

Item 1. Cover Page

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Part 2A of Form ADV: Firm Brochure
March 20, 2024

This brochure provides information about the qualifications and business practices of KarpReilly, LLC. If you have any questions about the contents of this brochure, please contact us at (203)504-9900. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Item 2. Material Changes

This brochure contains several material changes from the last firm brochure dated as of March 29, 2023, including, but not limited to: enhanced fee and expense disclosure, new risk factors and updated conflicts of interest. In addition, KarpReilly, LLC routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices.

Item 3. Table of Contents

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Item 4. Advisory Business

For purposes of this brochure, the “Adviser” means KarpReilly, LLC, a Delaware limited liability company, together (where the context permits) with its affiliates that provide advisory services to and/or receive advisory fees from the Funds (as defined below). Such affiliates may or may not be under common control with KarpReilly, LLC, but possess a substantial identity of personnel and/or equity owners with KarpReilly, LLC. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds, or may serve as general partners of the Funds.

The Adviser provides investment supervisory services to investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”) (such funds collectively, the “Main Funds”).

The Adviser may also, from time to time, establish, on a transaction-by-transaction basis, certain investment vehicles through which certain persons may invest independently of or alongside one or more Main Funds in a particular investment opportunity (each such vehicle, a “Co-Investment Vehicle”). Co-Investment Vehicles are typically limited to investing in securities relating to the transaction with respect to which they were organized.

Additionally, the Adviser may also organize and serve as general partner (or in an analogous capacity) to (i) certain other “feeder” vehicles (each such vehicle, a “Feeder Vehicle”) organized to invest exclusively in a Main Fund, (ii) certain other investment vehicles (each such vehicle, a “Parallel Vehicle”) organized to invest alongside a Main Fund and having substantially the same terms as such Main Fund, and/or (iii) alternative investment vehicles (each, an “Alternative Investment Vehicle”) organized to address, for example, specific tax, legal, business, accounting or regulatory-related matters that may arise in connection with a transaction or transactions. The Main Funds, Co-Investment Vehicles, Feeder Vehicles, Parallel Vehicles and Alternative Investment Vehicles are collectively referred to as the “Funds.”

The Funds make primarily long-term private equity and equity-related investments, as well as investments in debt instruments. In accordance with the Funds’ respective investment objectives, investments are generally made in companies doing business in the consumer sector. The Adviser’s advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments. The Adviser may serve as the investment adviser or general partner to the Funds in order to provide such services.

The Adviser provides investment supervisory services to each Fund in accordance with the limited partnership agreement (or analogous organizational document) of such Fund or separate investment and advisory, investment management or portfolio management agreements (each, an “Advisory Agreement”).

Investment advice is provided directly to the Funds, subject to the discretion and control of the applicable general partner, and not individually to the investors in the Funds. Services are

provided to the Funds in accordance with the Advisory Agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the Advisory Agreements and/or organizational or offering documents of the applicable Fund (such documents, collectively a Fund's "Organizational Documents").

The principal owners of KarpReilly, LLC are Allan W. Karp and Christopher K. Reilly. The Adviser has been in business since November 2006. As of December 31, 2023, the Adviser managed a total of \$955,055,909 (including uncalled capital commitments) of client assets, all of which are managed on a discretionary basis.

Item 5. Fees and Compensation

As compensation for investment supervisory services rendered to the Funds, the Adviser receives from each such Fund (though it is possible that Co-Investment Vehicles, Feeder Vehicles and Alternative Investment Vehicles formed at a later date may not pay such a fee) an advisory fee (each, an "Advisory Fee"). Advisory Fees paid by a Main Fund are indirectly borne by investors in such Main Fund (including, if applicable, any Feeder Vehicles).

The precise amount of, and the manner and calculation of, the Advisory Fees for each Fund are established by the Adviser, as modified by negotiations with investors in the applicable Fund, and are set forth in such Fund's Advisory Agreement, organizational documents and/or other documentation received by each investor prior to investment in such Fund. The Advisory Fees and other fees and distributions described above are generally subject to waiver or reduction by the Adviser in its sole discretion, both voluntarily and on a negotiated basis with selected investors. The fee structures described above may be modified from time to time. Fees may differ from one Fund to another, as well as among investors in the same Fund.

Certain investors in the Funds that are employees, business associates and other "friends and family" of the Adviser, its affiliates or their personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) (collectively, "Adviser Investors") will not typically pay Advisory Fees or Carried Interest in connection with their investment in a Fund.

Advisory Fees received from the Funds are payable quarterly in advance on the first business day of each quarter.

Upon termination of an Advisory Agreement, Advisory Fees that have been prepaid are generally returned on a prorated basis.

The Advisory Fees paid by a Fund will generally be reduced by the amount of fees paid by such Fund to persons acting as a placement agent in connection with the offer and sale of interests in such Fund to certain potential investors, as well as by fees incurred by the Adviser in connection with the organization of such Fund that exceed a limit specified in such Fund's limited partnership agreement or analogous organizational documents. In addition, the Adviser may waive or reduce all or a portion of the Advisory Fee paid by a Fund in full or partial satisfaction

of any obligation of the Adviser and certain employees and affiliates of the Adviser to invest in or alongside such Fund.

In addition, the Adviser and its affiliates may perform management, advisory, transaction-related, financial advisory and other services (“Related Services”) for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with monitoring (and any associated accelerated or monitoring fees), mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales and similar transactions (collectively, “Other Fees”). Although these fees are in addition to the Advisory Fees, the Adviser will in some circumstances reduce the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of such fees. The amount and manner of such reduction is set forth in the Advisory Agreement and/or organizational documents of the applicable Fund. For a discussion of material conflicts of interest created by the receipt of such fees, please see Item 11 below.

