



HMI CAPITAL MANAGEMENT, L.P.
Part 2A of Form ADV: Firm Brochure

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This brochure provides information about the qualifications and business practices of HMI Capital Management, L.P. ("HMI"). If you have any questions about the contents of this brochure, please contact us at 415.391.9500 or info@hmicapital.com. The information in this brochure has not been approved or verified by the U.S. Securities and Exchange Commission ("SEC") or by any state securities authority.

HMI is an investment adviser registered with the SEC under the Investment Advisers Act of 1940. Any reference to HMI as a registered investment adviser does not imply a certain level of skill or training.

Additional Information about HMI is also available on the SEC's website at www.adviserinfo.sec.gov.

ITEM 2. MATERIAL CHANGES

This is the annual amendment to HMI's Brochure for the year ended December 31, 2023. There have been no material changes since the last annual amendment of the Brochure, dated March 31, 2023. HMI Capital Management, L.P. routinely makes updates throughout the Brochure to improve and clarify the description of its business practices, risks, compliance policies and procedures, as well as to respond to evolving industry best practices.

Current and prospective investors are encouraged to review this Brochure carefully and in its entirety.

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ITEM 4. ADVISORY BUSINESS

HMI Capital Management, L.P. (“HMI” or “we”), a Delaware limited partnership, began operations in November 2008. HMI currently provides discretionary investment advisory services to three private funds, HMI Capital Partners, L.P., HMI Capital Offshore Partners, L.P., and Merckx Capital Partners, L.P. (each, a “Fund” and collectively, the “Funds”). HMI Capital Partners, L.P. and Merckx Capital Partners, L.P. are Delaware limited partnerships. HMI Capital Offshore Partners, L.P. is a Cayman Islands exempted limited partnership. HMI Capital Offshore Partners, L.P. is the feeder fund in a master-feeder structure with HMI Capital Partners, L.P. HMI is the investment manager of each of the Funds. HMI Capital Fund GP, LLC (the “General Partner”), an affiliate of HMI, is the Funds’ general partner.

The principal owners of both HMI and the General Partner are Marco (“Mick”) Hellman and Justin Nyweide.

Each Fund is managed in accordance with its own investment objectives and is not tailored to any particular private fund investor (each an “investor” or “limited partner”). In managing the Funds, HMI focuses primarily, but not solely, on investing in public and private equities. However, HMI is authorized to enter the Funds into any type of investment transaction that it deems appropriate under the terms of the respective Fund’s governing documents. Please see “Methods of Analysis, Investment Strategies and Risk of Loss” section below for additional information. HMI’s investments in private companies are limited to those investors who have “opted in” to HMI’s side pockets. Investments held in side pockets cannot exceed 25 percent of each investor’s capital account, calculated using the cost basis of the private investments.

HMI seeks to hold a concentrated portfolio focused on three industry sectors: Technology & Software, Financial Services, and Consumer & Business Services.

The Funds’ investors do not have the right to specify, restrict, or influence the Funds’ investment objectives or any investment or trading decisions. The Funds’ investment objectives and restrictions are contained in their distinct governing documents. HMI tailors its advisory services to the objectives and restrictions set forth in the Funds’ governing documents.

HMI currently provides advice only to the Funds, but may, from time to time, serve as the investment manager for additional funds or products, such as co-investment vehicles, which may invest alongside the Funds, and may offer investors in the Funds the opportunity to co-invest with the Funds in particular investments. HMI and its affiliates are not obligated to arrange co-investment opportunities for investors, and no investor will be obligated to participate in such an opportunity. HMI and its affiliates have sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular investor and may allocate co-investment opportunities instead to other investors or to third parties. HMI or its affiliates may receive fees and / or incentive allocations from co-investors, which may differ from the fees and / or incentive allocations borne by the Funds. Any co-investment vehicle will only offer investors an opt-in right for single security investments.

We do not participate in wrap fee programs.

As of December 31, 2023, HMI’s total regulatory assets under management were approximately \$3,506,017,116. HMI does not manage assets on a non-discretionary basis.

ITEM 5. FEES AND COMPENSATION

Management Fees

For the services we provide to the Funds, HMI is generally entitled to receive management fees (assessed as to each limited partner in the Fund) at an annualized rate that is subject to a “step down” based on the aggregate net value (as defined in each Fund’s offering or governing documents) of the fee paying assets that we manage firm-wide.

Management fees are payable in advance at the beginning of each calendar quarter, and the amount of the management fee assessed as to each limited partner is generally equal to one-fourth of the annualized management fee rate times that limited partner's capital account balance as of the first day of that quarter. HMI deducts management fees directly from the Funds' assets. While our management fees are not generally negotiable, we may vary the management fees as to particular limited partners by a separate agreement, without notice to the other limited partners. Additionally, HMI usually waives management fees and any incentive allocations with respect to investments in the Fund made by certain HMI employees. (However, employees pay a pro-rata portion of the Fund expenses described below based on their respective capital account balances.)

Personnel of HMI from time to time serve on the boards of directors or as advisors for public and private companies, including those in which the Funds invest. In the case of HMI investments, HMI personnel are required to return any directors' fees and / or other compensation to HMI. Such compensation will offset the management fees paid by the Funds by the amount of the directors' fees and / or other compensation. In addition, it is HMI's policy to give to the Funds any equity awards, stock options, warrants, or other non-cash compensation received by our personnel in connection with serving on the boards of directors of the companies in which we are invested.

Prepayment of Fees

As noted above, management fees are payable quarterly in advance. Fund investors are generally permitted to withdraw capital only at the end of each calendar quarter, at which time there generally will be no prepaid fees. We are not required to refund any portion of our management fee if a Fund allows an investor to withdraw as of a time other than a calendar quarter.

Incentive Allocations

In addition to management fees, limited partners are generally responsible for a special allocation (an "Incentive Allocation") equal to a share of the net profit on non-side pocket-related investments (including both realized and unrealized gains and losses) that would otherwise be allocated to that limited partner in each calendar year and as of the time a limited partner withdraws or is otherwise distributed all or any portion of the limited partner's capital account balance. Incentive Allocations on Fund investments are subject to a "modified high water mark" procedure. In the absence of any present or unrecouped losses, our Incentive Allocation is charged at a rate on the annual profits otherwise allocable to each limited partner in a Fund (the "Base Incentive Allocation Rate").

Under the Funds' "modified" high water mark procedure, the General Partner is also entitled to receive Incentive Allocations as to net profits that restore prior net losses. However, the General Partner is only entitled to Incentive Allocations as to such net profits at a reduced rate equal to one-half of the applicable Base Incentive Allocation Rate (the "Reduced Incentive Allocation Rate"). In addition, after a loss year, the General Partner is not entitled to receive Incentive Allocations at the full Base Incentive Allocation Rate until 250% of those net losses are recovered. Until then, the General Partner is only entitled to receive the Reduced Incentive Allocation Rate.

In addition to the "modified" high water mark procedure, any losses from side pocket investments below each investment's value on the date the investment was added to the side pocket are used to reduce the Incentive Allocation paid to the General Partner for that measurement period.

If there are no net profits allocable to a limited partner during a measurement period, or if the net losses from side pockets allocable to that limited partner for a measurement period exceed the total net profits, the unapplied net losses of that limited partner from the side pockets shall be applied to the calculation of the Incentive Allocation in each subsequent measurement period until those side pocket net losses have been fully applied to offset the net profits used to calculate the Incentive Allocation or until the unapplied side pocket net losses have been reversed by side pocket net profits allocable to that limited partner.

Investors should read governing documents for a full description of Incentive Allocations.

Other Fees and Expenses.

