and may also include unregulated private markets. The participants in such markets typically are not subject to the same level of credit evaluation and regulatory oversight as are members of “exchange-based” markets. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, might not be available in connection with such OTC transactions. This exposes the investor to the risk that a counterparty will not settle a transaction in accordance with its terms and conditions because of a dispute over the terms of the contract (whether or not bona fide) or because of a credit or liquidity problem, thus causing the Funds to suffer a loss. Such “counterparty risk” is accentuated for contracts with longer maturities where events may intervene to prevent settlement, or where the Funds have concentrated their transactions with a single or small group of counterparties. The Funds may also be exposed to similar risks with respect to non-U.S. brokers in jurisdictions where there are delayed settlement periods. The Funds are generally not restricted from dealing with any particular counterparty or from concentrating any or all transactions with one counterparty. Moreover, the Adviser has no formal credit function which evaluates the creditworthiness of the Funds’ counterparties. The ability of the Funds to transact business with any one of a number of counterparties, the lack of any meaningful and independent evaluation of such counterparties’ financial capabilities and the absence of a regulated market to facilitate settlement may increase the potential for losses by the Fund. Similar risks also arise in connection with derivative instruments and brokerage arrangements that the Fund may put in place. Certain Funds may hold derivative instruments that contain an element of risk in the event that the counterparties may be unable to meet the terms of such agreements. The Adviser seeks to minimize such risk exposure

by limiting the counterparties with which the Funds enter into contracts to banks and investment banks who, at the time established, meet established credit and capital guidelines.

The Funds may only close out OTC transactions (including swaps and contracts for differences) with the relevant counterparty, and may only transfer a position with the consent of the particular counterparty. Also, if the counterparty defaults, the Funds will have contractual remedies pursuant to the agreement related to the transaction, but there is no assurance that contract counterparties will be able to meet their obligations pursuant to such contracts or that, in the event of default, the Funds will succeed in enforcing contractual remedies. There also may be documentation risk, including the risk that the parties may disagree as to the proper interpretation of the terms of a contract. If such a dispute occurs, the cost and unpredictability of the legal proceedings required for the Funds to enforce their contractual rights may lead the Funds to decide not to pursue their claims against the counterparty. Each Fund thus assumes the risk that it may be unable to obtain payments owed to it under contracts relating to over-the-counter transactions or that those payments may be delayed or made only after such Fund has incurred the costs of litigation.

In addition, the counterparties with which the Funds effect transactions may cease making markets or quoting prices in certain of the instruments. In such instances, the Funds may be unable to enter into a desired transaction in currencies, or to enter into an offsetting transaction with respect to an open position, which might adversely affect their performance. Further, in contrast to exchange-traded instruments, spot and option contracts and swaps on currencies do not provide a trader with the right to offset its obligations through an equal and opposite transaction. For this reason, in entering into spot or options contracts or swaps, the Funds may be required, and must be able, to perform its obligations under the contract.

Data Privacy

The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, “Privacy Laws”) could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the 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 or litigation, 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 Adviser, the Funds and/or their portfolio investments are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place. Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential

for significant liability for regulated entities, which could include the Adviser, the Funds and/or their portfolio investments.

Operational and Cybersecurity Risks

The Adviser, the Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks such as cyber-attacks, breaches or failures including, among other things, the corruption of data maintained online, denial of service attacks on websites and disruptions due to environmental or man-made disasters. Such risks may adversely affect the Funds and their investors, despite the efforts of the Adviser and the Funds' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Fund and its investors. For example, unauthorized third parties have in the past attempted (and may in the future attempt) to improperly access, modify, disrupt the operations of, or prevent access to these systems of the Adviser, the Funds' service providers, counterparties or the data within these systems. Third parties have also in the past attempted (and may in the future attempt) to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of the Funds' investors. A successful penetration or circumvention of the security of the Adviser's systems by unauthorized third parties could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds, the Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, the Adviser and the Funds have in the past incurred (and may expect in the future to incur) substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation.

Similar types of operational and technology risks are also present for the companies in which the Funds invests (as well as service providers to such companies), which could have material adverse consequences for such companies, and could cause the Funds' investments to lose value. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company would be subject to substantial losses in the form of stolen, lost or corrupted: (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks would be the subject of civil litigation or regulatory or other action. Operational and cybersecurity incidents could subject a portfolio company, or the Funds, to substantial losses.

Risks of Artificial Intelligence (“AI”)

The Adviser’s ability to use, manage, and aggregate data may be limited by the effectiveness of its policies, systems, and practices that govern how data is acquired, validated, used, stored, protected, processed, and shared. Failure to manage data effectively, and to aggregate data in an accurate and timely manner, may limit the Adviser’s ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including AI. While the Adviser may restrict certain uses of third-party and open source AI tools, such as ChatGPT, the Adviser’s employees and consultants and a Fund’s portfolio companies will under certain circumstances use these tools, which poses additional risks relating to the protection of the Adviser’s and such portfolio companies’ proprietary data, including the potential exposure of the Adviser’s or such portfolio companies’ confidential information to unauthorized recipients and the misuse of the Adviser’s or third-party intellectual property, which could adversely affect the Adviser, a Fund, or its portfolio companies. Use of AI tools may result in allegations or claims against the Adviser, a Fund, or its portfolio companies related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information, and failure to comply with open-source software requirements. Additionally, AI tools may produce inaccurate, misleading, or incomplete responses that could lead to errors in the Adviser’s, and its employees’ and consultants’, decision-making, portfolio management, or other business activities, which could have a negative impact on the Adviser or on the performance of a Fund and its portfolio companies. Such AI tools could also be used against the Adviser, a Fund, or its portfolio companies in criminal or negligent ways. As the use and availability of AI tools has grown, the U.S. Congress and a number of U.S. federal and state agencies have been examining the AI tools and their use in a variety of industries, including financial services. These agencies have issued proposed, or adopted, a variety of rules and other guidance regarding the use of AI. AI similarly faces an uncertain regulatory landscape in many foreign jurisdictions. Ongoing and future regulatory actions with respect to AI generally, or AI’s use in any industry in particular, may alter, perhaps to a materially adverse extent, the ability of the Adviser, a Fund, or its portfolio companies to utilize AI in the manner it has to-date, and may have an adverse impact on the ability of the Adviser, a Fund, or its portfolio companies to continue to operate as intended.

Adequacy and Availability of Insurance; Catastrophic Events

The Funds have in the past sought (and may in the future seek) to make investments where insurance and other risk management products (to the extent available on commercially reasonable terms) are utilized to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance. However, it is not always be practicable or feasible for portfolio companies to have prudent insurance and other risk management products. Moreover, it will not be possible to insure against all such risks, and such insurance proceeds as may be derived in a timely manner from covered risks may be inadequate to completely or even partially cover a loss of revenues, an increase in operating and maintenance expenses and/or a replacement or rehabilitation. Certain losses of a catastrophic nature such as those caused by wars, earthquakes, hurricanes, tornadoes, floods, terrorist attacks, pandemics or other similar events, may be either uninsurable or insurable at such high rates as to adversely impact the portfolio company’s and/or the Funds’ profitability. In general, losses related to terrorism are becoming harder and more expensive to insure against, and most insurers are excluding terrorism coverage from their all-risk policies. As a result, it is unlikely that any of the Funds’ investments will be insured against

damages attributable to acts of terrorism (or certain other losses of a catastrophic nature). If a major uninsured loss were to occur with respect to an investment, the Funds could lose both their capital invested in, and anticipated profits related to, such investment. The Funds have in the past sought (and may in the future seek) to obtain representation and warranty insurance in connection with certain transactions in an effort to insure against losses from breaches of representations or warranties in the agreements related to such transaction. In particular, the Adviser expects to use such insurance in lieu of conducting more comprehensive due diligence when the Funds participate in a competitive bid process. Representation and warranty insurance could result in the Funds bearing, directly or indirectly, additional costs and expenses and is not a complete substitute for direct recovery against the counterparty to such transaction. Additionally, the market for representation and warranty insurance continues to evolve and insurers may not be able to adequately cover losses, particularly following an event that broadly affects the industry.

Capital Calls

Capital calls will be issued by the Adviser at the sole discretion of the Adviser, based upon the Adviser's assessment of the needs and opportunities of the Funds. To satisfy such capital calls, investors may need to maintain cash or other assets that can be readily converted to cash equal to all or a substantial portion of their capital commitments. Except as specifically set forth in the Governing Documents or under applicable law, rule or regulation each investor's obligation to satisfy capital calls will be unconditional. An investor's obligation to satisfy capital calls will not in any manner be contingent upon the performance or prospects of the Funds or upon any assessment thereof provided by the Adviser. Capital calls may not provide all of the information an investor desires in a particular circumstance and such information may not be made available and will not be a condition precedent for an investor to meet its funding obligation. Additionally, and notwithstanding the foregoing, the Adviser will not be obligated to call 100% of the investor's capital commitment. The fees, costs and expenses incurred by an investor in fulfilling a capital call (e.g., bank fees, wire fees, value-added tax or other applicable charges imposed on an investor as well as internal and external administrative costs) will be borne solely by such investor and will be in addition to the amounts required by capital calls (and will not be part of or otherwise reduce such investor's capital commitments).

Sanctions Compliance Considerations

Economic sanction laws in the United States and other jurisdictions may prohibit or otherwise restrict the Adviser, the Funds, the portfolio companies and their respective officers, directors and employees from engaging in transactions in or relating to certain countries and relating to certain individuals and entities. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") and U.S. Department of State administer and enforce laws, executive orders and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These persons and entities include specially designated nationals and other persons and entities targeted by OFAC sanctions programs. The lists of OFAC restricted countries, territories, persons and entities, including the List of Specially Designated Nationals and Blocked Persons, as such list may be amended from time to time, can be found on the OFAC website at www.treas.gov/ofac. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether

such individuals or entities appear on the lists maintained by OFAC. These types of sanctions and similar laws and regulations in non-U.S. jurisdictions significantly restrict the Funds' direct or indirect investment activities in certain countries. The economic sanctions and related laws of different jurisdictions in which the Funds make investments also may conflict with one another, such that compliance with all applicable laws may be difficult. The costs of monitoring compliance with OFAC or other relevant sanctions can be significant. Failure by the Adviser, the Funds or any of the Funds' portfolio companies to comply with OFAC or other relevant sanctions could have serious legal and reputational consequences, including civil and criminal penalties.

Anti-Corruption & Anti-Boycott Considerations

The U.S. Foreign Corrupt Practices Act ("FCPA"), the U.K. Bribery Act ("UKBA") and other anti-corruption and anti-bribery laws, as well as U.S. anti-boycott regulations may impact the Adviser, the Funds and the Funds' portfolio companies. The Funds will be adversely affected or miss out on opportunities because of the Adviser's unwillingness to participate in transactions that potentially violate such laws and regulations. Such laws and regulations make it difficult in certain circumstances for the Funds to act successfully on investment opportunities or to obtain or retain business. In recent years, U.S. regulators have been increasingly focused on private equity sponsors' compliance with the FCPA. Any determination that the Adviser, the Funds, the portfolio companies or any of their respective officers, directors or employees has violated the FCPA, the UKBA or other applicable anti-corruption laws, anti-bribery laws, or U.S. anti-boycott regulations, could subject it to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation and/or a general loss of investor confidence, any one of which could adversely affect the Funds' business prospects and/or financial position, as well as the ability to achieve their respective investment objective and/or conduct their respective operations.