As noted above, the Adviser and its affiliates receive “monitoring fees” pursuant to monitoring agreements with portfolio companies of the Funds governing the advice, consultation and other similar ongoing services provided by the Adviser to such portfolio companies. The terms of a monitoring agreement may include (among other things) annual automatic renewals, the payment of monitoring fees (which may be fixed fees or calculated as a percentage of EBITDA or similar performance metric), and the acceleration of payment of the monitoring fees upon certain termination events, including the occurrence of an initial public offering or strategic exit. The accelerated monitoring fee may be calculated as the present value of hypothetical future payments, which may be based on an assumed growth in performance, based on an assumed growth of EBITDA or similar metric, and may be calculated using a discount rate as low as the risk-free rate, as determined by the Adviser. Since the monitoring agreements may have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewal), the financial effect of such acceleration may be substantial, particularly in the event such circumstances occur early in the life of the Fund’s investment in such portfolio company.

Other Fees are often substantial and may be paid in cash prospective portfolio companies or investment vehicles (or rights thereto) or otherwise. The payment of Other Fees and reimbursements by portfolio companies and prospective portfolio companies will, in some, but not all, circumstances create a conflict of interest between the Adviser and its affiliates, and the Funds and their investors, because the amounts of these Other Fees and reimbursements are often substantial and the Funds and their investors generally do not have a direct interest in these fees and reimbursements. The Adviser determines the amount and timing of these Other Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third-party co-investors in its transactions. Generally, the amount of such fees and reimbursements will not be disclosed to investors in the Funds.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third party involved on behalf of the relevant portfolio company and therefore such fees are not subject to a market check. A conflict of interest exists in the determination of any such fees and other related terms in the applicable agreement with the portfolio company by virtue of the Adviser acting on behalf of both parties.

For the avoidance of doubt, any fees paid to the Adviser or its personnel after a Fund has exited (or is in the process of exiting) an investment are not considered “Other Fees” and do not reduce the Advisory Fee.

To the extent provided in the Organizational Documents of the Funds, and to the extent to paid or reimbursed by the Fund or a portfolio company, the Adviser will pay out of Advisory Fees certain operating expenses, including expenses on account of rent, utilities, office supplies, office equipment, entertainment, compensation and expenses of its officers, directors and employees (other than Carried Interest described in Item 6 below) and other routine administrative expenses relating to the services and facilities provided by the Adviser to the Funds. Each Fund will bear all other expenses relating to it to the extent not borne by its portfolio companies, including legal, accounting, investment banking, consulting, research, brokerage, finders’, custody, transfer, registration, advisory board, interest, taxes and extraordinary expenses, and other similar fees and expenses (including such expenses with respect to transactions that are not consummated).

Additionally, please see Item 6 below regarding “Carried Interest” that Funds may pay.

Although the Adviser does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, in the event that it chooses to use a broker-dealer for limited purposes relating to a particular Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below. *Co-Investment Vehicle Expenses*

As described in Item 4 above, in certain cases, a Co-Investment Vehicle may be formed in connection with the consummation of a transaction. In the event a Co-Investment Vehicle is created, the investors in such Co-Investment Vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the Co-Investment Vehicle. The Co-Investment Vehicle will generally bear its pro rata portion of expenses incurred in the making an investment.

Unless the Adviser determines otherwise in its sole discretion or subject to negotiations with a particular co-investor, in general neither Co-Investment Vehicle nor co-investors will bear any expenses relating to a proposed but not consummated transaction (“Dead Deal Costs”), even if a Co-Investment Vehicle has been formed for the purpose of investing in the proposed transaction or if co-investors have otherwise committed to invest in the proposed transaction. As a result, Dead Deal Costs are generally borne by the Fund or Funds selected by the Adviser as proposed investors for such proposed transaction which will result in the Fund bearing more than its pro rata share of Dead Deal Costs. Similarly, Co-Investment Vehicles (and co-investors) are not typically allocated any share of break-up fees received in connection with such an unconsummated transaction.

Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses, any travel and travel-related expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment (including commitment fees), any break-up fees, reverse termination fees, topping, termination or other similar fees, costs of negotiating co-investment documentation (including non-disclosure agreements with counterparties), the costs from onboarding (i.e.,

KYC) investment entities with a financial institution, expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

From time to time, certain Funds will incur certain ongoing expenses that benefit a Co-Investment Vehicle or co-investor (for instance, insurance premiums). In such instances, these ongoing expenses will be borne solely by the applicable Fund or Funds and will not be borne by any benefiting co-investment vehicle or co-investor.

Allocation of Other Fees and Advisory Fee Offset

To the extent an Other Fee relates to more than one Fund participating (or expecting to participate) in an investment, the Other Fee is generally allocated among such Funds pro rata based on the capital commitments of such participating Funds (or for an unconsummated investment, the proposed commitments of the Funds), or on such other basis that the Adviser determines to be fair and reasonable in its sole discretion. However, in determining how to allocate an Other Fee among more than one participating Fund, the Adviser will also take into account, among other things, the type of transaction (e.g., original acquisition or follow-on), the consideration involved in the transaction (cash or in-kind) and the value of the consideration.

To the extent an Other Fee relates to a Fund, Co-Investment Vehicle or third-party investor that does not pay Advisory Fees or to capital committed by a Fund investor that does not pay Advisory Fees, the portion of such Other Fee allocable to the non-fee paying party will be retained by the Adviser, and such amounts will not offset any Advisory Fee paid to the Adviser.