Subject to each Fund's governing documentation, each Fund generally bears all expenses of the Fund including, but not limited to:

- the management fee;
- expenses incurred in connection with the ongoing offer and sale of limited partner interests (including the costs of preparing, reproducing, and disseminating offering materials and supplemental materials used in the offer and sale of limited partner interests);
- brokerage commissions and other costs of executing and settling transactions involving Fund assets (including, but not limited to, mark-ups and mark-downs, private placement fees and commissions), including costs and expenses associated with using a service provider unaffiliated with HMI or the General Partner to provide an outsourced trading desk function;
- all Fund bookkeeping and administrative expenses, including the costs of the annual audit and the preparation and distribution of financial, tax and other reports to partners, fees and costs of a third-party administrator (including related indemnities), and other accounting and legal expenses (including fees paid to HMI's or General Partner's counsel for services that benefit the Fund) and including expenses related to acting as the tax matters partner;
- expenses related to certain regulatory matters related to the Fund (including AIFMD, and the preparation and filing of Form D, state "blue sky", filings under the Securities Act of 1933, as amended (including Section 13 and filings on Forms 3, 4, and 5) and any amendments thereto);
- third-party and out-of-pocket fees, costs and expenses relating to systems and software (including order management systems and software) used in connection with Fund and investment-related activities whose associated expenses constitute Fund expenses;
- fees and expenses, including interest (including, without limitation, commitment, structuring, refinancing and underwriting fees) on margin loans, committed loan facilities, total return swaps and other indebtedness;
- out-of-pocket research expenses (other than travel expenses, such as airfare, hotel accommodations and meals) in connection with investigating and monitoring investments and potential investments and the economy, as further described in the Fund's governing documents;
- costs and expenses incurred in and attributable to evaluating, investigating, analyzing, negotiating and acquiring (whether or not transactions are consummated), holding, monitoring, enhancing / protecting the value of and disposing of investments (including, but not limited to, appraisal or valuation fees and expenses, search, consultancy and investment banking fees and expenses);
- bank service, custodial and similar fees;
- expenses relating to meetings and consents of Fund partners;
- expenses associated with activist investment activities (including public relations, tender offer, and proxy solicitation, as well as fees and expenses related to filings under the Securities Exchange Act of 1934, as amended, the Hart-Scott-Rodino Antitrust Improvements Act of 1976 and other applicable law);
- premiums and other costs and expenses related to insurance policies covering or benefitting the Funds (including cybersecurity, directors and officers, and errors and omissions policies) and costs and expenses, including legal expenses related to indemnification or litigation;

- governmental, regulatory, licensing, filing or registration fees and expenses;
- any taxes, fees or other governmental charges levied against the Fund;
- expenses of liquidating the Fund, including all costs associated with the liquidating trust and the liquidator;
- expenses incurred by the tax matter partner; and
- costs and expenses incurred in connection with the dissolution, winding up, termination and liquidation of the Funds.

For some of the expenses described above, HMI advances the cost of the expense for the Funds and requires the Funds to reimburse us.

Through HMI Capital Partners, L.P.'s and HMI Capital Offshore Partners, L.P.'s master feeder structure, HMI Capital Offshore Partners, L.P. contributes its investible assets to HMI Capital Partners, L.P., and also participates on a pro rata basis in the profits and losses of the HMI Capital Partners, L.P. HMI Capital Offshore Partners, L.P. also bears a pro rata portion of the expenses of HMI Capital Partners, L.P., based on its respective capital account balance in the master fund.

HMI bears (i) any costs and expenses of providing office space, furniture, fixtures, equipment, facilities, supplies and necessary ongoing overhead support services for the operations; (ii) the compensation of HMI's personnel, including fringe benefits; (iii) any taxes imposed by reason of the management fee paid to HMI; (iv) expenses and costs relating to registration of HMI as an investment adviser with the U.S. Securities and Exchange Commission (the "SEC") and any other applicable regulatory authority; (v) travel expenses, such as airfare, hotel accommodations and meals; and (vi) all other expenses that are not fund expenses described above.

HMI has also entered the Funds into arrangements with securities brokerage firms who provide a variety of services to the Funds, including custodial, clearing and related services. Although the Funds generally do not pay for these services directly, the Funds may be considered to pay for them indirectly through payments to the broker of commissions and other transaction costs and the brokers' ability to earn money on certain balances the Funds maintain with them (subject to laws and regulations governing their activities). See "Brokerage Practices."

In the ordinary course of business, HMI, the Funds, and any co-investment vehicles purchase products and services from third parties (including products and services related to consummated and unconsummated investments and those related to investment sourcing). The costs and expenses of these products and services are sometimes allocable, in whole or in part, between HMI and the Funds or between or among the Funds, and / or any co-investment vehicles. HMI seeks to allocate such expenses in the manner prescribed by the Funds' governing documents. In cases where costs and expenses are allocable between or among multiple parties, the allocations are done in a manner that HMI considers to be fair and reasonable, taking into account factors such as the relative assets under management of each Fund and / or the actual or estimated relative benefits of the product or services to each applicable party. Co-investment vehicles will bear, together with the Funds, a portion of the research expenses attributable to the portfolio company held by that co-investment vehicle but would not share in other general research expenses from which the co-investment vehicles may benefit. The determination of expense allocations could create a conflict of interest, or a potential conflict of interest, if the General Partner were to allocate expenses in a way that reduces the amount of the expenses borne by the General Partner and its affiliates. The Funds and co-investment vehicles rely on HMI's determination of the appropriate expense allocations. However, from time to time, it is possible that a subsequent review of the allocations could result in the identification of expenses that should have been allocated in a different manner. If this occurs, HMI would take measures to correct such circumstances. If possible, the measure might include a reversal of the original expense allocation, or such other equitable adjustment that HMI believes to be the most appropriate corrective measure. HMI will make any corrective allocations and take any mitigating steps if it determines in its sole judgment that such corrections are necessary or advisable to ensure allocations are equitable on an overall basis in its good faith judgment. There can be no assurance that allocation errors will not arise or that corrective

measures will be possible in all circumstances. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by such Fund or any particular limited partner from that service in any particular instance and a Fund or any particular limited partner will bear more or less of a particular expense based on the methodology used.

Investors should consult the Funds' governing documents for additional details on fee and expense arrangements.

Other Compensation

Neither we nor our personnel accept compensation for the sale of securities or other investment products.

ITEM 6. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

HMI has entered into agreements with each of the Funds with respect to the payment of a portion of the appreciation in the value of investors' investments, as described in "Fees and Compensation" above. HMI does not manage any Funds that do not provide for performance-based incentive allocations. While we have the right to waive incentive allocations and fees as to particular investors in a Fund, investment decisions are made for the entire side pocket and / or Fund as an undivided pool; therefore, we do not believe that any such waiver would give rise to incentives to favor any particular investor over another.

HMI is committed to acting in the best interests of the Funds at all times. However, the potential to receive incentive allocations, and the fact that we will not have to refund any such allocations or fees if the Funds later experience losses, may create an incentive for us to make investments that are riskier or more speculative than would otherwise be the case.

ITEM 7. TYPES OF CLIENTS

We currently provide investment advice only to the Funds. The Funds are privately offered investment funds that are not regulated under the U.S. Investment Company Act of 1940, as amended, because of Section 3(c)(7) of that Act. Each Fund imposes minimum investor qualification standards and minimum investment requirements, subject to HMI's waiver in its sole discretion.

ITEM 8. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment Objectives and Strategies

Established during the 2008 – 2009 global financial crisis, HMI seeks to invest in the highest-quality businesses when capital markets put pressure on their valuations. Taking a long-term perspective with a strong value orientation, HMI seeks the best opportunities globally, primarily in public and private equities and at times distressed credit. The firm generally holds a concentrated portfolio of approximately 10 – 15 deeply researched names in three distinct industry sectors: Technology & Software, Financial Services, and Consumer & Business Services. However, the actual number of positions varies from time to time depending on market conditions and available opportunities. Through this approach, HMI strives to deliver high risk-adjusted real returns over long timeframes with a low probability of permanent loss of capital.