Environmental, Social, and Governance Matters

Environmental, social, or governance ("ESG") factors are only some of the many factors the Adviser will consider in making an investment or as part of ongoing engagement. Other factors may be given greater weight, particular ESG factors may be disregarded, and the Adviser may not consider all of the ESG factors that an investor believes are important. To the extent ESG factors are considered, they will be considered based solely on their financial materiality. The Adviser invests primarily for financial return and does not seek to generate positive ESG impact as an investment goal. Its investments may not result in positive ESG impact and could adversely impact one or more ESG attributes. In addition, the Adviser's ESG integration may not align with the policies of, or regulatory requirements applicable to, a particular investor. The Adviser has discretion regarding whether to engage with portfolio companies on ESG-related matters. To the extent that the Adviser engages with portfolio companies on ESG-related matters, such engagements may not achieve the desired financial and other results. In addition, the market or other stakeholders may not consider the results to be sufficient or desirable. Successful ESG integration on the part of the Adviser will depend on the Adviser's skill in properly identifying and analyzing material ESG factors and their relevance, and there can be no assurance that the Adviser will be successful in doing so. ESG integration is subjective by nature, and the criteria utilized by the Adviser or the judgment exercised by the Adviser may not reflect the desired approach of any particular investor. Consideration of ESG factors may result in the selection or

exclusion of certain investments, sectors, regions, countries, or types of investments and/or the pursuit of particular ESG engagement strategies and initiatives. Such consideration carries the risk that the Adviser may underperform funds that do not take ESG-related factors into account in the same manner. In addition, consideration and management of ESG factors may require the Adviser to rely on third-party information and data, which may be incomplete, inaccurate, or unavailable. Limitations in such information and data may result in erroneous assessments by the Adviser.

ESG integration practices are evolving, including, without limitation, due to regulation, new and changing issues and areas of stakeholder focus, shifting investor sentiment (including so-called “anti-ESG” sentiment) and requirements, and evolving portfolio company practices. Accordingly, the Adviser’s ESG integration practices will continue to evolve and change, and they may do so in a manner that is adverse to financial return or a particular investor’s goals.

Additionally, it should not be assumed that any ESG practices or standards will apply to every investment in which the Funds invest or that they have applied to all of the Funds’ prior investments. ESG is only one of many considerations the Adviser takes into account when making investment decisions, and other considerations can be expected in certain circumstances to outweigh ESG considerations. Any ESG information provided is intended solely to provide an indication of ESG initiatives and standards that the Adviser applies when seeking to evaluate and/or improve the ESG characteristics of an investment as part of the larger goal of maximizing financial returns on investments. Accordingly, certain investments may exhibit characteristics that are inconsistent with certain practices or standards described herein.

Possibility of Fraud and Other Misconduct of Employees and Service Providers

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

Disease and Epidemics Risks

The impact of disease and epidemics may have a negative impact on the Adviser’s business, the Funds and their performance and financial position. Coronavirus (or new variants thereof), renewed outbreaks of other epidemics or pandemics or the outbreak of new epidemics or pandemics could result in health or other government authorities requiring the closure of offices or other businesses, and could also result in a general economic decline. For example, such events may adversely impact economic activity through disruption in supply and delivery chains. Moreover, our operations and those of our clients or portfolio companies could be negatively

affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on our business, our funds and underlying portfolio investments. The duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated, and such adverse effects may be material.

Item 9. Disciplinary Information

Item 9 is not applicable.

Item 10. Other Financial Industry Activities and Affiliations

The Adviser is affiliated with certain other advisers and general partners (together with the Adviser, the “Affiliate Advisers”), including, as described under Item 4 above, the following General Partners:

- Golden Gate Capital Management, LLC;
- Golden Gate Capital Management II, LLC;
- GGC Opportunity Fund Management, LP; and
- GGCOF Co-Invest Management, L.P.

The General Partners are deemed registered with the SEC under the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. These affiliated investment advisers operate as a single advisory business and serve as managers or general partners of the Funds and other pooled vehicles and typically share common owners, officers, partners, personnel, consultants or persons occupying similar positions.

Certain of the Funds have taken, and may in the future take, a minority or controlling interest in companies that operate within the broadly defined financial services industry. Certain of those companies may themselves be, or may have affiliates that are, registered with U.S. and/or foreign regulatory agencies or with State insurance agencies. Historically, these companies have included banking institutions, insurance and reinsurance entities, investment advisers and broker-dealers. Existing portfolio companies of the Funds are generally operationally independent from the Adviser, although there is from time to time cross-referral of clients between and among the Adviser and such companies. However, it is anticipated that in the future certain portfolio companies that operate within the financial services industry will have varying degrees of more or less operational independence from the Adviser in that (i) the Adviser will in some cases have some or substantial business dealings with such companies in connection with the advisory services that the Adviser provides to the Funds, (ii) the Adviser may conduct certain shared operations with such companies (including, with respect to Fund portfolio companies or their affiliates that are investment advisers (“Portfolio Company Advisers”), in connection with a Holding Company (as defined below) or otherwise), (iii) there may be more regular cross-referral

of clients between and among the Adviser and such companies, and (iv) the Adviser may share certain supervised persons or premises with such companies.

Further to the above, the Adviser is presently affiliated with Nassau Financial Group, a private equity investment of the Opportunity Fund (together with its other affiliates, including AICM, “Nassau”). Angel Island Capital is a specialty finance services portfolio company and a private equity investment of the Opportunity Fund. Angel Island Capital was previously comprised of AICM, registered as an investment adviser with the SEC; Angel Island Capital Services, LLC, registered as a broker-dealer with the SEC and the Financial Industry National Regulatory Association (“AICS”); and other affiliated entities. In 2022, AICS was sold to an unrelated third party. On January 1, 2023, the Adviser, AICM and Nassau effectuated a transaction whereby AICM, certain Angel Island Capital affiliates, certain insurance-appropriate credit strategies and associated investments, and associated investment team and operations personnel were combined with Nassau’s asset management business (“Project NAIC”). The remaining Angel Island Capital business (“GGC Credit Opportunities”) continues to be a private equity investment of the Opportunity Fund. In connection with Project NAIC, AICM entered into an Investment Management Agreement with GGC Credit Opportunities pursuant to which AICM acts as the investment adviser for certain GGC Credit Opportunities investments and is compensated with an investment management fee paid by GGC Credit Opportunities. AICM provides investment advisory services primarily in connection with direct and indirect investments in debt-related securities (including through total returns swaps and derivative instruments tied to debt securities) and has in the past provided (and is expected in the future to provide) such services, including as a sub-adviser, to the Adviser and the Funds. Please note that AICM changed its legal name to NGC Capital Management LLC in July 2023.

AICM has also in the past served (and AICM and/or certain other Portfolio Company Advisers may in the future serve) as an adviser or sub-adviser to certain portfolio companies or their affiliates, including Nassau and GGC Credit Opportunities, and has in the past received (and may in the future receive) fees in connection with such advisory or sub-advisory relationship. See “*Business with Portfolio Companies and Investors*” in Item 11 below for a description of conflicts applicable to portfolio companies providing services to other portfolio companies. Sub-advisory services are generally performed on a non-discretionary basis under the overall direction of the Adviser. The Adviser has in the past provided an extensive personal network and access to industry expertise to AICM, and certain Adviser Personnel (as defined in Item 11 below) also provide advice with respect to other activities of AICM; however, such interactions were discontinued following the consummation of Project NAIC.

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

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to the Adviser’s partners, officers, principals, directors (or other persons occupying a similar status or performing similar functions) and employees and other personnel of the Adviser, as well as any other persons who provide investment advice on behalf of the Adviser and are subject to the Adviser’s supervision and control (collectively, “Supervised Persons”). The Code of Ethics, which is designed to comply

with Rule 204A-1 under the Advisers Act, establishes guidelines for professional conduct and personal trading procedures, including a general restriction on personal securities transactions with only limited exceptions (e.g., for sale transactions and purchases in limited offerings where pre-clearance obligations are satisfied). Access Persons (as defined in the Code of Ethics) and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics and the Governing Documents. Under the Code of Ethics, Access Persons are also required to file certain periodic reports as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Supervised Persons who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, a letter of censure or suspension or termination of the employment of the violator. Supervised Persons are required to annually acknowledge compliance with the Code of Ethics. A copy of the Code of Ethics is available to any client or prospective client upon written request to:

Chief Compliance Officer
Golden Gate Private Equity, Inc.
One Embarcadero Center, 39th Floor
San Francisco, CA 94111
compliance@goldengatecap.com

Participation or Interest in Client Transactions

The Adviser and certain personnel and affiliates of the Adviser have invested (and expect in the future to invest) in and alongside the Funds, either through the Adviser, as direct investors in the Funds or otherwise. A Fund or the Adviser, as applicable, have reduced (and expect in the future to reduce) all or a portion of the Advisory Fee and Incentive Allocation 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.

Due in part to the fact that potential investors in a Fund (including potential investors in a Co-Investment Fund (as defined below) or purchaser of a limited partner’s interests in a secondary transaction) often ask different questions and request different information, the Adviser in certain circumstances provides certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Potential Conflicts of Interest

The Adviser, the Adviser Personnel and their affiliates engage in a broad range of activities, including investment activities for their own account (and/or for certain accounts of their family members or related persons) and for the account of other investment funds, and transaction-related, investment advisory, legal, management and other services to funds and operating companies. In connection with such activities, the Adviser, the Adviser Personnel and their affiliates will, from time to time, be subject to certain potential or actual conflicts of interest in connection with the activities of, and investments by, the Funds. In particular, the interests of a Fund at times will conflict with the interests of the Adviser, other Funds or their portfolio companies, Co-Investment

Funds or their respective affiliates or related entities. Certain of these conflicts of interest have been previously disclosed above, namely in Item 5 with respect to “*Advisory Fees; Other Fees*” and “*Allocation of Expenses*,” Item 6 with respect to “*Performance-Based Fees and Side-By-Side Management*,” Item 8 with respect to “*Illiquidity; Limited Transferability of Interests; Redemptions*,” “*New Investor Buy-In Amount*,” “*Reliance on the Adviser*,” “*Need for Follow-On Investments*,” “*Recycling/Reinvestment*,” “*Conflicting Investor Interests*,” “*Valuation of Assets*,” “*Industry Relationships*” and “*Material Non-Public Information*” and Item 10 with respect to the Adviser’s relationship with AICM. More fulsome descriptions of certain such conflicts of interest, as well as certain additional conflicts of interest and a description of how the Adviser addresses such conflicts of interest, can be found below, including in Item 12 with respect to “*Selection of Brokers and Dealers*.”

The Adviser has created and is authorized in the future to create one or more additional investment entities (each, a “Co-Investment Fund” and, collectively, the “Co-Investment Funds”) with a principal purpose of allowing employees of the Adviser and their affiliates or other persons affiliated with or retained or designated by the Adviser (including certain employees of the Adviser or its affiliates, key service providers, operating partners, operating executives, certain business associates, other “friends and family” of the Adviser or its personnel or other persons) to invest alongside one or more Funds. The terms of these entities will typically be more favorable to the investors therein than the terms offered to the investors in the applicable Fund(s). The Co-Investment Fund generally will invest proportionately in all transactions on effectively the same terms and conditions as the applicable Fund(s), subject to applicable legal, tax, regulatory or other similar considerations. Additionally, the Adviser, in its sole discretion, reserves the right to provide certain persons engaged by the Adviser (e.g., a consultant associated with an expert network) with the opportunity to invest directly in a portfolio company in connection with any such person’s services to the Adviser and, ultimately, a Fund’s investment in such portfolio company.