Allocation of Expenses

From time to time the Adviser will be required to decide whether certain fees, costs and expenses should be borne by the Adviser, a Fund, a portfolio company, Co-Investment Vehicle and/or a third party (each, an "Allocable Party") and if so, how such fees costs and expenses should be allocated among the relevant Allocable Parties. Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party, or fees, costs and expenses may be allocated among multiple Allocable Parties. The Adviser allocates fees, costs and expenses in accordance with a Fund's Organizational Documents. To the extent not addressed in the Organizational Documents of a Fund, the Adviser will make allocation determinations among Allocable Parties in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation (which such methodologies may include pro rata allocation based on the respective capital commitments of a Fund, 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 the Adviser in its sole discretion). The Adviser 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 such

Fund from that service in any particular instance and a Fund will bear more or less of a particular expense based on the methodology used.

For a full description of the applicable fees and expenses charged to the respective private fund or special purpose vehicle, investors should review the associated Organizational Documents.

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

With respect to each Fund currently in existence, a portion of the profits of each Fund is distributed to its general partner or managing member, as applicable, as “carried interest” (the “Carried Interest”). Each general partner or managing member of a Fund is a related person of the Adviser. Carried Interest paid by a Main Fund is indirectly borne by any Feeder Vehicles that invest in such Main Fund and by investors in such Main Fund and Feeder Vehicles.

The payment of Carried Interest at varying rates may create an incentive for the Adviser to disproportionately allocate time, services or functions to Funds paying Carried Interest at a higher rate. Generally, and except as may be otherwise set forth in the organizational documents of the Funds, this conflict is mitigated by provisions restricting the Adviser, the Fund’s general partner and their affiliates, unless consented to by investors representing at least a majority of the aggregate commitments to the applicable Main Funds, from collecting management fees from a new investment fund with objectives substantially similar to those of the applicable Main Fund until the earlier of (i) the end of the Main Fund’s investment period or (ii) such time as the applicable Main Fund is at least 70% invested or committed (including amounts reserved for follow-on investments and reasonably anticipated expenses of the applicable Main Fund). With respect to Funds that may pay a lower rate of Carried Interest (or no Carried Interest), such as the Co-Investment Vehicles, this conflict is largely mitigated since the Co-Investment Vehicles currently in existence were established to invest in a single underlying operating company and are not actively managed on a day to day basis by the Adviser. Additionally, the Adviser periodically reviews the time and services being devoted to the Funds to ensure that the necessary resources are being allocated to each Fund. Please also see Item 12 below regarding trade aggregation, as well as Item 11 below for additional information relating to how conflicts of interests are generally addressed by the Adviser.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the general partner of each such Fund, if applicable) and not individually to investors in such Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally “qualified purchasers” as defined in the 1940 Act, and may include, among others, pension and profit sharing plans, corporations, limited partnerships and limited liability companies or other entities.

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

Methods of Analysis and Investment Strategies

The Adviser focuses primarily on small to mid-size growth companies, primarily in the consumer sector. The majority of the Adviser's targeted investments are private company recapitalizations, where the entrepreneurs/founders are seeking a value-added financial partner to enable them to generate significant up-front liquidity, remain involved as desired and participate in a "second bite of the apple", which is often larger than the original liquidity event. The Adviser also seeks to provide equity capital for growth and makes both majority and minority ownership investments. The Adviser evaluates potential investment opportunities and then performs comprehensive due diligence on the most promising opportunities.

Risks

Investing in securities involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments.

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

Lower Middle Market Focus

Given the Funds' focus on the lower middle market, Fund investments may be small in amount and be invested in smaller companies with limited operating histories, insignificant market shares, limited pricing and/or purchasing power, weak systems and/or infrastructure and shallow management talent. An investor in the limited partner interests must rely upon the ability of the general partner and the Advisor to structure investments and strategies to appropriately address risks associated with lower middle market companies.

Leveraged Nature of Investments

While investments in leveraged companies offer the opportunity for capital appreciation, such investments also involve a high degree of risk. The Funds' investments may involve significant leverage, as a result of which recessions, operating problems and other general business and economic risks may have a pronounced effect on the profitability or survival of the Funds' portfolio companies. Also, increased interest rates generally increase portfolio company interest expenses. In the event any portfolio company cannot generate adequate cash flow to meet debt service, the Funds may suffer a partial or total loss of capital invested in the portfolio company.

Highly Competitive Market for Investments

The business of identifying and structuring transactions of the nature contemplated by the Funds is highly competitive. The Funds will be competing for investments with other private equity investment vehicles as well as other institutional investors. The size and number of private equity investment vehicles has grown dramatically in recent years, and it is likely that these trends will continue in the future. There can be no assurance that the Funds will be able to locate suitable investment opportunities, acquire them for an appropriate level of consideration, achieve their targeted rates of return, or fully invest their committed capital. An investor in the Funds must

rely on the ability of the general partner and the Adviser to identify, structure and implement investments consistent with the Funds' investment objectives and policies.

Financial Market Fluctuations

General fluctuations in the market prices of securities may affect the value of the investments held by the Funds. Instability in the securities markets may also increase risks inherent in the Funds' investments. The ability of portfolio companies to refinance debt securities may depend on their ability to sell new securities in the public high yield debt market or otherwise.

Long-Term Nature of Portfolio Investments

It is anticipated there will be a significant period of time (up to five years) before the Funds have completed their investment program. Investments may typically take from five to ten years (or longer) from the date of initial investment to reach a state of maturity when realization of the investment can be achieved. Transaction structures may not provide liquidity for the Funds' investments prior to that time. In light of the foregoing, it is likely that no significant return from the disposition of the Funds' investments will occur for a significant period of time after the first closing of the Funds.