Although the majority of HMI's portfolio is invested in public equities, HMI also invests in private companies, initial public offerings, derivatives, and money market instruments. We may also invest in various other types of securities, including, but not limited to, preferred stock, convertible securities, bonds, notes, and warrants. We may also use margin borrowings and other leveraging techniques. There can be no assurance that the Funds' objectives will be satisfied.

Investing in securities involves a risk of loss that investors should be prepared to bear.

Material Risks of Our Strategy

The following is a summary of some of the material risks associated with our investment activities. It does not attempt to describe all of the risks associated with those activities. For a more fulsome description of the risk associated with a Fund, please refer to the Fund's offering and /or governing documents.

Investment Selection; Reliance on Investment Committee. We believe the primary risk of our investment strategy relates to investment selection — the risk that our techniques may, at least over certain periods, result in securities positions that decline in value or do not appreciate as much as alternatives. Our investment advice depends on the ability of our Investment Committee to develop and implement investment strategies to achieve the Funds' investment objectives. The Funds' investment performance could be materially and adversely affected if any of the members of the Investment Committee were to die, become ill or disabled, or otherwise cease to be involved in active management of the Funds' portfolios.

General Economic Market Risk. The value of a Fund's investments could be affected by factors affecting the economy and securities markets generally, such as real or perceived adverse economic conditions, supply and demand for particular instruments, changes in the general outlook for certain markets or corporate earnings, interest rates, announcements of political information or adverse investor sentiment generally. The market values of a Fund's investments may decline for a number of reasons, including increases in defaults resulting from changes in overall economic conditions and widening of credit spreads. Unfavorable market conditions may also increase funding costs, limit access to the capital markets or result in credit terms changing or credit becoming unavailable. These events could have an adverse effect on a Fund's investments and a Fund's overall performance.

Events such as war, terrorism, climate change, social unrest, global health crises, outbreaks of infectious disease, pandemics and related and unrelated geopolitical risks or political instability have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term effects on U.S. and world economies and markets generally. Those events could also have an acute effect on individual issuers or related groups of issuers. These risks could also adversely affect individual issuers and securities markets, interest rates, auctions, secondary trading, ratings, credit risk, inflation, deflation and other factors relating to a Fund's investments.

Continuing market uncertainty may have a significant impact on the business of a Fund. Among other things, continuing market uncertainty could result in an economic slowdown, a reduced level of investment opportunities and/or a deteriorating business environment for a Fund. In such instances, it could take a Fund longer than anticipated to deploy available capital, impede the ability of a Fund's portfolio companies to perform under or refinance their existing obligations, and impair a Fund's ability to effectively exit its investments on favorable term and the returns (if any) realized by limited partners may be substantially adversely affected. HMI's financial condition is likely to be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that are likely to have a material adverse effect on HMI's business and operations and thereby are likely to impact the Funds.

In addition, the physical effects of climate change may have a significant effect on a Fund's business, operations, and physical assets. Effects of climate change may subject a Fund to risks including, but not limited to, property damage to investments, financial and operational impacts from disruptions in operations of portfolio companies, increased insurance premiums, and changes in the availability of natural resources.

Incentive Allocation. The structure of the Incentive Allocation could incentivize the General Partner to cause a Fund to make riskier or more speculative investments than it otherwise would. The General Partner need not return an Incentive Allocation due to losses in subsequent fiscal years and may, at any time, withdraw all or part of its capital account, including capital attributable to Incentive Allocations, and may do so in cash, in securities, or in a combination of cash and securities. These abilities may incentivize the General Partner to cause security valuations to be higher than it otherwise would. This risk is exacerbated by the fact that the General Partner calculates the Incentive Allocation on a basis that includes unrealized appreciation of Fund assets (as opposed to a calculation that is based solely on realized gains).

Non-U.S. Investments. The Funds invest in portfolio companies that are headquartered in, have their principal place of business in, or are organized under the laws of, jurisdictions other than, or that have a substantial portion of their assets or business operations outside of, the United States. Such investments may often be subject to a greater risk than U.S. investments due to non-U.S. economic, political, and legal developments and uncertainty, including less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors, greater volatility in currency exchange rates, exchange control regulations (including currency blockage), greater controls on foreign investment and limitations on the realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars, nationalization or expropriation of assets or nationalization, confiscatory taxation, imposition of taxes on dividends, interest payments, capital gains, or other income, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of HMI. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which a Fund may invest have substantially less volume than those in the United States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries, there are restrictions on investments or investors such that the only practicable way for the Fund to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks that are not present in the case of direct investments and that may not be controllable by HMI. No assurance can be given that a change in political or economic climate, or particular legal or regulatory risks, including changes in regulations regarding foreign ownership of assets or repatriation of funds or changes in taxation, might not adversely affect an investment by the Funds.

Emerging Markets Risk. Certain Funds are permitted to invest in emerging markets, including China. Investments in emerging markets involve a greater degree of risk than investing in developed countries. Among other things, emerging market investments may be subject to the following risks: less publicly available information; more volatile markets and unstable market conditions, changes in interest rates, availability of credit and inflation rates; less liquidity or available credit; uncertainty in enforceability of documents; changes in local laws and regulations (including nationalization of industries); political or economic instability (including wars, terrorist acts or security operations); the relatively small size of the securities markets in such countries and the lower volume of trading and less strict securities market regulation; less favorable tax or legal provisions; price controls and other restrictive governmental actions; changes in or non-approval of tariffs or other fees or rates charged; potential severe inflation or other serious adverse economic developments; unstable currency; expropriation of property; confiscatory taxation; imposition of withholding and other taxes on income or gross sales proceeds or dispositions; fluctuations in the rate of exchange between currencies; non-convertibility of currencies which can result in the inability to repatriate funds; costs associated with currency conversion; and certain government policies that may restrict the Funds' investment opportunities. The foregoing may result in a lack of liquidity and price volatility.

The economies of emerging markets may differ favorably or unfavorably from the economy of developed countries in such respects as growth of the gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. In addition, emerging market countries may have a greater risk of default on external debt when their economies experience a downturn. These risks of sovereign default could adversely affect the value of a Fund's portfolio. Further, emerging markets are generally heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain emerging markets may be based predominantly on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation.

Companies in emerging countries are generally subject to less stringent and less uniform accounting, auditing, corporate governance and financial reporting standards, practices and disclosure requirements than those

applicable to companies in developed countries. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from accounting standards in more developed countries. Consequently, there is less publicly available information about an emerging country company than about a company in a developed market.

Certain issuers located in emerging markets, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and, therefore, investments in these entities potentially carry greater risk. In addition, the Funds' investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities or restrictions on the ability to convert currency or to take currencies out of certain countries.

In emerging markets, there is often less governmental supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. The Funds may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts. Nonetheless, if a Fund is found to have failed to comply with any government law, rule or regulation, it may incur penalties or fines, and to the extent such penalties and fines are not the result of a violation of a U.S. securities law, as determined by a court of competent jurisdiction in a final, non-appealable judgment, it will be allocated as a Fund expense and borne by investors in such Fund.