Resolution of Conflicts

In the case of all conflicts of interest, the Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made in accordance with the Governing Documents of the applicable Fund using the Adviser’s best judgment, but in its sole discretion. In resolving conflicts, the Adviser considers various factors, including the interests of the applicable Fund with respect to the immediate issue and/or with respect to their longer term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors may mitigate, but will not eliminate, conflicts of interest:

- A Fund will not make an investment unless the Adviser or applicable sub-adviser believes that such investment is an appropriate investment considered from the viewpoint of such Fund;
- Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the Governing Documents;
- Certain Funds have established an advisory committee, consisting of representatives of investors not affiliated with the Adviser. The advisory committees meet as required to

consult with the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the Adviser will be guided by its good faith discretion;

- Where the Adviser deems appropriate, unaffiliated third parties may be used or referenced in resolving conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price or transaction pricing established by knowledgeable third parties; and
- The Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest.

While the Adviser endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions. In addition, certain provisions of a Fund's Governing Documents are designed to protect the interests of investors in situations where potential or actual conflicts exist, although these provisions do not eliminate such conflicts. In certain instances, some of such conflicts of interest may be resolved in a manner adverse to a Fund and its ability to achieve its investment objectives.

Conflicts

There are numerous perceived and actual conflicts of interest between a Fund, on the one hand, and the Adviser, the Affiliate Advisers, other Funds or their portfolio companies, the Co-Investment Funds or their respective affiliates or related entities, on the other hand. The material conflicts of interest encountered by a Fund include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a Fund. Other conflicts may be disclosed throughout this Brochure and the Governing Documents, and this Brochure and the Governing Documents should be read in their entirety for other conflicts of interest. In addition, new and difficult types of conflicts of interest may subsequently arise.

Allocation of Investment and Co-Investment Opportunities; Related Conflicts

In connection with its investment activities, the Adviser expects to encounter situations in which it must determine how to allocate investment opportunities among various clients and other persons, which may include, but are not limited to, the following:

- The Funds or their portfolio companies;
- Any co-investors or Co-Investment Funds that have been formed to invest side-by-side with one or more Funds in particular transactions entered into by such Fund(s) (the co-investors or investors in such Co-Investment Funds typically include (i) employees, key service providers, operating partners, operating executives, business associates and other friends and family of the Adviser or its personnel, or other strategic persons designated by the Manager; (ii) individuals and entities that are also investors in one or more Funds (together with the individuals and entities identified in clause (i), "Adviser Investors"); and/or (iii) individuals and entities that are not investors in any Fund (including portfolio company management or personnel) ("Third Parties"));

- Adviser Investors and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s);
- Adviser Investors and/or Third Parties acting as “co-sponsors” with the Adviser with respect to a particular transaction;
- Accounts or pooled investment vehicles that could have an investment strategy that may be similar, but not identical, to certain of the Funds and are for the benefit of Adviser Investors and/or Third Parties; and
- Certain proprietary vehicles.

The Adviser makes allocation determinations consistent with the Funds’ Governing Documents and in accordance with its written policies and procedures relating to the allocation of investment opportunities and will make allocation determinations consistently therewith.

The Funds are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”). Investment Allocation Requirements are generally set forth in the Governing Documents. To the extent the Investment Allocation Requirements of a Fund do not include specific allocation procedures and/or allow the Adviser discretion in making allocation decisions among the Funds, the Adviser will follow the process set forth below.

The Adviser must first determine which Funds are eligible to participate in an investment opportunity. The Adviser assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund’s investment objectives, strategies and structure, among additional factors that may restrict or limit the offering of an investment opportunity to the Fund. A Fund’s investment objectives, strategies and structure typically are reflected in the Fund’s Governing Documents. Prior to making any allocation to a Fund of an investment opportunity, the Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Fund(s).

Once the Adviser identifies the Funds that are eligible to participate in a particular investment, the Adviser, in its discretion, decides how to allocate such investment opportunity among the identified Funds. In allocating such investment opportunity, the Adviser considers some or all of a wide range of factors, which include, but are not necessarily limited to, one or more of the following:

- Each Fund’s investment objectives and investment focus;
- Transaction sourcing (and with respect to an investment opportunity originated by a Third Party, the relationship of a particular Fund to or with such Third Party);
- Each Fund’s liquidity and reserves (including whether a Fund is able to commit to invest all capital required to consummate a particular investment opportunity);
- Each Fund’s diversification (including the actual, relative or potential exposure of a Fund to the type of investment opportunity in terms of its existing portfolio);

- Lender covenants and other limitations;
- Any “ramp-up” period of a newly established Fund;
- Amount of capital available for investment by each Fund as well as each Fund’s projected future capacity for investment (including whether a Fund is able to invest all capital required to consummate a particular investment opportunity);
- The size, liquidity and duration of the investment;
- Each Fund’s targeted rate of return;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- Composition of each Fund’s portfolio and each Fund’s investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer, volatility, leverage or other similar risk metrics) and the scope of a Fund’s investment mandate, including, but not limited to, whether mandates are identified as primary or secondary, and whether the mandate is limited or otherwise restricted to specific types of investments/assets;
- The suitability as a follow-on investment for a current portfolio company of a Fund or to upsize an existing investment;
- The use of leverage in the proposed capital structure;
- The availability of other suitable investments for each Fund;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax and accounting implications;
- The seniority of an investment and other capital structuring criteria;
- Whether an investment opportunity requires additional consents or authorizations from a Fund, investors or Third Parties;
- Whether an investment opportunity would enable a Fund to qualify for certain programmatic benefits or discounts that are not readily available to other Funds including, but not limited to, the ability to enter into credit arrangements with certain financial or governmental institutions;
- Avoiding allocations that could result in *de minimis* or odd lot investments;
- Legal, contractual or regulatory constraints; and

- Any other relevant limitations imposed by, or conditions set forth in, the applicable offering and organizational documents of each Fund.

There can be no assurance that the application of the Investment Allocation Requirements and factors set forth above will result in a Fund participating in all investment opportunities that fall within its investment objectives.

The Adviser then will determine if the amount of an investment opportunity exceeds the allocation to the Funds (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisors to the Adviser and/or the Funds or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by the Adviser to be in the best interest of the applicable Fund), and the Adviser reserves the right to offer any such excess to one or more co-investors pursuant to the procedures included in the applicable Governing Documents or, to the extent not addressed in such Funds' Governing Documents, in accordance with the following paragraphs. There may be circumstances where the Adviser determines, for strategic or other reasons, the amount that could have otherwise been invested by a particular Fund is instead allocated to one or more co-investors.

The amount of Other Fees generated as a result of co-investments in connection with any portfolio company will often not reduce the Advisory Fees paid by the Funds and will therefore be retained by the Adviser.

In addition, co-investment vehicles may be formed to make investments alongside a Fund. In such cases, the co-investment vehicle will have a priority right to make co-investments in some or all of the investments made by such Fund. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any Investment Allocation Requirements, or other specific agreements with an investor, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities may, and typically will, be offered to some and not other investors in the Funds, in the sole discretion of the Adviser or its related persons, investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger or smaller capital commitments to such Fund, (iv) certain persons other than investors in the Funds (e.g., other Funds managed by the Adviser, consultants, joint venture partners, Adviser Investors, persons associated with a portfolio company and other Third Parties, including persons who the Adviser believes will provide a benefit to a Fund and/or one or more portfolio companies or who provide a strategic sourcing or similar benefit to the Adviser, a Fund, and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), will under certain circumstances be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors will under certain circumstances purchase their interests in a portfolio company at the same time as the

Funds or will under certain circumstances purchase their interests from the applicable Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer), which generally will have been funded through Fund investor capital contributions and/or the use of a Fund credit facility. Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require the Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Adviser reserves the right to give particular investors, Funds or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect the Adviser's decision to offer certain opportunities for co-investment and could limit the ability of Funds or their investors to be offered certain co-investment opportunities. To the extent the Adviser has made an explicit or implicit commitment to give co-investment opportunities to any investor or other third party in respect of future, unidentified transactions as of the date hereof, such commitment(s) generally will be disclosed to investors.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the potential co-investors, the Adviser considers some or all of a wide range of factors, which include, but are not limited to, its own interests and/or one or more of the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources or similar synergies) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);
- Any confidentiality concerns the Adviser has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Whether a potential co-investment party has a history of participating in opportunities and the Adviser's perception of its past experiences and relationships with that potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by the Adviser and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);

- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise (including in the geographic location, market or industry to which the investment opportunity relates) by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- The extent to which a potential co-investment party has been provided a greater amount of co-investment opportunities relative to others;
- Whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to the Adviser and assume a passive role in governing a portfolio company);
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;
- The Adviser's evaluation of whether a co-investment party's participation in the co-investment opportunity might increase regulatory obligations (through additional filing requirements or otherwise) and make a transaction more difficult to close;
- Risk diversification and hedging equity exposure for transactions requiring significant equity to be funded at closing;
- Covenants in Fund agreements limiting the amount of equity that can be committed to any particular investment;
- The nature of the minority protection rights and information rights requested by the potential co-investment party;
- The requirements of the conflict of interest provisions (if any) contained in the offering and/or organizational documents or investment advisory agreement of the relevant Fund;

- The Adviser's evaluation of whether a potential co-investment party has provided value in the sourcing, establishing relationship, participating in diligence and/or negotiations for such investment opportunity or is expected to provide value to the business or operations of a portfolio company post-closing;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Funds and/or the Adviser and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Funds and/or the Adviser.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors, described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. Additionally, the Adviser expects certain service providers, their affiliates and personnel to invest in, or co-invest alongside, one or more Funds, and due to the nature of the service provider relationships and the timing of services these persons have the potential to have information advantages relative to other investors or co-investors, and likely will be offered co-investment opportunities before such opportunities are presented to other interested prospective co-investors.

The Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Funds, Co-Investment Funds, Adviser Investors and Third Parties, and in the manner discussed above, often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, the Adviser may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the Adviser and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional Advisory Fees and/or Incentive Allocations based on the availability of co-investment opportunities offered to such parties). While the Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist. The Adviser will seek to make all allocations of investment opportunities in a fair and equitable manner, and will not favor or disfavor, consistently or consciously, any Fund or class of Funds in relation to any other Funds.

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

In addition, to the extent the Adviser has discretion over a secondary transfer of interests in a Fund pursuant to such Fund’s Governing Documents, or is asked to identify potential purchasers in a secondary transfer, the Adviser will do so in its sole discretion, generally taking into account the following factors:

- The Adviser’s evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;
- The Adviser’s perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationship that may provide indirectly longer-term benefits to current or future Funds and/or the Adviser and the expected amount of negotiations required in connection with a potential purchaser’s investment;
- Whether the potential purchaser would subject the Adviser, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser’s investment into another Fund (including any commitment into a future Fund);
- Requirements in such Fund’s Governing Documents; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

It should be noted that the existence of accounts established for the benefit of Adviser Investors and/or Third Parties could have a similar, but not identical, investment strategy as certain of the Funds which has the potential to create conflicts of interest that cannot be fully mitigated. For example, such accounts may, on occasion, invest in the same security and/or in the same issuer as

the Funds. In addition, certain Adviser Personnel may be responsible for the management and/or operations of such accounts and those responsibilities may take away from the time such persons can spend on the activities of the Adviser (and, indirectly, the Funds).