Illiquidity of Funds' Portfolio Investments

It is anticipated that all or a substantial portion of the Funds' investments will consist of securities that are subject to restrictions on sale by the Funds because they were acquired from the issuer in a "private placement" transaction or because the Funds will be deemed to be an affiliate of the issuer. Generally, the Funds will not be able to sell these securities publicly without the expense and time required to resister the securities under the Securities Act of 1933, as amended (the "Act") or will be able to sell the securities only under Rule 144 or other rules under the Act which permit limited sales under specified conditions. When restricted securities are sold to the public, the Funds may be deemed an "underwriter", or possibly a controlling person, with respect thereto for purposes of the Act and be subject to liability as such under the Act. In addition, practical limitations may inhibit the Funds' ability to liquidate certain of their investments in portfolio companies since the issuer will be privately held and the Funds will own a relatively large percentage of the issuer's equity securities. Sales may also be limited by market conditions, which may be unfavorable for sales of securities of particular issuers of issuers in particular industries. The above limitations on liquidity of the Funds' investments could prevent a successful sale thereof, result in delay of any sale, or reduce the amount of proceeds that might otherwise be realized.

Contingent Liabilities on Disposition of Portfolio Investments

In connection with the disposition of an investment in a portfolio company, the Funds may be required to make representations about the business and financial affairs of such company, and to indemnify the purchasers of such investments if those representations are inaccurate. The general partner of each Fund will establish reserves as it believes appropriate to provide for such contingent liabilities. In the event that the amount of such contingent liabilities exceeds the reserves and other assets of the Funds, the limited partners of the Funds may be required to repay to the Funds or to pay to creditors of the Funds distributions previously received by them.

Adverse Consequences of Ownership of Controlling Interest in Portfolio Companies

It is expected that the Funds will often own a controlling percentage of the common equity of portfolio companies which, depending on the amount of equity owned by the Funds, contractual arrangements between the company and the Funds, and other relevant factual circumstances, could result in an extension of the 90-day bankruptcy preference period with respect to payments made to the Funds. In addition, because of its equity ownership, representation on the board of directors and/or contractual rights, the Funds may often be thought to control, participate in the management of or influence the conduct of portfolio companies. This could expose the assets of the Funds to claims by a portfolio company, its other security holders, its creditors or governmental agencies.

Special Risks Associated with Offshore Investments

The Funds may invest a portion of their capital commitments in portfolio companies that are headquartered and that have their principal operations outside North America. These investments involve special risks not typically associated with investments in the securities of U.S. issuers, including (a) economic and political factors, such as risk of expropriation, restrictions on repatriation of profits, and political and social instability, (b) differences between U.S. and foreign securities markets, including the absence of uniform accounting, auditing, and financial reporting standards in foreign markets, and the relatively greater price volatility and illiquidity of foreign securities markets, (c) currency exchange risks, including the costs of converting investment cash flows from currency into another and the possibility of fluctuations in exchange rates, and (d) tax- related issues, including the possibility of withholding taxes, confiscatory foreign taxes, and the possibility of double taxation of income earned overseas.

Risks Associated with Investing in Partnerships and Limited Liability Companies

The Funds may invest in entities, such as limited partnerships and limited liability companies, that are treated as pass through entities for U.S. federal income tax purposes. Such investments pose a number of risks. Limited partners will be subject to tax on their distributive share of the taxable income of such entities allocated to the Funds, even if they do not receive cash distributions corresponding to such taxable income. Limited partners must have liquidity from sources other than the Funds to bear such tax liabilities. To the extent such entities are engaged in business in a number of states, limited partners may be required to file state tax returns in such states. Investments in such entities are also likely to cause domestic tax-exempt investors to be allocated unrelated business taxable income, and to cause non-U.S. investors to receive income effectively connected with the conduct of a U.S. trade or business and to be required to file U.S. federal and state tax returns. In addition, investing in such entities may cause delays in investors receiving tax and other financial information from the Funds. Because the Funds' tax returns are predicated on the tax attributes passed through to them by such entities, any delay in receiving tax information from such entities will cause a corresponding delay in dissemination to limited partners of the Funds' tax information.

Valuation of Assets

There is no actively traded market for most of the securities owned by the Funds. When estimating fair value, the Adviser will apply a methodology based on its best judgment that 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 the Adviser. 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 the Adviser gives rise to conflicts of interest, valuations (including, for instance, determination of when an investment should be written down or written off) impact the Adviser'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 Advisory Fees.

Cybersecurity Risk

The Adviser, the Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite the efforts of the Adviser and the Funds' service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the security, confidentiality, integrity and availability of information belonging to the Fund and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, encrypt or otherwise prevent access to these systems of the Adviser, the Funds' service providers and counterparties, as well as the data stored by these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of the Funds' investors. A successful penetration or circumvention of the security of the Adviser's systems by unauthorized third parties could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Funds, the Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, the Adviser may incur substantial costs related to investigation of the origin and scope of a cybersecurity incident, increasing and upgrading cybersecurity protections including its administrative, technical, organizational and physical controls, acts of identity theft, unauthorized use or loss of proprietary information, adverse investor reaction, increased insurance premiums or difficulties obtaining insurance coverage, or litigation, regulatory actions or other legal risks.

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

Possibility of Fraud and Other Misconduct of Employees and Service Providers

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

Item 9. Disciplinary Information

Item 9 is not applicable to the Adviser.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

Various entities “” serve as general partners of the Main Funds, and the managers of each are Allan W. Karp and Christopher K. Reilly (the “General Partners”). For a description of material conflicts of interest created by the relationship among the Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to all of its members, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, “Adviser Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (as amended, the “Advisers Act”), establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Fund, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with the Adviser’s Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of

which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any investor or prospective investor upon written request to: Andrew Keating, KarpReilly, LLC, 102 Greenwich Ave., 2nd Floor, Greenwich, CT 06830.

Participation or Interest in Client Transactions

The Adviser, the Adviser's members and certain employees and affiliates of the Adviser may invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, may reduce all or a portion of the Advisory Fee and Carried Interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see "Conflicts of Interest" immediately below.