Currency Risk. Fund investments may be denominated in non-U.S. currencies. The investments of a Fund that are not denominated in the U.S. dollar are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Officials in foreign countries may from time to time take actions in respect of their currencies that could significantly affect the value of a Fund's assets denominated in those currencies or the liquidity of such investments. Those changes may affect a Fund's income and profitability. For example, a foreign government may unilaterally devalue its currency against other currencies, which would typically have the effect of reducing the U.S. dollar value of investments denominated in that currency. This practice may result in sudden and large adjustments in a currency's value, potentially resulting in losses to foreign investors, such as a Fund. A foreign government may also limit the convertibility or repatriation of its currency or assets denominated in that currency. A Fund may, but is not required to and frequently may not, invest in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof for hedging purposes, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective. These techniques may reduce but will not eliminate the risk of loss due to unfavorable currency fluctuations, and they may limit any potential gain that might result from favorable currency fluctuations. Certain countries restrict the conversion of their currency into foreign currencies, including the dollar, and for some currencies, there is no significant foreign exchange market.

Small and Medium Capitalization Companies. One or more Funds invest in portfolio companies that have small and medium size market capitalizations. Investments in securities of smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger "blue-chip" companies. For example, such companies are typically subject to a greater degree of change in earnings and business prospects than are companies with larger market capitalizations. Additionally, prices of securities of small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, "blue-chip" companies. Finally, due to thin

trading in the securities of some small-capitalization companies, an investment in those companies may be illiquid. Some small companies in which a Fund may invest may also 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 players in their industries and may face intense competition from larger companies and entail a greater risk than investments in larger companies.

Risks of Derivative Instruments. Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. A Fund's use of derivative instruments, if any, involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks described elsewhere in this section, such as interest rate risk, market risk, liquidity risk and credit risk. They also involve the risk of mispricing or improper valuation, the risk of ambiguous documentation, and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index. To the extent a Fund invests in repos, swaps, forwards, futures, options and other "synthetic" or derivative instruments, counterparty exposures can develop and such Fund takes the risk of nonperformance by the other party on the contract. In the event of a counterparty's (or its affiliate's) insolvency, a Fund's ability to exercise remedies could be stayed or eliminated under special resolution regimes adopted in the United States and various other global jurisdictions. Such regimes provide government authorities with broad authority to intervene when a financial institution is experiencing financial difficulty and may prohibit a Fund from exercising termination rights based on the financial institution's insolvency. In particular, in the United Kingdom and the European Union, governmental authorities could reduce, eliminate or convert to equity the liabilities to a Fund of a counterparty experiencing financial difficulties (sometimes referred to as a "bail in"). For uncleared derivatives, this risk may differ materially from those entailed in cleared transactions, which generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. A party to a cleared derivative is subject to the credit risk of the clearing house and the clearing broker through which it holds its position. Credit risk of market participants with respect to cleared derivatives is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. If a Fund invests in a derivative instrument, it could lose more than the principal amount invested.

Board Participation. HMI employees occasionally serve as directors of some of the Funds' portfolio companies and, as such, may have duties to persons other than the investing Fund. Although holding board positions may be important to a Fund's investment strategy and may enhance the ability of a Fund to manage investments, director seats may also have the effect of impairing a Fund's ability to sell the related securities when, and upon the terms it may otherwise desire, and may subject the investing Fund and HMI's personnel 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 the event that an employee serving as a director is exposed to material, nonpublic information with respect to a particular company, the Funds may be prohibited for periods of time from purchasing or selling the securities of such company. Such restrictions may have an adverse effect on the value of the investments of the relevant Fund.

Competition; Availability of Investments. The markets in which the Funds may invest are extremely competitive, and there can be no assurance that HMI will be able to successfully pursue attractive investment opportunities. For instance, different types of investment opportunities with different timelines for realization may be available during periods of economic growth than may be available during recessionary periods.

Illiquidity; Market for Privately Held Investments. There will be no public market for the Funds' investments in privately held entities, and the Funds' ability to dispose of any such investment will in many cases be further limited by the agreements the Funds enter into in connection with its investments. The Funds' ability to sell or distribute securities and to realize investment gains will depend, in large part, upon favorable market conditions, including receptiveness to initial public offerings ("IPOs") for the Funds' portfolio companies and an active mergers and acquisitions market. IPO and merger and acquisition opportunities may be limited or non-existent

for extended periods of time, whether due to economic, regulatory or other factors. There can be no assurance that the Funds will be able to dispose of their investments at the price and time it wishes to do so.

Limited Liquidity of Other Investments. HMI invests in private companies and may also invest in other securities that are relatively illiquid. These may include: (i) publicly traded securities for which the market is limited; (ii) publicly traded securities in which the Funds' positions are so large in relation to the trading market that the Funds' liquidity is less than other holders'; (iii) securities that are relatively liquid when acquired but that become illiquid after the Funds invest; (iv) publicly traded securities acquired in private placements or in other circumstances that result in legal or contractual restrictions on the Funds' ability to sell them; and (v) investments for which no liquid trading market exists. It is also possible that an exchange or governmental authority may suspend or restrict trading on an exchange or in particular securities or other investments traded on the exchange. We may not be able to liquidate illiquid investments on behalf of the Funds if the need were to arise. The more less-liquid securities a Fund holds, the more likely it is to honor a withdrawal request in kind.

One or more Funds also invest in restricted securities that are subject to substantial holding periods or that are not traded in public markets. Restricted securities generally are difficult or impossible to sell at prices comparable to the market prices of similar securities that are publicly traded. Such restricted securities may not be eligible to be traded on a public market even if a public market for securities of the same class were to exist or develop. It is highly speculative as to whether and when an issuer will be able to register its securities so that they become eligible for trading in public markets.

The lack of liquidity and market depth, and the other risks described above, could disadvantage a Fund, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. Less liquid securities also may fall more in price than other securities during periods when markets decline generally. Also, because illiquid securities may be difficult to value, the values realized on their sale may differ from the values at which they are carried by the Fund that holds them. Assets and liabilities for which no market prices are available will generally be carried on the books of a Fund at fair value in accordance with generally accepted accounting principles ("GAAP"), unless otherwise determined by HMI. There is no guarantee that such valuation will represent the value that will be realized by a Fund on the eventual disposition of the investment or that would, in fact, be realized upon an immediate disposition of the investment.

Debt Instruments. The Funds may invest in debt or other fixed income securities and/or in other debt instruments, such as bank loans. It is likely that many of these debt instruments may be unrated. Whether or not rated, they may have speculative characteristics. Their issuers (borrowers), including sovereign issuers, may face significant ongoing uncertainties and exposure to adverse conditions that may undermine their ability to make timely payment of interest and principal. Debt instruments are dependent on the issuer's/borrower's ability to pay interest and repay principal in accordance with the instrument's terms and involve major risk exposure to adverse conditions. An economic recession could severely disrupt the market for debt instruments and have an adverse impact on their market value. It is also likely that an economic downturn could adversely affect the ability of the issuers to pay principal and interest when due —i.e., increase the risk of default for such securities.

Distressed Securities. Certain Funds are authorized to invest in the securities and obligations of distressed and bankrupt issuers, including debt obligations that are in covenant or payment default. Such investments generally are considered speculative. The repayment of defaulted obligations is subject to significant uncertainties. Defaulted obligations might be repaid, if at all, only after lengthy workout or bankruptcy proceedings, during which the issuer might not make any interest or other payments and the amount of any recovery may be affected by the relative security of a Fund's investment in the capital structure of the issuer. In addition, distressed investments are more likely to be challenged as fraudulent conveyances and amounts paid on the investment may be subject to avoidance as a preference under certain circumstances.

Valuation of Investments. There is no actively traded market for some of the securities owned by the Funds. When estimating fair value, HMI will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of HMI. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active

market existed for such securities and differs from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of a Fund's assets. With respect to the Funds, the exercise of discretion in valuation by HMI gives rise to conflicts of interest, valuations (including, for instance, determination of when an investment should be written down or written off) impact HMI's track record and the performance allocation in certain Funds is calculated based, in part, on these valuations, and such valuations affect the amount and timing of performance fees and calculation of the management fee.