Principal Transactions

Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and its clients, on the other hand. Very generally, if an adviser (or an affiliate) purchases a security from or sells a security to a client, the adviser must disclose the terms of the transaction to the client and obtain the consent of the client prior to engaging in the principal transaction. In connection with the Adviser's management of the Funds, the Adviser and/or its affiliates expect, from time to time, to in certain instances engage in principal transactions. The Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions. In connection therewith, the Adviser will make any disclosures required by Section 206 to the applicable Fund regarding any proposed principal transaction and obtain any required prior consent before executing a principal transaction (which consent may, in the case of certain Funds, take the form of pre-clearance for transactions occurring in installments).

Cross Transactions

A cross transaction generally refers to a transaction where one Fund or client managed by the Adviser seeks to acquire an investment that another Fund or client managed by the Adviser seeks to sell. Cross transactions have the potential to create conflicts of interest because a Fund or client managed by the Adviser is on both sides of the transaction. The Adviser reserves the right to on occasion purchase a security or securities for one Fund or client managed by the Adviser (which, for purposes of this sentence, includes Portfolio Company Advisers and their clients) at the same time as a sale of the same security or securities for another Fund or client managed by the Adviser or may effect cross transactions between Funds or clients managed by the Adviser.

Warehousing

Investments are from time to time, in whole or in part, warehoused in one Fund for the benefit of one or more other Funds. If the investment is not ultimately consummated by such other Fund, the warehousing Fund would end up holding a larger portion of the investment than it otherwise expected or desired to hold. The risk of an investment not being consummated generally would increase in the event an investment decreases in value during the warehousing period, potentially requiring the warehousing Fund to bear the losses in connection with the investment. The Adviser (or, in certain circumstances, the applicable sub-adviser) typically determines the cost of the investment in its sole discretion, taking into account its cost to the relevant Fund, the cost of capital and other factors, and may not charge such other Fund or investment vehicle an amount that accurately reflects any appreciation in the value of the investment or appropriately compensates the warehousing Fund for the costs and risks incurred during the holding period.

Conflicts With Respect to Purchases and Sales

Funds (which, for purposes of this section, includes clients of the Portfolio Company Advisers) are permitted to invest in (or purchases debt or equity securities from) an entity in conjunction

with an investment being made by other Funds or in a transaction in which another Fund has already made a previous investment. Conflicts will likely arise in connection with such investments. Investment opportunities may be appropriate for Funds and certain other Funds at the same, whether in different or overlapping levels of a portfolio company's capital structure. Conflicts may arise in determining the terms of investments, particularly where these other Funds may invest in different types of securities in a single portfolio company. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, whether payments should be accelerated, or whether debt should be refinanced or restructured. 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, the terms of any work-out or restructuring or other concessions that may be given in such a situation raises conflicts of interest, and the Adviser may be incentivized to choose a course of action that benefits one Fund to the detriment of another Fund.

In the event that one Fund has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Fund is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Funds and/or clients of the Adviser's affiliate that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company. Certain Funds invest in debt and securities of companies in which other Funds hold securities, including equity securities. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to a portfolio company. In the event that such investments are made by a Fund, the interests of such Fund will at times be in conflict with the interest of such other Fund, particularly in circumstances where the underlying company is facing financial distress. In such instances, it may be in the best interest of the Fund holding debt securities to declare a default, accelerate a loan or take other protective actions, while such actions would harm another Fund's equity investment in the portfolio company. The involvement of such Funds at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Funds are likely to 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 of a portfolio company, 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 the Adviser. In the event one Fund is unable to fund its share of additional capital (e.g., in the event such Fund does not have sufficient available capital), the other Fund may be obligated to fund more than its share of such amount. In such event, one Fund will gain greater exposure to such investment than may have been intended and the other Fund will be diluted in such investment. The returns of each Fund may be negatively impacted as a result of the foregoing. Investments by more than one Fund in a portfolio company raises the risk of using assets of a Fund to support positions taken by other Funds, or that a Fund may remain passive in a situation in which it is entitled to vote.

There may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. In addition, where more than one Fund invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time or on the same terms. For example, because the Adviser has an incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) or because one Fund's term may expire before the end of another Fund's term, such Funds may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Fund may realize different returns as compared to the same investment held by another Fund. These variations in timing may be detrimental to a Fund. At the same time, if the Adviser determines it is advisable for a Fund to exit an investment at the same time as another Fund, the term of which may expire sooner than the former Fund's, such Fund may dispose of its interest earlier than it ordinarily would have and may, as a result, experience lower returns than it otherwise may have earned on such investments.

The applicable Fund's Governing Documents and the Adviser's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Funds in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies in the manner in which potential or actual conflicts are addressed. Personnel and related persons of the Adviser have made and expect in the future to make capital investments in or alongside certain Funds, and therefore have additional conflicting interests in connection with these investments. In addition, Funds are permitted to invest in securities of companies in which officers, principals, employees and other related persons of the Adviser and its affiliates have previously invested for their own accounts. 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 may invest in opportunities that other Funds have declined, and likewise a Fund may decline to invest in opportunities in which other Funds have invested.

Sales of Fund Investments to Investors or Co-Investors

The Adviser may, in its sole discretion, enter into transactions with investors in one or more Funds, co-investors, Adviser Investors or Third Parties 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, the Adviser will comply with the requirements set forth in the Governing Documents of the applicable Fund(s), or to the extent not addressed in the Governing Documents of the applicable Fund(s), the Adviser will consider any factors it deems relevant in its sole discretion. The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser. Although the Adviser is not obligated to solicit competitive bids for such sales transactions or to seek the highest available price, which means the Adviser may not obtain the highest price for the transaction, 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 Governing Documents of the applicable Fund(s).

A Fund may sell down (and has, in certain situations, sold down) an interest in its portfolio companies to co-investors. Subject to the applicable Governing Documents, the Adviser is permitted to charge (or to decide not to charge) a co-investor (such as a Fund investor, an Adviser Investor or Third Party) interest or similar costs for the time period between the closing of the applicable Fund's investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable co-investor.

Secondary Transactions

The Adviser may propose to a Fund's advisory committee or investors one or more transactions that would enable such investors to monetize or restructure all or a portion of their interests in a Fund, including through the use of a continuation fund (each such transaction, a "Secondary Transaction"). The sale of an investment to a continuation fund could result in certain investors, the general partner and/or members of the Adviser (including personnel and affiliates) disposing of their investments in the underlying assets at a different time than some or all investors of such Fund and otherwise taking actions with respect to such investments that are different than the actions taken by other investors. The Adviser could be subject to other conflicts of interests in connection with a Secondary Transaction, including with respect to investment valuations, allocation of fees and expenses and the offering of investment opportunities to the Funds and co-investors.

Management of the Funds

The Adviser manages a number of Funds that have investment objectives similar to each other. The Adviser expects that it, its personnel or a Portfolio Company Adviser will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current 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 and Co-Investment Opportunities; Related Conflicts*" above. The Adviser expects, in certain circumstances, to give advice or take actions with respect to the investments of one or more Funds that is not given or taken with respect to other Funds with similar investment programs, objectives or strategies. As a result, Funds with similar strategies will not hold the same securities or achieve the same performance. In addition, a Fund may not be able to invest through the same investment vehicles or have access to similar credit or utilize similar investment strategies as another Fund. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

The Adviser is permitted to consider and reject an investment opportunity on behalf of one Fund, and, in such instances, the Adviser or an affiliate of the Adviser may subsequently determine to have another Fund or fund of the Adviser's affiliate make an investment in the same company. A conflict of interest arises because one fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the original Fund considering the investment. In such circumstances, the benefitting Fund(s) will generally

not be required to reimburse the original Fund for expenses incurred in connection with researching such investment.

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

The Adviser receives and generates various kinds of portfolio company data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics and data and/or data analytics. This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of one Fund's investment (or prospective investment) in a portfolio company. Under certain circumstances, the Adviser will from time to time enter into formal or informal arrangements with portfolio companies or affiliates to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory, and contractual requirements, these information sharing arrangements are designed to allow the Adviser, the Funds, and the Funds' portfolio companies better discern economic or other trends and developments. The Adviser believes that all Funds benefit from these arrangements in ways that would be impossible without the ability to aggregate data from across the Adviser's businesses and the Funds' portfolio companies. However, information sharing may involve conflicts of interest between the Funds and/or between the Funds and the Adviser. The Adviser may use this information in a manner that may provide a material benefit to the Adviser, its affiliates, or to certain other Funds without

compensating or otherwise benefitting the source from which such information was obtained (including the Funds). In addition, the Adviser may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. In addition, the Adviser and its affiliates will under certain circumstances utilize such data outside of Fund activities in a manner that provides a material benefit to the Adviser, without directly compensating or otherwise benefitting the Funds. As a result, the Adviser may have an incentive to pursue investments (on its own behalf or on behalf of the Funds) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits the Adviser and/or investments held by other Funds.

The Funds may enter into borrowing arrangements that require the Funds to be jointly and severally liable for the obligations. If one Fund defaults on such arrangement, the other Funds will be held responsible for the defaulted amount.

Conflicts Relating to Other Portfolio Company Advisers and their Clients

The Adviser has in the past and reserves the right to in the future cause the Opportunity Fund to acquire (directly or indirectly) Portfolio Company Advisers. These other Portfolio Company Advisers may be held directly by the Opportunity Fund or by a Holding Company (see the discussion of Holding Companies below in “*Other Potential Conflicts*” for additional information). In either case, such Portfolio Company Adviser’s expenses (including compensation for their respective personnel, certain entertainment, meals and travel expenses, which have historically, and may in the future, include expenses for chartered or first class travel incurred by such parties or reimbursement of the payment by such parties for payments made to their employees, consultants, and/or operating executives and may include equity incentives and/or co-investment rights) will be indirectly borne by the Opportunity Fund. The compensation received by investment personnel employed by Portfolio Company Advisers is expected to be significant and, despite the fact that such personnel provide investment advisory services, is indirectly borne by the Opportunity Fund (as opposed to the Adviser). In certain cases, the Adviser will bear such expenses directly and subsequently be reimbursed by the Portfolio Company Adviser. In addition, in the event the Opportunity Fund is an investor in one or more investment vehicles of the Portfolio Company Adviser, the Opportunity Fund will also bear any expenses allocated by such Portfolio Company Adviser to such investment vehicle in accordance with its respective governing documents. As the Adviser earns Advisory Fees and Incentive Allocation from the Opportunity Fund, and the Opportunity Fund in turn indirectly benefits from any similar advisory fees and/or incentive allocation payable to the Portfolio Company Advisers by their respective clients, the Adviser will benefit from the assets and gains of such Portfolio Company Advisers and their clients, but is not expected to directly bear any expenses of such Portfolio Company Advisers.

In addition, certain of the Adviser Personnel as well as the Adviser’s operating partners, operating executives, strategic partners, and other outside investors are clients of and/or invest (directly or indirectly) in funds managed by Portfolio Company Advisers. As a result, there is a conflict of interest with such arrangements that such investments adviser could give Adviser Personnel more favorable terms relating to their investments. In certain instances, investments by such persons

are in fact on a reduced fee and/or carry basis, and such investors may receive other preferential terms.