Conflicts of Interest

The Adviser 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 may conflict with the interests of the Adviser, other Funds or their respective affiliates. Certain of these conflicts of interest, as well a description of how the Adviser addresses such conflicts of interest, can be found below.

Resolution of Conflicts

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

- A Fund will not make an investment unless the Adviser believes that such investment is an appropriate investment considered solely from the viewpoint of such Fund;
- Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the relevant offering and/or organizational documents for the Funds;
- Generally, each Main Fund has established an advisory committee, consisting of representatives of investors not affiliated with the Adviser. The advisory committees meet as required to consult with the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the Adviser will be guided by its good faith discretion; Where the Adviser deems appropriate, unaffiliated third parties

may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price; and

- Prior to subscribing for interests in a Fund (except for a Co-Investment Vehicle), each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

While the Adviser endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions. There can be no assurance that the Adviser will identify or resolve all conflicts in a manner that is favorable to the Funds and the Funds' investors are not be entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

Conflicts

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. For a description of conflicts of interest investors should review the associated offering documents.

Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities

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

- The Main Funds, which may include Main Funds organized as parallel investment entities that have been formed to invest side-by-side with one or more of the Funds (either in all transactions entered into by such Fund(s) or in a limited subset of such investments);
- Any Alternative Investment Vehicles that have been formed to address, for example, specific tax, legal, business, accounting or regulatory-related matters that may arise in connection with a transaction or transactions;
- Any Co-Investment Vehicles that have been formed to invest independently or side-by-side with one or more Main Funds in particular transactions entered into by such Main Fund(s) (the investors in such Co-Investment Vehicles may include individuals and entities that are also investors in one or more Funds ("Adviser Investors") and/or individuals and entities that are not investors in any Funds ("Third Parties"));
- Adviser Investors and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Funds in particular transactions entered into by such Fund(s); and

- Adviser Investors and/or Third Parties acting as “co-sponsors” with the Adviser with respect to a particular transaction.

The Adviser makes allocation determinations consistent with the Funds’ Organizational Documents and in accordance with its written policies and procedures.

The Funds are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”). Investment Allocation Requirements may be set forth in the instrument under which the Fund was established (such as a Fund’s limited partnership agreement or private placement memorandum), or inside letters. To the extent the Investment Allocation Requirements of a Fund do not include specific allocation procedures and/or allow the Adviser discretion in making allocation decisions among the Funds, the Adviser will follow the process set forth below.

The Adviser must first determine which Funds will participate in an investment opportunity. The Adviser assesses whether an investment opportunity is appropriate for a particular Fund(s), based on the Fund’s investment objectives, strategies and structure. A Fund’s investment objectives, strategies and structure typically are reflected in the Fund’s offering memoranda and organizational documents. Prior to making any allocation to a Fund of an investment opportunity, the Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Fund(s). Possible restrictions include, but are not limited to:

- **Obligation to Offer:** the Adviser may be required to offer an investment opportunity to one or more Funds. This obligation to offer investment opportunities may be set forth in a Fund’s offering documents and/or operating agreement.
- **Related Investments:** the Adviser may offer an investment opportunity related to an investment previously made by a Fund(s) to such Fund(s) to the exclusion of, or resulting in a limited offering to, other Funds.
- **Legal and Regulatory Exclusions:** the Adviser may determine that certain Funds or investors in such Funds should be excluded from an allocation due to specific legal, regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities.

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

- Each Fund’s investment objectives and investment focus;
- Transaction sourcing;
- Each Fund’s liquidity and reserves;
- Each Fund’s diversification;

- Lender covenants and other limitations;
- Amount of capital available for investment by each Fund as well as each Fund's projected future capacity for investment;
- Each Fund's targeted rate of return;
- Stage of development of the prospective portfolio company or other investment;
- Composition of each Fund's portfolio;
- The suitability as a follow-on investment for a current portfolio company of a Fund;
- The availability of other suitable investments for each Fund;
- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax implications;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the applicable offering and organizational documents of each Fund.

The application of the Investment Allocation Requirements and factors set forth above will often result in allocation on a non-pro rata basis and there can be no assurance that a Fund will participate in all investment opportunities that fall within its investment objectives. The Adviser makes allocation determinations based solely on the Adviser's expectations at the time such investments are made, however investments and their characteristics may change and there can be no assurance that an investment may prove to have been more suitable for another Fund in hindsight.

Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. For example, in allocating an investment opportunity among Funds with differing fee, expense and compensation structures, the Adviser has an incentive to allocate investment opportunities to the Funds from which the Adviser or its related persons derive, directly or indirectly, higher fees, compensation or other benefits. Notwithstanding the foregoing, the Adviser will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund.. While the Adviser determines how to allocate investment opportunities using its best judgment,

considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist.

Subject to any Investment Allocation Requirements or other specific agreement with an investor, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity and investing in a Fund does not give any investor any rights, entitlements or priorities to any co-investment opportunity, (ii) decisions regarding whether and to whom to offer co-investment opportunities are made as well as the terms of any such co-investment in the sole discretion of the Adviser or its related persons, (iii) co-investment opportunities may, and typically will, be offered to some and not other investors in the Funds, in the sole discretion of the Adviser or its related persons,) (iv) co-investment opportunities typically are offered to some, but not other investors in a Fund and investors may be offered a smaller amount of co-investment opportunity than originally requested, and (v) certain persons other than investors in the Funds (e.g., Third Parties) may be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons.