Concentration of Investments. In managing the Funds' portfolios, we hold a relatively small number of positions, each representing a relatively large portion of each Fund's capital. Further, a client may at times have a relatively large portion of their capital exposed to a particular industry, market sector, country, or geographic region. Losses in one or more large positions, or a downturn in an industry, market sector or geographic region in which the Funds are concentrated, could materially adversely affect the Funds' performance in a particular period and could have a materially adverse effect on the Funds' overall financial performance.

Co-Investments. We expect that, from time to time, a Fund will co-invest in certain opportunities with HMI, its affiliates, one or more HMI investors and/or one or more other accounts. However, the Fund may not acquire or dispose of such investment(s) at the same time as HMI, its affiliates, one or more HMI investors and/or one or more other accounts. This may create conflicts of interest, including with respect to the allocation of investment and disposition opportunities.

Side Letters. The Funds have entered into, and may in the future enter into, side letters with certain investors that establish rights under, or alter or supplement the terms of, the relevant governing document of a Fund. Such side letters generally provide applicable investors with certain reporting, information, confidentiality and disclosure rights.

Cybersecurity Risk. With the increased use of technologies such as the Internet and the dependence on computer systems to perform necessary business functions, the Funds and their service providers (including the HMI and the Funds' administrator) may be prone to operational and information security risks resulting from cyber-attacks and/or other technological malfunctions. In general, cyber-attacks are deliberate, but unintentional events may have similar effects. Cyber-attacks include, among other things, stealing or corrupting data maintained online or digitally, preventing legitimate users from accessing information or services on a website, releasing confidential information without authorization, and causing operational disruption. There can be no guarantee that a Fund, HMI, the Funds' administrator, or a custodian or other third-party service provider will be successful in fending off cybersecurity attacks from viruses, malware, computer hackers or other malicious corruption of their information technology systems. Cybersecurity breaches of the systems of the Funds, HMI, the Fund's administrator, or a custodian or other third-party service provider may cause disruptions to business operations, cause losses due to theft or other reasons, interfere with a Fund's net asset value calculations, impede trading, or lead to violations of applicable privacy and other laws, regulatory fines and penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. The General Partner, HMI and the Funds cannot control the cybersecurity plans and systems put in place by their service providers and the companies in which the Funds invest. HMI has implemented various measures designed to manage cybersecurity risks. However, the failure of these systems and/or of disaster recovery plans could cause interruptions in the operations of HMI or HMI's Fund accounts and could result in a failure to maintain the security, confidentiality, or privacy of sensitive data, including personal information could materially and adversely affect the Funds.

In response to the spread of COVID-19, many businesses, including HMI, have encouraged or mandated that their personnel work from home in an effort to help slow the spread of the COVID-19 pandemic. To the extent that personnel, as a result of working remotely, rely more heavily on external sources for information and technology systems for their business-related communications and information sharing, HMI may be more vulnerable to cybersecurity incidents and cyber-attacks and could potentially have more difficulty resuming normal operations in the event of such an incident or attack.

Business Continuity and Disaster Recovery. HMI's business operations may be vulnerable to disruption in the case of catastrophic events such as pandemics, fires, natural disaster, terrorist attacks or other circumstances resulting in property damage, network interruption and/or prolonged power outages. Although HMI has

implemented, or expects to implement, measures to manage risks relating to these types of events, there can be no assurances that all contingencies can be planned for. These risks of loss can be substantial and could have a material adverse effect on HMI and investments therein.

Changes in U.S. Tax Law. Tax legislation enacted in 2017 has made substantial changes to U.S. federal income tax laws. Additional major tax reform legislation has been proposed, which may result in material changes to the Internal Revenue Code of 1986, as amended, and, if enacted, could have a material impact on the tax treatment of an investment in a Fund. There can be no assurance that the structure of a Fund or of any investment will be tax-efficient to any particular investor. Investors should consult their own tax advisers regarding the tax consequences of an investment in the Fund to them, particularly in light of their specific tax situations.

Monetary Policy and Governmental Intervention. Governmental actions to stabilize markets and encourage economic growth may be ineffective or have an adverse effect on the Funds and their investments. For example, while the Board of Governors of the U.S. Federal Reserve System and global central banks, including the European Central Bank, acted in the wake of the global financial crisis to hold interest rates to historic lows, they recently began implementing a series of planned and steep interest rate increases in an effort to stem significant inflationary pressures. It is possible that the expected substantial rise in interest rates or other Federal Reserve actions could fail to reduce inflation or otherwise cause the U.S. economy to deteriorate, which in turn could negatively impact certain Fund investments. Changes in monetary policies and other governmental interventions, similar to the macroeconomic conditions that precipitate them, are difficult to predict.

Coronavirus Outbreak Risks. The global outbreak of the 2019 novel coronavirus (“COVID-19”), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. COVID-19 has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. Furthermore, HMI’s ability to operate effectively could be impaired by COVID-19. For example, the spread of COVID-19 among HMI’s personnel and its service providers could significantly affect HMI’s ability to properly oversee the affairs of the Funds (particularly to the extent such impacted personnel include key investment professionals or other members of senior management). The full effects, duration and costs of the COVID-19 pandemic remain impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve.

Other. The Funds, HMI and the General Partner are subject to various other securities and similar laws and regulations that could limit some aspects of each Fund’s operations or subject a Fund, the General Partner or HMI to the risk of sanctions for noncompliance. Investors that are employee benefit plans should consider certain factors as discussed in the Funds’ governing documents. Additionally, there is no assurance that the above list is complete or that there are no other risks that may exist now or may arise in the future.

ITEM 9. DISCIPLINARY INFORMATION

We have not been involved in any legal or disciplinary events since our inception that would be material to a client’s evaluation of our company or our personnel.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Neither we, nor any of our employees, are registered, or have an application pending to register, as a broker-dealer or registered representative of a broker-dealer, futures commission merchant, or commodity pool operator.

As noted above, the General Partner is an affiliate of HMI and acts as the general partner of the Funds.

Mick Hellman serves as a member of the board of directors of Hall Capital Partners, LLC, which is an investment adviser registered with the SEC. Hall Capital Partners, LLC has recommended to its clients’ investments in the private funds managed by HMI. HMI does not believe that these activities pose a material conflict of interest with HMI’s clients.

ITEM 11. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

Code of Ethics. In accordance with Rule 204A-1 under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), we have adopted a Code of Ethics (the “Code”) for the purpose of instructing our personnel about their ethical obligations and to provide rules for their personal securities transactions. The purpose of the Code is to prevent activities that may lead to, or give the appearance of, conflicts of interest, insider trading and other forms of prohibited or unethical business conduct.

The Code, along with HMI’s Compliance Manual, covers a range of topics that include: standards of business conduct; prohibitions against insider trading; personal securities transactions; gifts and entertainment; protecting the confidentiality of client information; service as an officer or director; compliance procedures; reporting violations and sanctions; records; and certification procedures, among other topics. We will provide a copy of the Code to any client or prospective client upon request by writing to us at the address on the cover page of this brochure.

HMI and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Fund will, from time to time, conflict with the interests of HMI, other Funds or their respective affiliates.

Certain of these conflicts of interest, as well as a description of how HMI addresses such conflicts of interest, can be found below. 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 Brochure should be read in its entirety for other conflicts.