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 (which, for purposes of this paragraph, includes Portfolio Company Advisers and their clients) 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 a predecessor Fund has already invested or will invest, which may result in significant dilution to the investment by the predecessor Fund. Conflicts of interest 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.

Investor Information Disparities

Due in part to the fact that potential investors in a Fund (including potential investors in a Co-Investment Fund or potential purchasers of a limited partner's interest in a secondary transaction) often ask different questions and request different information, the Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners. In addition, as noted above, the Adviser has in certain instances entered into economic and/or other fee sharing arrangements with respect to one or more Funds and/or certain limited partners thereof, the rights of which will not generally be made available to other limited partners, which may result in such limited partners receiving greater or different information regarding the Adviser.

In addition, the Adviser may establish separate accounts with portfolios materially similar to those of one or more Funds. Consequently, the relevant separate account client may have access to information about such portfolio holdings before investors in such Fund.

Conflicts Relating to the Adviser

The Adviser is permitted, in its discretion, to contract with any related person of the Adviser (including but not limited to a portfolio company of a Fund) to perform services for the Adviser in connection with its provision of services to the Funds (which, for purposes of this section, includes Portfolio Company Advisers and their clients). When engaging a related person to provide such services, the Adviser has 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.

In addition, the Adviser generally may, in its discretion, recommend to a Fund or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with certain service providers, and from time to time such service providers will include: (i) the Adviser or a related person of the Adviser (including but not limited to a portfolio

company of a Fund) or (ii) an entity with which the Adviser or its affiliates or a member of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where Adviser Personnel are seconded, or from which Adviser receives secondees or (iii) certain limited partners or their affiliates. When making such a recommendation, the Adviser, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

The Adviser, its affiliates, and equity holders, officers, principals, and personnel of the Adviser and its affiliates may buy or sell securities or other instruments that the Adviser has recommended to Funds. Adviser Personnel may also buy securities in transactions offered to but rejected by Funds. In addition, Adviser Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Funds and/or counterparties to transactions with the Funds, and/or which may invest in similar industries and sectors as the Funds. Such Adviser Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as the Funds or the Adviser and there could be situations in which such investment vehicle purchases securities from, or sells securities to, a Fund. The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics and investors will not benefit from any such investments. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. Such personnel may be incentivized to cause a Fund to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles. Please see *"Allocation of Investment and Co-Investment Opportunities; Related Conflicts"* above for additional information relating to how allocations of investment opportunities are generally addressed by the Adviser.

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

Adviser Personnel have family members that are actively involved in industries and sectors in which the Funds invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Funds or other counterparties of the Funds and the portfolio companies. Moreover, in certain instances, the Funds or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. In most such circumstances, the Funds' organizational documents will not preclude Funds from undertaking any of these investment activities or transactions.

The General Partner of a Fund may, in its discretion, under certain circumstances elect to increase its commitment to such Fund prior to the final close of the Fund, without the consent of the limited partners. Any increased commitment by the General Partner will dilute the interests of the limited partners. Although the General Partner will pay interest in respect of prior capital contributions in the same manner as is paid by the limited partners, the General Partner has information about the Fund's investments, including regarding their valuation and performance expectations, which the limited partners do not have and that information may inform its decision whether to increase its capital commitment. Therefore, the General Partner has a conflict of interest in deciding to increase its subscription because a decision to increase its subscription may result in the General Partner receiving value that would have otherwise benefitted limited partners.

Other Private Equity Vehicles

Certain of the Adviser Personnel as well as the Adviser's operating partners, operating executives and strategic partners invest (directly or indirectly) in other private equity investment vehicles (including single investor-co-investments) managed by other advisers. In some cases, the Adviser, its affiliates or the Funds may purchase portfolio companies that are owned by such other investment vehicles, which may indirectly benefit any such Adviser Personnel or operating partners, operating executives and strategic partners.

Fee Structure

Because, for certain Funds, there is a fixed investment period after which capital from investors in the Funds may only be drawn down in limited circumstances and because Advisory 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 the Adviser would not otherwise have done so.

Pursuant to the Governing Documents, a General Partner may elect to receive its Incentive Allocation in the form of an in-kind distribution of securities of a portfolio company, including for purposes of permitting one or more General Partner personnel to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such personnel). Any tax efficiencies to such General Partner personnel associated with this form of charitable giving may have the effect of reinforcing or enhancing the General Partner's incentives otherwise resulting from the existence of its Incentive Allocation and, therefore, the General Partner may have a conflict of interest in making decisions on behalf of the Funds (including, for instance, the timing of disposition of investments).

Fund Level Borrowing

The Funds reserve the right to borrow funds or enter into other financing arrangements for various reasons from time-to-time, including to pay Fund expenses and liabilities, to pay Advisory Fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all limited partners in such Fund on a pro-rata basis, including the General Partner.

In addition, credit facilities for certain Funds could be used to provide borrowed funds directly to the portfolio companies of such Funds, in which case such borrowed funds would be guaranteed by such Funds.

To the extent a Fund uses borrowed funds in advance or in lieu of capital contributions, such Fund's investors generally make correspondingly later capital contributions, but such Fund will bear the expense of interest on such borrowed funds. As a result, such Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally will make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. It is expected that the interest will accrue on any such outstanding borrowings at a lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. Thus, while such Fund will bear the expense of borrowed funds, such borrowings can also increase certain of the Advisory Fees and the Incentive Allocation received by such Fund's General Partner by decreasing the amount of distributions from such Fund that are required to be made to Fund investors in satisfaction of any preferred return or IRR-based performance requirements (in accordance with a particular Fund's Governing Documents). The General Partner therefore has a conflict of interest in deciding whether to borrow funds because the General Partner may receive disproportionate benefits from such borrowings. In addition, as noted in Item 8 above with respect to "*Recycling/Reinvestment*," the Adviser has the right, pursuant to the Opportunity Fund's Governing Documents, to recycle proceeds from private equity investments in an aggregate amount of up to 20% of the base capital commitments of the investors to the then-current series during the commitment period of such series, and proceeds from liquid investments generally may be recycled without limitation. To the extent any such funds are in fact recycled, the same conflicts described above in this paragraph would likewise be manifest.

To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. The batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender.

Conflicts of interest also have the potential to arise to the extent that Fund-level borrowing is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the facility and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

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

should note that the use of borrowings by such Fund may cause the realization of “unrelated business taxable income.”

Providers of Operations Support Services

The Adviser and/or Fund portfolio companies will from time to time retain other companies and individuals (“Operations Support Advisers”), which may be employees and former employees of the Adviser, affiliates of the Adviser, employees of such affiliates, portfolio companies of other Funds, third party consultants (including specialized consultants, advisers, industry specialists, external executives, industry advisory roundtable members, and similar professionals), “operating partners”, “operating executives” or “senior advisers”.

The Operations Support Advisers are engaged to provide operational support, due diligence, research, specialized operations and consulting services and similar or related services to the Funds or to, or in connection with, one or more portfolio companies or prospective portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies and from time to time also provide “front office” functions with respect to a Fund, such as sourcing or other investment-related functions (such services collectively, “Operations Support Services”). These services may be high level insight, or extensive day-to-day roles, and typically include support to Fund portfolio companies regarding, among other things, the company’s management (including serving in management positions or participating in determining corporate strategy), the company’s supply chain and procurement practices, revenue and margin management (including determining sales/marketing strategy and retail strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), human capital management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters, intellectual property matters and similar operational matters. The nature of the relationship with each such Operations Support Adviser and the time devotion requirements of each such Operations Support Adviser may vary significantly. Certain Operations Support Advisers may be subject to contractual obligations to exclusively provide certain services to the Fund portfolio companies. These arrangements may be memorialized in a formal written agreement or may be informal and are negotiated individually, depending upon the anticipated Operations Support Services to be provided. In certain cases, Operations Support Advisers have attributes of Adviser Personnel (for instance, they may have dedicated office space, receive Adviser administrative support services, participate in general meetings or events for Adviser Personnel, have Adviser e-mail address or business cards), even though they are not employees, affiliates or personnel of the Adviser. Operations Support Advisers often are offered the ability (or may have a preferred right) to co-invest alongside Funds or to invest in a portfolio company invested in by the Funds, including in investments in which such Operations Support Adviser is involved or participates in the management thereof. While Operations Support Advisers are sometimes referred to as “operating partners”, “operating executives” or “senior advisers,” they are not partners or employees of the Adviser or any of its affiliates, but rather consultants engaged by or on behalf of Fund portfolio companies. In circumstances in which Operations Support Advisers are not subject to contractual obligations to exclusively provide certain services to the portfolio companies, such individuals are sometimes engaged or retained by other companies (including other alternative investment firms) which may currently, or in the future, directly compete with the Funds and/or portfolio companies.

Such outside activities may result in conflicts of interest with respect to such individuals. Please see the discussion above under the sub-heading “*Resolution of Conflicts*” for a description of the means by which the Adviser and its related persons seek to alleviate conflicts of interest among the Funds, portfolio companies, or other persons.

Pursuant to the Governing Documents of the applicable Fund, fees, compensation, expenses and any attributable overhead associated with Operations Support Services (“Operations Support Expenses”) have been, and will in the future, generally be paid and/or reimbursed by portfolio companies. Operations Support Expenses (including Operations Support Expenses incurred in connection with an Operations Support Adviser that is an affiliate or employee of the Adviser or its affiliates) are determined at the discretion of the Adviser taking into account the particular Operations Support Services, may include reimbursement of an allocable portion of an affiliated Operations Support Adviser’s compensation (including, without limitation, salary, bonus, payroll taxes and benefits) and overhead (including, without limitation, rent, property taxes and utilities allocable to the workspaces), an annual fee or retainer, a discretionary bonus, a success fee (in the form of cash or equity) based on pre-determined targets or milestones, profits or equity interest in the Funds and/or portfolio companies or other incentive-based compensation (e.g., carried interest) to the Operations Support Adviser, and may otherwise be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Support Adviser, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such companies. The determination of whether a service is an Operations Support Service will be made by the Adviser in its good faith discretion and will be based in part on whether third parties often provide such services to companies. Operations Support Expenses have been, and may in the future also be, incurred in respect of portfolio companies prior to the closing of the investment. In addition, an Operations Support Adviser’s benefits described herein will, in certain circumstances, continue after termination of status as an Operations Support Adviser. To the extent services are provided for the benefit of a Fund, without reference to a particular portfolio company, Operations Support Expenses incurred in connection with such services may in certain instances be borne by the Fund and, indirectly, the investors in such Fund. In the event one or more Operations Support Advisers (directly or indirectly) is providing services with respect to a Fund or a Fund portfolio company and one or more other Funds or Fund portfolio companies, subject to the Governing Documents of the applicable Funds, such Operations Support Expenses generally will be allocated among the Fund or the Fund portfolio company and the relevant other Funds or Fund portfolio companies as determined by the Adviser, consistent with the Governing Documents of the applicable Funds and as described above (see “*Allocation of Expenses*”). To the extent any such Operations Support Expenses are payable to any affiliated Operations Support Adviser by a Fund portfolio company, such Operations Support Expenses will be retained by such Operations Support Adviser and generally will not reduce the Advisory Fee or any other fees otherwise payable to the Adviser or its affiliates and will not benefit the Fund or its investors even if the Operations Support Expenses paid by a Fund or a portfolio company have the effect of reducing any retainers or minimum amounts otherwise payable by the Adviser; provided, however, that with respect to contracts entered into by the Adviser and/or Opportunity Fund portfolio companies on or after January 1, 2016, consistent with the applicable terms of the Opportunity Fund Governing Documents, cash payments made by or on behalf of such Fund portfolio companies to Operations Support Advisers for work performed on behalf of such Fund portfolio companies are generally subject to the offset

arrangements described above. The Adviser's good faith determination as to whether a service is an Operations Support Service, the categorization of any fees and expenses (e.g., as Operations Support Expenses) and the allocation of such fees and expenses shall be binding on each applicable Fund and its investors. Over time, certain existing and former employees of the Adviser (including senior personnel) may transition to an Operations Support Adviser role, which may shift the burden of compensation with respect to such persons from the Adviser to the applicable Fund portfolio companies. Likewise, as noted above, an individual that was previously engaged as an Operations Support Adviser may subsequently commence employment with the Adviser and continue to have rights to equity (or equity-like) grants, issuances or allocations made during the term of his or her service as an Operations Support Adviser, in which case such Fund portfolio companies would continue to bear a portion of the burden of compensation with respect to such person even after such person has commenced employment with the Adviser.