In exercising its discretion to allocate co-investment opportunities among the Funds and other persons, the Adviser may consider some or all of a wide range of factors, which may include, but are not limited to, the following:

- The Adviser's evaluation of the size and financial resources of the potential co-investment party and the Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources) to efficiently and expeditiously participate in the investment opportunity with the relevant Fund(s) without harming or otherwise prejudicing such Fund(s), in particular when the investment opportunity is time-sensitive in nature, as is typically the case;
- Any confidentiality concerns the Adviser may have that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- The Adviser's perception of its past experiences and relationships with the potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by the Adviser;
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The extent to which a potential co-investment party has been provided a greater amount of co-investment opportunities relative to others;

- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Funds to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Fund wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Fund being able to capitalize on a potential investment opportunity); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. The Adviser's exercise of its discretion in allocating investment opportunities among the persons, including the Funds, Adviser Investors and Third Parties, and in the manner discussed above may not, and often will not, result in proportional allocations among such persons. It is the firm's policy that trades are allocated in a manner that is fair to similarly situated clients. While the Adviser will determine how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser may be subject, discussed herein, did not exist.

In the event the Adviser determines to offer an investment opportunity to co-investors, there can be no assurance that the Adviser will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Fund or that expenses incurred by the Fund with respect to the syndication of the co-investment will not be substantial, and the Funds bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Fund and as a result, may take a different view from the Adviser as to appropriate strategy for an investment or may be in a

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

In addition, members, officers and other personnel of the Adviser invest indirectly in and may be permitted to invest directly in Funds and may therefore participate indirectly in investments made by the Funds in which they invest. Such interests will vary Fund by Fund. The existence of these varying circumstances may present conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Fund.

Conflicts Related to Purchases and Sales

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment. Investment opportunities may be appropriate for Funds at the same, different or overlapping levels of a portfolio company's capital structure. Conflicts may arise in determining the terms of investments, particularly where these clients may invest in different types of securities in a single portfolio company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly in Funds that have invested in different securities within the same portfolio company. Certain clients of the Adviser and its affiliates may invest in bank debt and securities of companies in which other clients hold securities, including equity securities. In the event that such investments are made by a Fund, the interests of such Fund may be in conflict with the interest of such other Fund, particularly in circumstances where the underlying company is facing financial distress. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Funds may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided each Fund will supply such additional capital in such amounts, if any, as determined by the Adviser. In addition, a conflict may arise in allocating an investment opportunity if the potential investment target could be acquired by either a Fund or a portfolio company of another Fund. Investments by more than one client of the Adviser or its affiliates in a portfolio company may also raise the risk of using assets of a client of the Adviser or its affiliates to support positions taken by other clients of the Adviser or its affiliates. Employees and related persons of the Adviser and its affiliates have made or may make capital investments in or alongside certain Funds, and therefore may have additional

conflicting interests in connection with these investments. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

There may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. In addition, where more than one Fund of the Adviser (or its affiliates) invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time or on the same terms. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Fund may realize different returns as compared to the same investment held by another Fund. These variations in timing may be detrimental to a Fund. In addition, investors may receive different consideration (for instance, investors in one Fund may receive cash whereas investors in another Fund may be provided the opportunity to receive distributions in-kind), which may impact the realized return ultimately received by each Fund.

A Fund may invest in opportunities that other Funds have declined, and likewise, a Fund may decline to invest in opportunities in which other Funds have invested.

The application of a Fund's Organizational Documents and the Adviser's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Funds in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

Cross-Transactions

In certain cases, the Adviser may cause a Fund to purchase investments from another Fund, or it may cause a Fund to sell investments to another Fund. Such transactions create conflicts of interest. The firm does not conduct cross-transactions. However, should the firm recommend a cross transaction, it will make appropriate disclosures to investors and in accordance with regulatory obligations.

Principal Transactions

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

documents, limited partnership agreements or other organizational documents and related documents relating to the Funds generally contain additional restrictions on the ability of the Funds or the Adviser to engage in principal transactions.

Management of the Funds

The Adviser manages a number of Funds that may have investment objectives similar to each other. The Adviser may in the future establish one or more additional investment funds with investment objectives substantially similar to, or different from, those of the current Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. See “*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*” above. In addition, it is expected that employees of the Adviser responsible for managing a particular Fund will have responsibilities with respect to other Funds managed by the Adviser, including Funds that may be raised in the future. Conflicts of interest may arise in allocating time, services or functions of these officers and employees. Adviser Personnel have an incentive to allocate more time, services or functions to Funds from which such personnel derive a higher economic benefit and/or better-performing Funds.

In addition, the Adviser receives and generates various kinds of portfolio company data and other information, including related to or created in connection with financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors, ESG and other metrics, financial information, commercial and transactional information, user data, cost data and related data or information, some of which is sometimes referred to as “big data.” This information may, in certain instances, include confidential and/or sensitive information received or generated in connection with efforts on behalf of one Fund’s investment (or prospective investment) in a portfolio company. As a result, the Adviser is better able to anticipate macroeconomic and other trends and financial opportunities, enhance and improve operations of portfolio companies and otherwise develop investment strategies or identify specific investment or business opportunities. The Adviser also intends to utilize such data for purposes of identifying new investments opportunities for the Funds. Information from a portfolio company owned by a Fund may enable the Adviser to better understand a particular industry and develop and execute investment strategies in reliance on that understanding for the Adviser and other Funds that do not own an interest in such portfolio company, without compensation or benefit to such Fund or its portfolio companies. Further, data is expected to be aggregated across the Funds and their respective portfolio companies and, in connection therewith, the Adviser is expected to serve as the repository for such data, including with ownership, use and distribution rights therein. The Adviser may also share data from a portfolio company of one Fund with a portfolio entity of another Fund, which may increase a competitive disadvantage for, and indirectly harm, such portfolio company. Portfolio companies may incur incremental expenses in collecting and organizing information requested or required to be furnished to the Adviser (which expenses are indirectly borne by the Funds). The Adviser may in the future in certain instances to use this information in a manner that may provide a material benefit to the Adviser, its affiliates, or to certain other Funds without compensating or otherwise benefitting the Fund or Funds from which such information was obtained. In addition, the Adviser may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Furthermore, except for (a) contractual obligations to third parties to maintain