Participation or Interest in Client Transactions and Personal Trading. We have a personal investment trading policy based on the following principles: (i) the interest of client accounts will at all times be placed first; (ii) all personal securities transactions will be conducted in such manner as to avoid any actual or potential conflict of interest or any abuse of an individual’s position of trust and responsibility; and (iii) employees must not take inappropriate advantage of their positions. Our personal trading policy requires that every employee and their family members sharing the same household obtain approval from our Compliance Department before acquiring or selling for any personal account any covered security unless the transactions occur as exempt security, exchange-traded fund, closed-end mutual fund, or municipal bond. Moreover, HMI investment team members and their family members sharing the same household are generally prohibited from transacting in any security for their personal account unless the security is an exempt security, closed-end mutual fund, or municipal bond. In addition, all employees are prohibited from transacting in derivatives. Employees are permitted to invest in private investment offerings, which are subjected to preclearance by the Compliance Department.

Our Compliance Department maintains a “Restricted List” of certain securities. Employees are prohibited from purchasing or selling such securities during any period in which the securities are listed on the Restricted List. Moreover, employees are not permitted to invest in any company, whether or not the issuer of publicly-traded securities, while HMI is invested in such company or when the employee believes there is a reasonable chance we may want to make an investment in that company for a client in the future. We have policies and procedures in place to ensure that our employees are aware of the rules regarding material non-public information and insider trading.

Participation by HMI Personnel in Fund Profits. Certain partners and other employees of HMI are permitted to invest directly in a Fund and will participate in investments, pro rata, in accordance with their capital account balances. In addition, several HMI employees hold interests in the General Partner and management company of the Funds and in this manner, share in the revenue generated by the Funds (e.g., incentive allocation and management fee revenue). Finally, investments in the Funds by HMI employees are generally not subject to the management fees or performance fees incurred by investors in the private funds at the discretion of the General Partner.

Allocation of Expenses. From time to time, HMI will be required to decide whether certain fees, costs and expenses should be borne by HMI, the Funds, other accounts and/or a third-party (each, an “Allocable Party”) and if so, how such fees costs and expenses should be allocated among the relevant Allocable Parties. Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party or, fees, costs and expenses may be allocated among multiple Allocable Parties. In general, HMI will make allocation determinations among Allocable Parties on a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation (which such methodologies may include pro rata allocation based on the respective capital available capital of the Funds and the other accounts (as applicable), pro rata allocation based on the respective investment (or anticipated investment) of an Allocable Party in an investment, relative benefit received by an Allocable Party, or such other equitable method as determined by HMI in its sole discretion). HMI will make any corrective allocations and take any mitigating steps if it determines in its sole discretion that such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by the Fund or any particular limited partner from that service in any particular instance.

Fund Level Borrowing. The Funds may borrow funds from time to time for various reasons, including to pay Fund expenses, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from limited partners) or to cover any shortfall resulting from a limited partner'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 partners on a pro-rata basis, including the General Partner. In addition, a credit facility for a Fund may be available to provide borrowed funds directly to the portfolio companies of a Fund, in which case such borrowed funds would be guaranteed by the Fund.

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

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

Principal Transactions. Section 206 of the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a “principal transaction”), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. In connection with HMI's management of the Fund, HMI and its affiliates may engage in principal transactions. HMI has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including disclosures required by Section 206 of the Advisers Act be made to the specified Fund regarding any proposed principal transactions and that any required prior consent to the transaction be received.

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 the Funds. In selecting and structuring investments appropriate for the Funds, HMI and its affiliates will consider the investment and tax objectives of the Funds, not the investment, tax or other objectives of any investor individually.

Related Party Transactions. Certain Funds are permitted to participate in, to the extent permitted by applicable securities laws, transactions in which the General Partner or HMI (or any of their employees, members and/or principals or any limited partner), or one or more other accounts is directly or indirectly interested. In addition, certain Funds are permitted to make investments alongside one or more other accounts. Certain Funds' governing documents require limited partner consent for certain of these transactions – specifically, such governing documents permit the General Partner to cause the Fund, with the approval of a majority in interest of specified limited partners to: (i) purchase or sell any investment or other asset by the Fund, on the one hand, from or to the General Partner, HMI, Mick Hellman or any of their respective affiliates, on the other hand; (ii) pay for services rendered to the Fund by the General Partner, HMI, Mick Hellman or any of their respective affiliates that are not described in the governing documents; or (iii) invest in any company in which the General Partner, HMI, Mick Hellman or any of their respective affiliates has a material pre-existing economic interest (other than through a Fund). In connection with such transactions, a Fund, on the one hand, and the General Partner, HMI, their employees, members and/or principals or limited partners, on the other hand, may have conflicting interests. The General Partner and HMI may also face conflicts of interest in connection with purchase or sale transactions (involving an investment by a Fund) with an affiliate of the Fund (including other accounts), including with respect to the consideration offered by, and the obligation of, the General Partner or HMI and such other affiliate.

Service Providers. Services required by a Fund (including some services historically provided by HMI or its affiliates to a Fund) 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 HMI or its affiliates. This can create a conflict of interest because HMI and its affiliates have an incentive to outsource such services at the expense of a Fund to, among other things, leverage the use of HMI personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, trading, legal, human resources, client services, compliance, corporate secretarial and tax support and other similar services. Certain costs may be incurred by a Fund for a third-party service provider that is not incurred for comparable services by other accounts. The decision by HMI 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 in the future and HMI has no obligation to inform a Fund or investors of such a change.

Additionally, the General Partner or HMI, or their respective general partners (or entity playing a similar role), or their employees, members and/or principals or any other partner, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence HMI in determining whether to select, or recommend such service provider to perform services for a Fund. Because of financial, business interest, or other reasons, HMI may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

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

The General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner and a Fund will, from time to time engage common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to such parties. As a result, the General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner may receive a more favorable rate on services provided to it by such a common service provider than those payable by a Fund, or may receive a discount on services even though a Fund receives a lesser, or no, discount. This creates a conflict of interest between the General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner, on the one hand, and a Fund, on the other hand, in determining whether to engage such service providers, including the possibility that HMI will favor the engagement or continued engagement of such persons if it, or its personnel, receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by a Fund. In such instances a Fund will not receive

the benefit of any such favorable rate or discount provided to the General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner.

In addition, service providers often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required and the time demands of the service provider. As a result, to the extent the services required by the General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner differ from those required by a Fund, the General Partner or HMI, or their respective general partners, or their employees, members and/or principals or any other partner will pay different rates and fees than those paid by a Fund.

HMI or its affiliates engage certain service providers (including law firms) on behalf of a Fund and personnel of such service provider may in the future be seconded to HMI or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. HMI 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 HMI and/or its affiliates and in any such circumstance the benefits or costs of any such personnel will be allocated in HMI's discretion taking into consideration the usage of such personnel. In such circumstances, a conflict of interest exists because HMI or its affiliates have an incentive to select one service provider over another on the basis that HMI 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 HMI or its affiliates.

Other Potential Conflicts. HMI and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Funds, including benefits and other discounts provided from service providers.

HMI has in the past and may in the future cause the Funds and one or more other accounts to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the Funds and applicable other accounts, the applicable general partner, HMI and/or their 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 HMI that cover the Funds and one or more other accounts and/or HMI (including its personnel and their respective agents, representatives, members of the advisory committee and other indemnified parties). HMI will make judgments about the allocation of premiums, fees, costs and expenses for such "umbrella" or other insurance policies among the Funds and one or more other accounts, and/or HMI 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 the Funds bearing less (or more) premiums, fees, costs and expenses for insurance policies.

ITEM 12. BROKERAGE PRACTICES

HMI has complete discretion in deciding what brokers, dealers, and other financial intermediaries and counterparties with which to execute or enter into portfolio transactions (collectively, "Transacting Parties"). HMI also has complete discretion to negotiate compensation arrangements and transaction terms with Transacting Parties. These arrangements may include not only paying commissions for transactions effected on any agency basis, but also compensation implicit in prices of transactions directly with Transacting Parties acting as principal (such as market-makers for over-the-counter securities) and dealers in fixed income securities and derivatives. The following describes some noteworthy aspects of HMI's and the Funds' use of and relationships with Transacting Parties.