In addition, the Adviser has in the past, and may in the future, arrange for the engagement of an affiliated law firm to provide legal and/or other consulting services to or on behalf of portfolio companies of the Funds or the Funds, and may in the future also arrange for services to be provided to the Adviser, the Funds, and/or their respective affiliates. Certain Adviser Personnel have in the past, and may in the future, serve as employees or independent contractors of an affiliated law firm. Where there is a relationship between the Adviser and an affiliated law firm, the Adviser may have an incentive to recommend the services of the affiliated law firm to the Funds and their portfolio companies, even though the services recommended may not necessarily be the lowest cost or most effective available to the Funds or the portfolio companies. In addition, the fees earned by any such affiliated law firm for services provided to the Funds and the portfolio companies are not shared with the Funds or their investors, except to extent they result in the reduction or offset of Advisory Fees pursuant to the Governing Documents of such Funds (in which case, such fees and expenses are treated in the same manner as other applicable Corporate Service Fees, as described above). The fees paid by the Funds and the portfolio companies generally will be determined based on prevailing market rates for comparable services, as determined by Golden Gate in its sole discretion.

In circumstances in which the Adviser commits or has committed to seek "market" or "arms-length" rates or terms, the Adviser undertakes no minimum amount of benchmarking and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets, services, geographies or comparable markets to which such rates or terms relate. In certain cases, benchmarking will be limited to the Adviser's experience with non-affiliated service providers or other methodologies determined by the Adviser to be appropriate under the circumstances, including where the Adviser believes it has access to adequate market data to make the determination without reference to third-party benchmarking. The Adviser reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arms-length." In addition, where such rates or terms include hourly components, the Adviser reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. There can be no assurance under such arrangements that the amount of compensation paid in a particular year or other applicable period will be proportional to the amount of hours worked or the amount or written work product generated. Any methodology, or choice among methodologies, involves potential conflicts of interest. Expenses to obtain benchmarking data will be borne by the Fund and/or the portfolio company, as applicable, and will not reduce the Advisory Fee.

Diverse Membership

The investors in the Funds include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors often have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors generally relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the nature and timing of the disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. A Fund may structure an investment in a portfolio company with respect to certain investors through the use of a blocker entity or another structure in seeking to accommodate the tax objectives of such investors and the Adviser has broad discretion in structuring transactions. The use of such different structures may result in a Fund's investors receiving different proceeds in a transaction. In selecting and structuring investments appropriate for a Fund, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

Business with Portfolio Companies and Investors

Given the collaborative nature of the Adviser's business and the portfolio companies in which the Funds (which, for purposes of this section, includes Portfolio Company Advisers and their clients) have invested, there are often situations where the Adviser is in the position of recommending the services of a portfolio company to other portfolio companies of the Funds, which may involve fees, commissions, servicing payments and/or discounts to the Adviser, an affiliate, or a portfolio company. The Adviser will generally have a conflict of interest in making such recommendations in that the Adviser 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. The benefits received by a portfolio company providing a service may be greater than those received by the Fund(s) and its portfolio companies receiving the service.

The Adviser generally has an incentive to recommend the products or services of certain investors or prospective 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.

Certain portfolio companies controlled by a Fund are expected to provide services to the Adviser, certain Fund investors or prospective investors or the Adviser or its affiliates. This creates a conflict of interest, as the Adviser has an incentive to cause the portfolio company to favor itself, or those investors, prospective investors, the Adviser or its affiliates 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.

Current and former founders and prospective founders, officers, and executives, and other affiliates of portfolio companies, may also invest in a Fund. While the Adviser believes this aligns portfolio

company management teams and other affiliates with the best interests of the Fund, the Adviser may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor or other affiliate of the portfolio company that is an investor in a Fund such that they continue to invest in the Funds, among other reasons.

The Adviser and/or its affiliates expect to 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). This creates a conflict of interest, as such interests are a benefit arising from the Fund's investment and may vary from the applicable Fund's interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Fund).

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

Certain of a Fund's portfolio companies are expected to be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Funds managed by the Adviser or the Adviser's affiliates that, although the Adviser determines to be consistent with the requirements of such Funds' Governing Documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which may provide economic or other benefits to affiliates of the Adviser that are not subject to the Advisory Fee offset provisions described herein. For example, the Adviser has in the past and may in the future cause portfolio companies to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple portfolio companies and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple portfolio companies and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to the Adviser, its affiliates or a portfolio company, including related to a portion of the savings achieved by the portfolio company. In addition, certain portfolio companies may provide investment advisory services to other portfolio companies or their subsidiaries. While the Adviser may have a conflict of interest because its economic benefit may incentivize the

Adviser to maintain such arrangements (and any discounted amounts will not be subject to Advisory Fee offsets or otherwise shared with the relevant Funds), the Adviser believes that such agreements generally benefit the portfolio companies due to increased access to quality products and services at beneficial pricing and the Adviser's benefits from such arrangements are generally reduced because the Adviser only benefits at the same rate as the portfolio companies. However, it should not be assumed that a company related to, or otherwise affiliated with the Adviser, will only take actions that are beneficial to, or not opposed to, the interests of a Fund and Fund portfolio companies.

Certain Fund portfolio companies (or a business unit thereof) are also presently a party to, have previously entered into and may in the future enter into, expense sharing agreements with certain other Fund portfolio companies (or a business unit thereof), including, for the avoidance of doubt, portfolio companies owned or controlled by different Funds. Such expense sharing agreements generally provide for, among other things, a portion of the salaries of certain employees and a portion of other overhead, rent and certain administrative expenses of one portfolio company (or a business unit thereof) to be borne by another portfolio company (or a business unit thereof) to the extent such other portfolio company (or a business unit thereof) utilizes the employees, office space and/or other resources of another portfolio company (or a business unit thereof). The allocation of such expenses is provided for in the applicable expense sharing agreement, and it is generally expected that the portfolio company utilizing such employees, office space and/or other resources shall bear its pro rata portion of the expenses associated therewith (generally based on a reasonable assessment by the Adviser or its affiliates in their sole discretion). Nonetheless, a conflict of interest may arise in these instances in the event the Adviser, the Funds or other investors have differing economic interests in each such portfolio company such that expenses could potentially be allocated to one portfolio company in which the Adviser or its affiliates, the Funds or other investors have a lesser interest (such that they indirectly bear less of such expenses) for the benefit of another portfolio company in which the Adviser or its affiliates, the Funds or other investors have a greater interest. There can be no assurance that such allocation would not have been different in the event the Adviser, the Funds or other investors did not have differing economic interests in such portfolio companies.

The Adviser and its affiliates have in the past hired and expect, from time to time, to hire part-time or full-time employees (including interns) who are relatives of, or are otherwise associated with an investor, portfolio company or servicer provider. Although the Adviser uses reasonable care to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee the Adviser can control all such conflicts of interest and there may be a continuing appearance of a conflict of interest (including, for instance, preferential hiring practices).

Certain members of a Fund's advisory committee are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Fund. The Adviser or General Partners of certain Funds (which, for purposes of this paragraph, includes Portfolio Company Advisers and their clients) are permitted to from time to time utilize the services of limited partners of or investors in the Funds and their affiliates as they deem appropriate.

While less common, from time to time a Fund could hold an investment in a different layer of the capital structure than an investor or another party with which the Adviser has a material relationship, in which case the Adviser could have an incentive to cause the Fund or the portfolio

company to offer more favorable terms to such parties (including, for instance, financing arrangements).

Service Providers

Services required by a Fund (including some services historically provided by the Adviser or its affiliates to the Funds) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties or licensed software, in each case in the discretion of the Adviser or its affiliates. This can create a conflict of interest because the Adviser and its affiliates have an incentive to outsource such services at the expense of the Funds to, among other things, leverage the use of Adviser Personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depositary, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, trading, legal, human resources, client services, compliance, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Funds and, accordingly, certain costs may be incurred by a Fund for a third-party service provider or for licensed software that is not incurred for comparable services by other Funds. The decision by the Adviser to initially perform a service for a Fund in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider or licensed software in the future and the Adviser has no obligation to inform such Funds or investors of such a change. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs and expenses of any such third-party service providers will be borne by the relevant Funds.

If a service provider provides services to a Fund on the property of the Adviser, such Fund may also be responsible for any overhead, rent or other fees, costs and expenses charged by the Adviser in connection with an on-site arrangement.

The Adviser and/or its affiliates will engage certain service providers to provide services to the Adviser, the Funds and/or Fund portfolio companies, the Portfolio Company Advisers and/or their clients and portfolio companies thereof, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in a Fund or affiliates of such investors and may include investment or commercial bankers, outside legal counsel, common legal counsel, pension consultants, and/or other investors who provide services (including mezzanine and/or other lending arrangements). For example, certain key service providers, including a law firm and a consulting firm, participate in Co-Investment Funds that generally make investments side-by-side with one or more Funds. The engagement of any such service provider may be concurrent with an investor’s admission to a Fund or during the term of such investor’s investment in the Fund. This creates a conflict of interest as such engagement could be motivated by a belief that the service provider will continue to invest in Funds, or the Adviser may give such investor preferred economics or other terms with respect to its investment in a Fund, enhanced information or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor.

Additionally, Adviser Personnel and/or their family members or relatives will have ownership, employment, or other interests in such service providers. These relationships that the Adviser may

have with a service provider can influence the Adviser in determining whether to select or recommend such service provider to perform services for a Fund or a portfolio company. The Adviser will have a conflict of interest with the Funds in recommending the retention or continuation of any such service provider to the Funds or a portfolio company, especially if such employee(s) of the Adviser or its affiliates are involved in the decision to retain such service provider.

Certain other service providers to the Adviser, the Funds and/or the portfolio companies, or affiliates of such service providers, also provide goods or services to or have business, personal, financial or other relationships with the Adviser, its affiliates, or their respective portfolio companies. Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which the Adviser and/or the Funds have an investment, and payments by a Fund and/or such portfolio companies may indirectly benefit the Adviser and/or such Fund.

Additionally, the Adviser, the Funds, and the portfolio companies of the Funds may engage common service providers. In such circumstances, there may be a conflict of interest between the Adviser, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees and/or information about markets and industries in which the Adviser operates or is interested and/or such service provider will provide other services that are beneficial to the Adviser, that it would not receive absent the engagement of such service provider by the Funds and/or the portfolio companies. There may be situations in which the Adviser receives more favorable service rates or arrangements than the Funds or Fund portfolio companies. Neither the Funds nor investors in the Funds will receive the benefit of any such favorable rate or arrangements provided to the Adviser, its personnel or its affiliates, and the Advisory Fee paid by any Fund will not be reduced in connection with such favorable rate or discount.