confidentiality of certain information or otherwise limit the scope and purpose of its use of distribution, (b) policies, practices and procedures designed to ensure confidentiality of trade secrets and (c) compliance with applicable data privacy laws, laws prohibiting insider trading, anti-competition laws and laws protecting national security interests, the Adviser is generally free to use data and information from a Fund's activities in its sole discretion for the benefit of the Adviser and other Funds. The sharing and use of "big data" and other information present potential conflicts of interest and any benefits received by the Adviser or its personnel will not be subject to the Advisory Fee offset provisions or otherwise shared with a Fund or its investors. The Adviser has in the past utilized and is likely in the future to utilize such information to benefit the Adviser, its Affiliates and/or certain Funds.

Follow-on Investments

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

Furthermore, a conflict of interest also arises because a Fund that participates in a follow-on investment in a portfolio company held by another Fund will benefit from the initial evaluation, investigation and due diligence undertaken by the Adviser on behalf of the original Fund and from operational or other information about such portfolio company acquired from the original Fund's ownership of interests in the portfolio company. In such circumstances, such benefitting Fund or Funds will not be required to reimburse the original Fund for expenses incurred in connection with researching such investment. An investment by a Fund in a portfolio company in which another Fund invests at a later stage may be made at a higher or lower valuation than the investment in such portfolio company by such other Fund and an investment by one or more other Funds in any such portfolio company may dilute the original Fund's interest in such portfolio company.

Conflicts Relating to the General Partner and the Adviser

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

The Adviser generally may, in its discretion, recommend to a Fund or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for

services with (i) a related person of the Adviser (including but not limited to a portfolio company of a Fund) or (ii) an entity with which the Adviser or its affiliates or a member of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit. When making such a recommendation, the Adviser may, because of its financial or other business interest, have an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Adviser Personnel have family members that are actively involved in industries and sectors in which the Funds invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Funds or other counterparties of the Funds and the portfolio companies. Moreover, in certain instances, the Funds or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third party service providers and the Adviser is not required to select service providers who may have lower rates (or to engage in any benchmarking of such fees). In most such circumstances, the Funds' Organizational Documents will not preclude Funds from undertaking any of these investment activities or transactions.

By reason of their responsibilities in connection with other activities of the Adviser, certain Adviser Personnel may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that they otherwise might have initiated and may not be able to sell an investment that they otherwise might have sold.

In addition, Funds from time to time invest in securities of companies in which Adviser Personnel and other related persons of the Adviser and its affiliates have previously invested for their own accounts. Furthermore, Adviser Personnel and other related persons of the Advisers and its affiliates from time to time invest for their own accounts in securities of companies in which the Funds have previously invested. While the significant interests of the Adviser Personnel generally align the interest of such persons with the Funds, such persons may have differing interests from the Fund with respect to such investments (for example, with respect to the availability and timing of liquidity), creating conflicts of interest. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

The Adviser, its affiliates, and Adviser Personnel may buy or sell securities or other instruments that the Adviser has recommended to Funds. Adviser Personnel may also buy securities in transactions offered to but rejected by Funds. A conflict of interest may arise because such investing Adviser personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of the Fund. In such

circumstances, the investing Adviser personnel will not share or reimburse the relevant Fund(s) and/or the Adviser for any expenses incurred in connection with the investment opportunity.

The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. If officers, principals and employees of the Adviser have made large capital investments in or alongside the Funds they may have conflicting interests with respect to these investments.

Fee Structure

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

Additionally, as discussed above in Item 6, the General Partners of the Funds are entitled to Carried Interest under the terms of the limited partnership agreements of such Funds. Such general partners are affiliates of the Adviser. The existence of the General Partners' Carried Interest may create an incentive for the General Partners to cause such Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation.

Related Services

As described in Item 5 above, the Adviser and its affiliates may perform Related Services for, and will receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds. Such fees will be in addition to any Advisory Fees or Carried Interest paid by the Funds to the Adviser. This creates a conflict of interest between the Adviser and its affiliates and the Funds and their investors because the amounts of these fees may be substantial, however, the Funds and their investors generally share in these fees. The Adviser determines the amount of these fees for Related Services in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees may not (except in connection with the reductions described below) be disclosed to investors in the Funds. The Adviser and its affiliates will in some circumstances reduce the amount of Advisory Fees paid by the applicable Fund in connection with the receipt of such fees. The amount and nature of this reduction varies from Fund to Fund and is set forth in the Advisory Agreement and/or organizational documents of the applicable Fund.

Diverse Membership

The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors may have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors may relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest may arise in connection

with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund and the investors as a whole, not the investment, tax or other objectives of any investor individually.

Business with Portfolio Companies and Investors

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

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

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

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

portfolio company; or prevent one portfolio company from commencing litigation against another portfolio company.

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

The Adviser and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies of the Funds.

Positions with Portfolio Companies

Employees of the Adviser may serve as directors of portfolio companies. Such employees are not required to remit any remuneration they may receive as directors to the applicable Funds. In addition, employees of the Adviser may leave the employment of the Adviser or its affiliates and become an officer or employee of a portfolio company. Employees may receive consulting, management or other fees personally from portfolio companies and such fees will not offset the Advisory Fee.