Selection Criteria, Generally

In choosing Transacting Parties, we are not required to consider any particular criteria. We will seek "best execution" of the Funds' securities transactions. "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 evaluating whether a Transacting Party will provide best execution, we will consider a range of factors. These include, among others:

- historical net prices (after markups, markdowns and other transaction-related compensation);
- the execution, clearance and settlement and error correction capabilities of the Transacting Party generally and in connection with securities of the type and in the amounts to be bought or sold;
- the Transacting Party's reliability and financial stability;
- the size of the transaction;
- any affiliations between HMI employees to avoid conflicts of interest;
- evaluate written description of the Transacting Parties business continuity and disaster recovery capabilities;
- the market for the security; and,
- as discussed more fully below, the nature, quantity and quality of research and other services and products provided by the Transacting Party.

We are not required to select the Transacting Party that charges the lowest transaction cost, even if that Transacting Party can provide execution quality comparable to other Transacting Parties. Our clients should expect at times to pay more than the lowest transaction cost available in order to obtain for itself and / or HMI services and products other than the execution of securities transactions. In selecting a Transacting Party, we do not consider whether we receive or might receive client referrals from that Transacting Party.

From time to time, HMI may use an outsourced broker-dealer firm (the "Outsourced Trader") for its brokerage and execution services. The Outsourced Trader allocates some of HMI's client orders to other brokers, which can result in higher brokerage commissions than if such transactions were placed directly with the brokers. The Outsourced Trader provides HMI with anonymity, the ability to access a variety of market venues, timely execution, and enhanced execution quality, which otherwise may not be available to HMI. Thus, HMI believes that the use of the Outsourced Trader as both executing broker and outsourced execution provider is consistent with its duty of seeking best execution for the Funds. Depending on market conditions, transaction type, and other factors, HMI also places client orders directly with other brokers.

Trade Errors

It is HMI's policy that, absent a violation of HMI's standard of care, all benefits and burdens of a trade error will be borne by the relevant client. If HMI did violate its standard of care, it will promptly reimburse the client for the error. HMI will not directly or indirectly use soft dollars to correct trade errors.

"Soft Dollars"

We may select Transacting Parties in recognition of the value of various services or products, beyond transaction execution, that they provide to the Funds, or to HMI. Selecting a Transacting Party in recognition of the provision of services or products other than transaction execution is known as paying for those services or products with "soft dollars."

Conflict of Interest. If we use "soft dollars" to obtain research or other products and services, we receive a benefit because we do not have to produce or pay for that research or those other products or services using cash from other sources. And, because many products and services that we may receive from Transacting Parties may provide general benefits to us, our interests in allocating the Funds' securities transactional business may create

a conflict. For example, we may have an incentive, in order to induce brokers and dealers to provide us with services or benefits to, among other things, cause a client to:

- pay higher commissions and other compensation than it would otherwise pay broker-dealers that do not provide soft dollar services or products;
- place more trades than would be optimal for a client's investment strategy;
- use broker-dealers that do not obtain for a client the best possible price on portfolio transactions; and
- use (and pay) broker-dealers in effect to act as intermediaries with other broker-dealers who actually execute transactions.

The extent of the conflicts of interest arising out of the use of soft dollars depends in large part on the nature and uses of the services and products acquired with soft dollars. We may or may not use other Funds' soft dollars to pay for services and products a client pays for and, if we do, that use may not be in proportion to account size, transaction volume, or uses of those services and products.

"Safe Harbor" under Section 28(e). A federal statute, Section 28(e) of the Securities Exchange Act of 1934, as amended, recognizes the potential conflict of interest involved in the use by an investment manager (such as HMI) of soft dollars generated by securities transactions to pay for various expenses but provides a "safe harbor" from breach of fiduciary duty claims if certain conditions and requirements are met. Under the Section 28(e) safe harbor, soft dollars may be used to acquire "research" and "brokerage" services and products for which the Funds would not otherwise be required to pay. Services or products generally constitute "research" under Section 28(e) if they constitute advice, analyses or reports any of which express reasoning or knowledge as to the value of investing in or trading securities, or as to issuers, industries, economic factors and trends, portfolio strategy or performance, but only to the extent we use them for lawful and appropriate assistance in making investment decisions for the Funds. "Brokerage" services and products are those used to effect portfolio transactions or for functions that are incidental to effecting those transactions (such as clearance, settlement or short-term custody related to effecting clearing or settling transactions) or regulatorily required in connection with transactions. Using soft dollars to pay for services and products other than research and brokerage is not protected by the safe harbor but does not necessarily constitute a violation of any law or fiduciary duty. Similarly, use of non-commission soft dollars or otherwise failing to satisfy procedural elements of the Section 28(e) safe harbor are not protected but are not necessarily prohibited. Nevertheless, we generally intend to use soft dollars only to acquire research and brokerage services within the Section 28(e) "safe harbor." Even where our use of soft dollars to acquire research and brokerage services and products is protected by Section 28(e), we will have a conflict of interest in connection with that use because we might otherwise have to pay cash for those services and products and we may have an incentive to use Transacting Parties who provide those services and products more than we otherwise would.

Procedures. Transacting Parties who provide soft dollar services or products may establish "credits" based on past transactional business, which may be used to pay or reimburse us for specified expenses. In some cases, the process is less formal and a Transacting Party may simply suggest a level of future business that would fully compensate the Transacting Party for services or products it provides. The Funds' actual transactional business with a Transacting Party may be less than the suggested level but can — and often will — exceed that level, and credits established may exceed the amounts used to acquire services and products. This may be in part because the Funds' investment activities generate aggregate commissions in excess of the levels of future business suggested by all Transacting Parties who provide services and products and it may be in part because those Transacting Parties may also provide superior execution and may therefore be most appropriate for particular transactions.

For the avoidance of doubt, HMI does not have formal soft dollar arrangements with any broker-dealers. However, HMI does receive research services, including access to conferences and management team meetings, from various brokers-dealers who execute trades on HMI's behalf, including a broker-dealer who is an affiliate of HMI's fund administrator. As described above, HMI seeks best execution when selecting all broker-dealers, including those who provide research and other services to HMI.

Cross Transactions

HMI from time to time may (but is not obligated to) cause a Fund and other accounts that HMI manages to effect “cross” transactions (i.e., buy and sell securities from and to each other), subject to applicable law or regulation. We may do so if we believe that the cross transaction will be beneficial to both parties and obtain any required approvals. Certain laws or regulations may prevent us from engaging in “cross” transactions that could be beneficial to our clients.

Allocation of Investment Opportunities

When allocating investment opportunities, HMI seeks to allocate in a manner that is in the best interest of all Funds. HMI owes each Fund a duty of loyalty and a duty to act in the Fund’s best interests. Accordingly, under no circumstances will HMI intentionally favor one Fund over another.

HMI notes that potential or actual conflicts of interest could exist when investment opportunities are allocated between or among the different Funds because (i) HMI unilaterally determines how to allocate any particular investment opportunity between or among the Funds, while Fund investors have no control or influence over such investment allocations; (ii) HMI-related persons, control persons, and other affiliates are also investors in the Funds, with different relative percentage ownership interests among the Funds and different aggregate dollar exposures among the Funds; and (iii) most Fund investors are not affiliated with HMI. Additionally, the percentage of non-fee-paying investors differs across Funds, and the blended Incentive Allocation rate differs slightly across Funds. HMI has established policies, practices, and procedures to minimize any such potential or actual conflicts of interest.