Although the Adviser selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Fund(s)), there is a possibility that the Adviser, because of financial or business interests 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 these instances, the Adviser uses reasonable efforts to mitigate such conflicts and uses good faith efforts to negotiate market terms for such service providers' services. To monitor any conflicts with its key service providers, the Adviser will perform periodic evaluations of its key service providers.

The Adviser or its affiliates and service providers often charge varying amounts or have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required, and the time demands of the service provider. As a result, to the extent the services required by the Adviser or its affiliates differ from those required by the Funds and/or Fund portfolio companies, the Adviser and its affiliates will pay different rates and fees than those paid by the Funds and/or Fund portfolio companies.

The Adviser or its affiliates engage certain service providers (including law firms) on behalf of the Funds and personnel of such service provider may in the future be seconded to the Adviser or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. The Adviser is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to the Adviser, its affiliates and/or portfolio companies and in any such circumstance the benefits or costs of any such personnel will be allocated in the Adviser's discretion taking into consideration the usage of such personnel. The Advisory Fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. In such circumstances, a conflict of interest exists because the Adviser or its affiliates have an incentive to select one service provider over another on the basis that the Adviser or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not the Adviser or its affiliates.

Positions with Portfolio Companies

Adviser Personnel are expected to serve as directors and/or officers of, or observers on boards with respect to, certain portfolio companies. While potential conflicts of interest will arise in the event that such Adviser Personnel's fiduciary duties as a director and/or officer conflicts with those of the Fund, it is expected that generally the interests will be aligned. For instance, such positions could impair the ability of a Fund to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Fund. Furthermore, Adviser Personnel serving as a director to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and the relevant Fund, on the other hand, and such Adviser Personnel may be in a position where they must make a decision that is either not in the best interest of the Fund or is not in the best interest of the portfolio company. Adviser Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Fund investing in the portfolio company. In addition, to the extent an Adviser Personnel serves as a director on the board of more than one portfolio company, such Adviser Personnel's fiduciaries duties among the two portfolio companies may create a conflict of interest. Certain decisions made by a director may subject the Adviser, its affiliate or a Fund to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Funds will indemnify the Adviser and Adviser Personnel from such claims. Adviser Personnel serving in a director or observer role are generally required to remit any remuneration they may receive as directors to the applicable Funds. In addition, Adviser Personnel may leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio company. For the avoidance of doubt, except in the case of former (and potentially future) affiliated law firms and payments in respect of equity (or equity-like) grants, issuances or allocations to employees who were previously engaged as Operations Support Advisers, employees are prohibited from receiving consulting, management or other fees personally from portfolio companies.

Adviser Personnel may also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest and/or following the termination of such person's employment with the Adviser. In such circumstances, any compensation received

with respect to such exited investment and/or by such Adviser employee is not subject to the Advisory Fee offset described above, or otherwise shared with the Funds and/or investors.

As noted above, certain personnel of the Adviser and/or its affiliates may also be seconded or permanently transferred to one or more portfolio companies and provide finance, tax, operations, compliance, legal, or investment-advisory related and other services to or on behalf of such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse the Adviser or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. Any such secondment would necessarily present a conflict of interest insofar as salaries, benefits, overhead and other similar expenses for such personnel during the secondment or after their transfer will be borne (in whole or in part) by such portfolio companies instead of the Adviser and/or its affiliates. The Adviser may also advance compensation to seconded employees and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by the Adviser or its affiliates to such persons would typically be reduced to reflect amounts paid directly or indirectly by the portfolio company even though the Advisory Fee paid or Incentive Allocation distributed by the Fund to the Adviser will not be reduced. Any amounts paid to such persons by a portfolio company (or paid by the Adviser and reimbursed by a portfolio company) would not reduce the Advisory Fee otherwise payable to the Adviser or any Incentive Allocation otherwise payable to the Adviser or its affiliates. All or a portion of any such compensation and incentives will be borne by the Fund, directly or indirectly, via its ownership interest in such portfolio company.

Side Letter Agreements; Advisory Committee Rights

The Adviser has (and expects to in the future) enter into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures and other preferential economic rights, information and reporting rights, excuse or exclusion rights, waiver of certain confidentiality obligations, priority co-investment rights, targeted co-investment amounts, certain rights or terms necessary in light of particular legal, regulatory or policy requirements of a particular investor, additional obligations and restrictions with respect to structuring particular investments in light of the legal and regulatory considerations applicable to a particular investor, veto rights and liquidity or transfer rights. Except as otherwise agreed with an investor, the Adviser (or applicable General Partner) is not required to disclose the terms of side letter arrangements with other investors in the same Fund. In addition, side letter arrangements with certain investors of the Funds impose additional restrictions on investing in certain types of assets, geographies or industries in order to meet certain legal, tax, regulatory, internal policy or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable Fund. Side letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except in the circumstances and on the timing required by Governing Documents and/or applicable law, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, its General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters. As a consequence of one or more limited partners being excused or excluded,

or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

Many of the Funds have established an advisory committee, consisting of representatives of investors. A conflict of interest may exist when some, but not all, limited partners are permitted to designate a member to the advisory committee because those designating limited partners will, for instance, have greater information rights. The advisory committee will typically also have the ability to approve conflicts of interests with respect to the Adviser and the applicable Fund, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory committee. Additionally, the members of an advisory committee may disproportionately represent one or more of the entities or categories of limited partners comprising a Fund. Representatives of the advisory committee may have various business and other relationships with the Adviser, Adviser Personnel and its affiliates. These relationships may influence the decisions made by such members of the advisory committee.

In certain circumstances, members of one Fund's advisory committee will also be a member of another Fund's advisory committee. In such instances, a conflict of interest could arise where such Funds have differing investment amounts or other conflicting interests and such advisory committee members may be requested to provide their consent with respect to such conflicts of interest and generally have not recused themselves from any such vote.

Other Potential Conflicts

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

The Adviser 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 (e.g., cross transactions and other affiliated transactions). 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 or investors in a Fund. In the event of a significant dispute or divergence of interest between Funds, the Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Adviser and its affiliates, and in litigation and other circumstances separate representation may be required.

The Adviser and its affiliates, including its personnel, will, from time to time, receive discounts on services and/or products from portfolio companies. Such discounts are generally equal to, or less than, the discounts provided by the portfolio company to its own personnel.

The Adviser and its personnel have in the past and will, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses may result in “miles” or “points,” rebates, or credit in loyalty/status programs to the Adviser and/or its personnel. Such benefits, rewards and/or amounts (whether or not *de minimis* or difficult to value), will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service is being borne by the Funds, its investors and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Fund, its investors and/or the portfolio companies. In addition, airline travel incurred as a Fund expense for an Adviser Personnel travelling for appropriate Fund-related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other Fund-related matter) may benefit such Adviser Personnel to the extent the trip also serves a personal purpose.

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

Investors may be introduced to the Adviser, or may be brought into a Fund, by a third-party consultant from which the Adviser or a related person purchase products and to which the Adviser or a related person may make payments, including in connection with conferences sponsored or hosted by the third-party consultant.

The Adviser may represent creditors or debtors in proceedings under Chapter 11 of the Bankruptcy Code or prior to such filings. From time to time, the Adviser may serve as advisor to creditor or equity committees. This involvement, for which the Adviser may be compensated, may limit or preclude the flexibility that the Funds may otherwise have to make investments.

The Funds may create a platform for acquiring, creating and/or operating companies in a particular industry for the purpose of creating synergies across, and adding value to, such companies (e.g., merging companies together to create economies of scale, running certain companies in a coordinated manner, or providing a shared services platform for such companies (including, but not limited to, compliance, legal, and operational support)). A holding company (“Holding Company”) would be created that would acquire and manage the companies in the platform. The Holding Company would be staffed with personnel responsible for sourcing, acquiring and managing companies for the Holding Company. In certain circumstances, such Holding Company employees may include former employees of the Adviser, or current or former senior advisors or consultants to the Adviser and its affiliates. The Holding Company’s costs and expenses (including compensation for its personnel, which compensation may include, among other things, the granting of profit participation in certain investments of the Holding Company and/or a capital interest in

such investments or the underlying assets) would be borne by the Holding Company (and, therefore, indirectly borne by the Fund). In certain cases, the Adviser may bear such expenses directly and subsequently be reimbursed by the applicable Holding Company. Such costs and expenses will not offset the Advisory Fee and are in addition to Advisory Fees and other compensation (e.g., Incentive Allocation) received by the Adviser. In addition, as the Adviser earns Advisory Fees and Incentive Allocation from the Fund, the Adviser will benefit from the assets, income and gains of the Holding Company.

In addition, from time to time, the Adviser recruits a management team to pursue a new “platform” opportunity expected to lead to the formation of a future portfolio company. In other instances, a new platform could be formed to recruit an existing or newly formed management team to build such platform through acquisitions and organic growth. In certain circumstances, such platform employees will include former employees of the Adviser, or current or former senior advisors or consultants to the Adviser and its affiliates. The structure of each platform and the engagement of personnel will vary, including whether a management team’s services are exclusive to the platform and whether the members of the management team are employed directly by the platform or indirectly through a separate management company established to manage such platform. Platform structures will change during the investments’ hold period, for instance, in connection with restructurings or dispositions. The management team of a platform investment will provide services with respect to other platform investments of more than one Fund or provide the same or similar services for unaffiliated parties. The services provided by the platform management team could be similar to, and in some cases overlap with, the services provided by the Adviser to the Funds. There can be no assurance that such management team will lead to a successful investment platform or other portfolio company investments. The Fund will bear the expenses of the management team or portfolio company, as the case may be, including any overhead expenses, management or other fees, employee compensation (including cash compensation and profits-interest), diligence expenses or other related expenses in connection with backing the management team or the build out of the platform company. Such expenses may be borne directly by the applicable Fund as Fund expenses or indirectly as the Fund bears the start-up and ongoing expenses of the newly-formed platform portfolio company. Such costs and expenses will not offset the Advisory Fee and are in addition to Advisory Fees and other compensation (e.g., Incentive Allocation) received by the Adviser.

The Adviser has in the past and expects, from time to time in the future to cause one or more Funds to purchase and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Funds, the applicable General Partner, the Adviser and/or Adviser Personnel and their respective agents, representatives, members of the advisory committee and other indemnified parties, against liability in connection with the activities of the Funds. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by the Adviser that cover one or more Funds and/or the Adviser (including Adviser Personnel and their respective agents, representatives, members of the advisory committee and other indemnified parties). The Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Funds and/or the Adviser on a fair and reasonable basis and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would

not result in a Fund bearing less (or more) premiums, fees, costs and expenses for insurance policies.

In addition, with respect to the Funds, the Adviser will, on occasion, seek to find, recruit and partner with management leaders to identify, acquire and build portfolio companies (including, without limitation, portfolio companies operating in the broad financial services and asset management sector) through acquisitions and organic growth. After recruiting and partnering with a management team to lead a new portfolio company, the Adviser and/or the Funds may commit start-up capital to fund the management team's overhead expenses for a period of time ("Start-Up Capital"), typically until the portfolio company completes its first acquisition. Start-Up Capital generally is used to fund the portfolio company's operations, including the management team's compensation, as well as traditional due diligence expenses incurred pursuing acquisition opportunities. If the Adviser funds Start-Up Capital, it generally will seek reimbursement from the applicable Funds, typically at or around the time the portfolio company completes its first acquisition.

If a Fund purchases in the secondary market at a discount indebtedness or debt securities of a company in which a Fund has, for example, a substantial equity interest, (i) a court might require a Fund to disgorge profit it realizes if the opportunity to purchase such securities at a discount should have been made available to the issuer of such securities, or (ii) a Fund might be prevented from enforcing such securities at their full face value if the issuer of such securities becomes bankrupt. The effect of these transactions will vary from jurisdiction to jurisdiction.

The Governing Documents of certain Funds permit the Adviser, each such Fund's General Partner or certain of their affiliates to make certain interim contributions to the applicable Fund in anticipation of an upcoming investment or payment by such Fund, pending receipt of capital contributions in an equal amount from such Fund's limited partners, the proceeds of which would be distributed such General Partner as a return of such interim contribution, with an interest charge. Such arrangements create potential conflicts of interest between the Adviser, the applicable General Partner or affiliate and the Fund acting as borrower.

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

Different conflicts may exist with respect to investments in different Funds. The Adviser and/or General Partner are granted broad discretion under the Funds' Governing Documents, including on matters such as expense or fee/offset allocation, transaction structuring and other matters, and such discretion could create a conflict between the Adviser and/or General Partner and a Fund.

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

Item 12. Brokerage Practices

The Adviser 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

The Adviser has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions for each of the Funds. In placing each transaction for a Fund involving a broker-dealer, the Adviser 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. Best execution is not limited solely to the consideration of the best available commission rate.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, the Adviser takes into account all factors that it deems relevant to the broker’s or dealer’s execution capability, including, by way of illustration:

- A broker’s execution capabilities with respect to the relevant type of order;
- The commissions charged by a broker, which may be based on the size of the order, the price of the security, and whether the receipt of products or services is involved;
- The broker’s reputation and responsiveness to requests for trade data and other financial information; and
- Other factors suggested by the SEC for determining best execution, which include:
 - The amount of business with each broker-dealer and the justification for directing trades to those broker-dealers, such as the quality of research provided by the broker-dealer;
 - The gross compensation paid to each broker-dealer;
 - The competitiveness of commission rates and spreads, including the documentation to support such competitiveness, i.e., comparison of “standard” commission rates or “minimum” transaction costs between broker-dealers offering comparable products and services;
 - Statistics or other information by independent consultants on the relative quality of executions/financial services by each broker-dealer;
 - The financial strength (net capital) of each broker-dealer, if relevant;
 - The broker-dealer’s ability to respond promptly to inquiries during volatile markets;

- The value of privacy considerations, liquidity, price improvement and lower commission rates on electronic communications;
- The broker-dealer's general reputation and ability to execute an order in an appropriate time frame (i.e., the overall responsiveness of the broker-dealer, as expressed in how well the broker-dealer serves the Adviser and its clients);
- To the extent consistent with achieving best execution, the Adviser may consider other business a particular broker or dealer may have done with the Adviser, such as identifying investment opportunities, performing investment banking services and providing services to the Adviser's principals;
- The ability and willingness of the broker-dealer to commit capital or financing and provide prompt and accurate execution and settlement;
- Whether the broker-dealer makes a market in a security and/or finds sources of liquidity;
- The ability of the broker-dealer to maintain Golden Gate's anonymity;
- The broker-dealer's trading expertise, including its ability to minimize total trading costs and to trade without unduly impacting the market;
- The belief that the broker-dealer charges a fair and reasonable fee for each trade and that the Clients have been treated fairly and honestly in prior trades; and
- The quality of execution, quality of broker-dealer relationship, quality of service rendered by the broker-dealer in other transactions.

In general, for any Fund transactions involving publicly-traded securities, the Adviser allocates such transactions to brokers on the basis of best available execution and in consideration of such broker's provision of brokerage, research, and other services that the Adviser reasonably believes are of benefit to the Funds.

In order to monitor best execution, the Adviser will periodically review certain information relating to transactions executed through or otherwise involving broker-dealers or investment bankers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Fund.

The Adviser may "pay up" (e.g., pay a higher commission to execute a trade than the lowest available negotiated commission) using a portion of a broker-dealer's brokerage commission (i.e., soft dollars) for brokerage and research services in accordance with Section 28(e) of the Securities Exchange Act of 1934, as amended. A broker-dealer providing such brokerage and research services may receive a commission that is in excess of the amount of commission another broker-dealer would have received for effecting that transaction provided the Adviser determines in good faith that such commission was reasonable in relation to the value of the research and brokerage services provided by the broker-dealer. Any such research service may be broadly useful and of value to the Adviser in rendering investment advice to all or a significant portion of the Funds or

may be relevant and useful for the management of one or only a few Funds' accounts, regardless of whether such account or accounts paid commissions to the broker-dealer through which the research service was provided. The Adviser will only make securities transactions that it in good faith believes are in the best interest of the applicable Fund. A conflict of interest exists when a broker-dealer provides such research services, however, as the Adviser will have an incentive to favor such broker-dealer over others that charge lower commissions.

Aggregation of Trades

As noted above, the Adviser 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. The Adviser often employs this practice because larger transactions may enable the Adviser to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. The Adviser and its affiliates may combine orders on behalf of Funds with orders for other Funds for which the Adviser or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally intend to aggregate trade orders for publicly traded securities so that each participating Fund receives the average price for each execution of a transaction.

If an order for more than one Fund for a publicly traded security cannot be fully executed, allocation shall be made based upon the Adviser's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Oversight and Monitoring

The Funds primarily invest in securities that are private, illiquid and long-term in nature although certain Funds also invest in public securities and debt instruments. Accordingly, the review process for most Funds is not typically directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors companies in which the Funds invest, and Golden Gate's Chief Compliance Officer and/or General Counsel, either alone or working together with other Adviser Personnel, periodically check to confirm that each Fund is maintained in accordance with its stated objectives. Such checks are performed more frequently with respect to Funds that are more heavily invested in public securities.

Reporting

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 90 days after the fiscal year end of such Fund. In addition, investors in the Funds typically receive quarterly performance reports generally within 60 days after each fiscal quarter end. In addition to the information provided to all investors, the Adviser may, in its sole discretion, provide additional information or more frequent reports to certain investors that other investors will not receive.

Item 14. Client Referrals and Other Compensation

For details regarding economic benefits provided to the Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above.

While not a client solicitation arrangement, the Adviser has engaged (and may in the future engage) one or more persons to act as a placement agent for a Fund in connection with the offer and sale of interests to certain potential investors (though no placement agents have historically been engaged in connection with Fund offerings). Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Fund that are subsequently accepted. Advisory Fees received by the Adviser are generally reduced by the amount of such fees.

Item 15. Custody

Golden Gate is generally deemed under Rule 206(4)-2 of the Advisers Act to have custody of the Funds' cash and securities. The Funds' cash and securities are held by one or more qualified custodians that are not affiliated with Golden Gate. The Funds are subject to an annual audit in accordance with generally accepted accounting principles as promulgated in the United States. Audited financial statements are distributed to limited partners within 120 days of each Fund's fiscal year end in accordance with Rule 206(4)-2 of the Advisers Act.

Item 16. Investment Discretion

Golden Gate has discretionary authority to manage investments on behalf of the Funds. Golden Gate assumes this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of the Funds. As a general policy, Golden Gate does not allow a Fund's limited partners to place limitations on this authority. Pursuant to the terms of the Governing Documents, however, Golden Gate enters into side letter arrangements with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons.

Investment advice is provided directly to the Funds and not individually to the investors in the Funds. Services are provided to the Funds in accordance with each such Fund's Governing Documents. Investment restrictions for the Funds, if any, are generally established in the Governing Documents of the applicable Fund.

The Adviser or applicable sub-adviser has the discretion to determine, without consent of the Funds or the investors in the Funds, the particular securities or instruments to be bought and sold in accordance with the terms and conditions of the applicable Governing Document of each Fund. The Adviser or applicable sub-adviser will provide investment advice to the Funds, possibly subject to certain limitations and restrictions on the Funds as to diversification and type of permitted investments.

Funds will typically make direct investments in companies, although the Adviser or applicable sub-adviser may in its discretion form an AIV with respect to particular investments. AIVs are

generally established in order to invest alongside or in the place of one or more Fund in a particular investment opportunity or opportunities, and the Adviser or applicable sub-adviser typically has limited discretion to invest the assets of the alternative investment vehicles independent of these limitations as set forth in the Governing Documents of the applicable Fund.

Item 17. Voting Client Securities

The Adviser has established written policies and procedures setting forth the principles and procedures by which the Adviser votes or gives consent with respect to securities owned by the Funds (“Votes”). The guiding principle by which the Adviser votes all Votes is to vote in the best interests of each Fund, taking into account the desire to maximize the economic value of the relevant Fund’s holdings, the relevant Fund’s investment horizon, the contractual obligations under the relevant Governing Documents, the interests of other stakeholders, and all other relevant facts and circumstances at the time of the vote. The Adviser does not permit Voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

It is the Adviser’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, the Adviser reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of the relevant Adviser investment professional after consulting with the Adviser’s Chief Compliance Officer and/or General Counsel (if deemed appropriate or necessary), the costs associated with voting such Vote outweigh the benefits to the relevant Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Funds.

Funds generally cannot direct the Adviser’s Vote.

All Voting decisions initially are referred to the appropriate investment professional(s) for a voting decision. In most cases, the investment professional(s) covering the particular investment will make the decision as to the appropriate vote for any particular Vote. In making such decision, he or she may rely on any of the information and/or research available to him or her as well as the standard Voting positions adopted by the Adviser pursuant to its Voting policies and procedures. If the investment professional is making the Voting decision, the investment professional will inform the Adviser’s Chief Compliance Officer and/or General Counsel or their designee of any such Voting decision, and, barring any issues from his or her conflict of interest review, the Vote will be voted in such manner.

The Adviser has the responsibility to monitor Votes for any conflicts of interest, regardless of whether they are actual or perceived. All Voting decisions will require a mandatory conflicts of interest review in accordance with the Adviser’s policies and procedures, which will include consideration of whether the Adviser or any investment professional or other person recommending how to vote has a material interest in how the Vote is voted that may present a conflict of interest. In addition, all Adviser investment professionals are expected to perform their tasks relating to the voting of Votes in accordance with the principles set forth above, according the first priority to the best interest of the relevant Funds.

Where deemed appropriate, unaffiliated third parties, including legal counsel and/or an advisory committee of Fund investors unaffiliated with the Adviser, may be used to help resolve conflicts

or to otherwise assist the Adviser in fulfilling all or part of its voting obligations. In this regard, the Adviser can retain independent fiduciaries, consultants, or professionals to assist with Voting decisions and/or to which Voting and/or consent powers may be delegated in accordance with its proxy voting policies and procedures.

Copies of relevant proxy logs identifying how proxies were voted in connection with a Fund and copies of proxy voting policies are available to any client or prospective client upon written request to:

Chief Compliance Officer
Golden Gate Private Equity, Inc.
One Embarcadero Center, 39th Floor
San Francisco, CA 94111

Item 18. Financial Information

The Adviser does not require prepayment of Advisory Fees more than six months in advance or have any other events requiring disclosure under this item of this Brochure. The Adviser has not been the subject of any bankruptcy petition.