HMI’s purchases of public equities, derivatives, and other instruments are generally allocated pro-rata across the Funds based on each Fund’s assets under management as of prior month-end. Sales of public equities, derivatives, and other instruments are generally allocated pro-rata based on the percentage of such security held by each Fund at the time of the sale. Exceptions to these methodologies are at the discretion of HMI and are generally, but not exclusively, made as a result of deviations from target position sizes as a result of capital inflows and outflows into one Fund and not the other. In such cases, HMI may increase or decrease the amount of securities that would otherwise be allocated to each Fund by reallocating the securities in a manner that HMI deems fair and equitable to Funds over time.

HMI allocates purchases of new issue investments pro-rata across all eligible investors in the Funds based on the value of each eligible investor’s invested capital at the time of the investment. HMI allocates sales of new issues based on the percentage of the security held by each Fund at the time of the sale. Such sales transactions are then allocated pro-rata across eligible investors.

All investors in the Funds are also granted the option to participate in private investments made by HMI through HMI’s “side pockets.” HMI generally allocates private investments pro-rata across the Funds based on each Fund’s assets under management as of the beginning of each month. Private investments for each Fund are then allocated to investors in proportion to one’s public portfolio participation percentage over the aggregate public portfolio participation percentage of only side pocket participating investors. Investors may have different exposure to private investments due primarily to (i) differences in the rates of side pocket participation across the Funds (ii) timing of deal closure relative to the timing of (a) each investor’s initial and ongoing subscription and redemption activity (b) decision to “opt-in” or “opt-out” to the side pockets, and (iii) instances where an investor has already reached the maximum 25 percent side pocket capacity. (Please see “Advisory Business” section above.)

At its discretion, HMI may also use other private investment allocation methodologies deemed to be fair and equitable to the Funds over time. For example, HMI has allocated an add-on private investment solely to recently subscribed investors who did not yet have exposure to the issuer because they subscribed after HMI’s initial investment. Moreover, HMI does not allocate side pocket investments to investors who have previously submitted a 100% withdrawal request.

HMI's governing documents contain provisions related to "Liquid Side Pocket Investments," which are previously illiquid investments (generally private companies) that have undergone a "valuation event" (typically an initial public offering). Net profits or net losses on these previously illiquid investments are allocated only to those limited partners who have "opted-in" to HMI's side pockets and, therefore, participated in these investments when they were held as private investments. Please see the Funds' governing documents for additional information.

In the event that a particular investment opportunity exceeds the amount that HMI wishes to allocate to the Funds, HMI may allocate a portion of such opportunity to one or more co-investors, who may be current investors in the Funds and / or third parties. HMI is not obligated to arrange co-investment opportunities for investors, and no investor will be obligated to participate in any such opportunities. HMI has sole discretion as to the amount (if any) of a co-investment opportunity that will be allocated to a particular investor and may allocate co-investment opportunities instead to other investors or to third parties. Each co-investment opportunity is likely to be unique, and the allocation of each such opportunity will be dependent upon the facts and circumstances of the particular situation (e.g., timing, size, projected holding period, exit strategy, and counterparty, among other factors). In determining the allocation of discretionary co-investment opportunities across potential co-investors, HMI may take into account various facts and circumstances that it deems relevant. Such factors are likely to include, among others, whether a potential co-investor has expressed an interest in evaluating co-investment opportunities, whether HMI believes that the co-investor has the ability to review the co-investment opportunity and provide capital within the timeframe required under the circumstances, the size of the potential co-investor's interest to be held in the investment, the size of a potential co-investor's aggregate investment in HAU Funds and co-investments, and such other factors that HMI deems relevant under the circumstances.

Aggregation of Trade Orders

We may (but are not required to) combine orders on behalf of our Funds. When we do so, we will generally allocate the securities or proceeds arising out of those transactions (and the related transaction expenses) on an average price basis among the various participants. We believe combining orders in this way will, over time, be advantageous to all participants. However, the average price could be less advantageous to a particular Fund than if the Fund had been the only entity effecting the transaction or had completed its transaction before the other participants. Because we may also have an interest in particular Funds, there may be circumstances in which a Fund's transactions may not, under certain laws and regulations, be combined with those of some of our other Funds, and a Fund may obtain less advantageous execution than other Funds.

Directed Brokerage; Introducing Brokerage Relationship

Although we do not have any "directed brokerage" arrangements with the Funds, we obtain custodial, clearing and other services through what is known as an "introducing brokerage" arrangement. By using a brokerage firm for this function, the Funds are able to avoid paying custodial fees that banks charge other institutional investors. Our introducing broker is compensated partially through brokerage commissions. A client might be thought of as "directing" us to place transactions with an introducing broker in order to pay for the custodial and related services the client obtains from the introducing broker.

Our introducing broker provides services to us and / or our affiliates, distinct from the custodial and related services the prime broker provides our clients. These services include, among other things, portfolio management software licenses and support services. These services may be provided at lower than market price for similar services or for no charge. To the extent we or our affiliates receive services from a prime broker at lower than market prices, because we are responsible for selecting the prime broker or negotiating the rates of compensation paid to the prime broker by our clients, conflicts may exist between our interests and those of our clients.

ITEM 13. REVIEW OF ACCOUNTS

HMI's Investment Team reviews each Fund's portfolio daily as part of its ongoing portfolio management activities. The HMI Investment Team meets formally, typically on a weekly basis, to discuss current investments and

potential investment opportunities. The Compliance Department conducts periodic reviews of each Fund's portfolio to determine the Fund's conformity with investment objectives and guidelines.

The Funds prepare annual financial statements that they cause to be audited by an independent certified public accounting firm and provide those statements to its investors within 120 days of year end. They also currently provide unaudited monthly account statements to investors.

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

Other than the previously described products and services that we receive from broker-dealers, we do not receive any other economic benefits from non-clients in connection with the provision of investment advice to the Funds. We do not directly or indirectly compensate any person for client referrals.

ITEM 15. CUSTODY

In accordance with Rule 206(4)-2 under the Advisers Act, the Funds will be subject to an annual audit by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board and audited financial statements of each Fund will be prepared in accordance with GAAP and distributed to investors within 120 days of the end of each Fund's fiscal year. Investors should carefully review the audited financial statements of the Funds upon receipt, and should compare these statements to any account information provided by HMI.

ITEM 16. INVESTMENT DISCRETION

The Funds' agreements of limited partnership grant us complete discretion to manage the Funds' investment portfolios, without any specific limitations other than those described in the Funds' offering materials. See the description above in "Advisory Business" and "Methods of Analysis, Investment Strategies and Risk of Loss."

ITEM 17. VOTING CLIENT SECURITIES

We have established proxy voting policies and procedures (our "Proxy Voting Policy") to address how HMI will vote proxies. The Proxy Voting Policy seeks to ensure that proxies are voted in the best interests of the Funds. In voting proxies, we may consider the opinion of management and the effect on management, shareholder value and the issuer's business practices. We will identify any conflicts that exist between our interests and the interests of the Funds by reviewing our relationship with the issuer of each security to determine if we or any of our employees has any financial, business, or personal relationship with the issuer. If a material conflict exists, HMI will determine whether it is appropriate to disclose the conflict to the affected Funds, to give the Funds an opportunity to vote the proxies themselves, or to address the voting issue through other objective means. As our only current clients are the Funds, the Funds' limited partners have no meaningful ability to direct our vote in a particular solicitation.

In addition to proxy voting, we have the authority to direct Fund participation in class actions and will determine whether a Fund will participate in a recovery achieved through a class action or opt out of the class action and separately pursue their own remedy. Upon receipt of class action information, HMI will evaluate the costs versus the benefits of participation.

Clients may request a copy of our Proxy Voting Policy, as well as relevant proxy voting records, by making a written request to us at the address on the cover page of this brochure.

ITEM 18. FINANCIAL INFORMATION

We have never filed for bankruptcy and are not aware of any financial condition that is expected to affect our ability to manage client accounts.