Fund Level Borrowing

The Funds may from time to time in the future borrow funds or enter into other financing arrangements for various reasons, including to pay fund expenses and liabilities, to pay management fees, organizational expenses, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all limited partners in such Fund on a pro-rata basis, including the general partner. The Funds will also utilize subscription facilities to benefit co-investment parties. For example, a Fund will borrow to fund a co-investment party's pro rata share of an investment or expense related to an investment. While the Adviser expects that all parties participating in an investment (including the general partner and any co-investment party) will bear its pro rata share of the interest expenses but not necessarily origination and other costs allocable to the extension of credit, the Fund will bear a disproportionate amount of the credit risk in incurring the debt on behalf of the other parties.

To the extent the Fund uses borrowed funds in advance or in lieu of capital contributions, the Fund's investors generally make correspondingly later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. As a result, the Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. It is expected that the interest will accrue on any such outstanding borrowings at a lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. Thus, while the Fund will bear the expense

of borrowed funds, such borrowings can also increase the Carried Interest received by the Fund's general partner or will result in the Fund's general partner receiving Carried Interest earlier than it would otherwise have by decreasing the amount of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return. The general partner therefore has a conflict of interest in deciding whether to borrow funds because the general partner may receive disproportionate benefits from such borrowings. Furthermore, the use of Fund-level borrowing for investment purposes are treated as investment capital for purposes of calculating the relevant Fund's Advisory Fee. Therefore, investors pay Advisory Fees on borrowed amounts used to fund an investment even though such amounts would not accrue a preferred return as described above.

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

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

Providers of Operations Support

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

The Operations Support Providers are engaged to provide operational support, due diligence, research, specialized operations and consulting services and similar or related services to the Funds, or in connection with, one or more portfolio companies or prospective portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies (such services collectively, "Operations Support Services"). These services may be high-level insight or extensive day-to-day roles, and may include support to the general partner on behalf of the Funds, or portfolio companies regarding, among other things, the company's management (including serving in management positions or participating in determining corporate strategy), the company's supply chain, revenue and margin management (including determining sales/marketing strategy and retail strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), human capital

management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters and similar operational matters. It is expected that the services provided by the Operations Support Providers will expand over time.

The nature of the relationship with each such Operations Support Provider and the time devotion requirements of each such Operations Support Provider vary significantly. In certain cases, Operations Support Providers have attributes of Adviser Personnel (for instance, they may have dedicated office space, receive Adviser administrative support services, participate in general meetings or events for Adviser personnel, have Adviser e-mail address or business cards), even though they are not employees, affiliates or personnel of the Adviser. Operations Support Providers may be offered the ability (or may have a preferred right) to co-invest alongside Funds or may be offered the opportunity directly by the portfolio company to invest in the company, including in investments in which such Operations Support Provider is involved or participates in the management thereof.

Pursuant to the Organizational Documents of the Funds, fees, compensation, expenses and any attributable overhead associated with Operations Support Services (collectively, "Operations Expenses") are paid and/or reimbursed by the Adviser, portfolio companies and/or the Funds. Operations Expenses (including Operations Expenses incurred in connection with an Operations Support Provider that is an affiliate or employee of the Adviser or its affiliates) will be determined at the discretion of the general partner taking into account the particular Operations Support Services, may include reimbursement of an allocable portion of an affiliated Operations Support Provider's compensation (including, without limitation, salary, bonus, payroll taxes and benefits (including vacation time and sick leave)) and overhead (including, without limitation, rent, property taxes and utilities allocable to the workspaces), an annual fee or retainer, a discretionary bonus, a success fee (in the form of cash or equity) based on pre-determined targets or milestones, a profits or equity interest in the Funds and/or portfolio company or other incentive-based compensation (e.g., Carried Interest) to the Operations Support Provider, and will generally be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operations Support Provider, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such companies. The determination of whether a service is an Operations Support Service will be made by the general partner, in its sole discretion. Operations Expenses may also be incurred in respect of portfolio companies prior to the closing of the investment. In the event an Operations Support Provider is paid an annual retainer, the value provided to the relevant Fund and/or portfolio company by such Operations Support Provider may vary year to year and there can be no assurance that the annual retainer paid will commensurate with the value provided by the Operations Support Provider.

To the extent services are provided for the benefit of a Fund, without reference to a particular portfolio company, Operations Expenses incurred in connection with such services are borne by the Fund and, indirectly, the investors in such Fund. In the event one or more Operations Support Providers (directly or indirectly) is providing services with respect to the Funds, such Operations Expenses will be allocated among the Funds as determined by the general partner or

Adviser, consistent with the Organizational Documents of the applicable Funds and as described above (see “*Allocation of Expenses*”). Over time, certain existing and former employees of the Adviser (including senior personnel) may transition to an Operations Support Provider role, which will shift the burden of compensating such persons from the Adviser to the applicable Fund and/or its portfolio companies, and any fees received by such persons will not reduce the Advisory Fee. It may be difficult to distinguish services provided by the Operations Support Providers from the investment advisory services provided to the Funds by the Adviser and its affiliates.

Service Providers

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

The Adviser and/or its affiliates engage certain service providers to provide services to the Adviser, the Funds and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in a Fund or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor’s admission to a Fund, or during the term of such investor’s investment in the Fund. This creates a conflict of interest, as the Adviser may give such investor preferred economics or other terms with respect to its investment in a Fund, enhanced information or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. The Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors in the Funds to the Funds or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

Additionally, former Adviser employees may also become employees, officers or directors of, or otherwise be engaged by, third-party service providers that provide services to the Adviser, the Funds and/or portfolio companies. While employed by the Adviser, the cost of the compensation,

benefits and attributable overhead provided to these individuals are paid by the Adviser unless a Fund's Organizational Documents permit certain allocations of internal expenses to the Fund. If a former Adviser employee becomes an employee or consultant of a third party that also provides services to a Fund, such former Adviser employee may be assigned by such third party to provide services to that account. In such instance, the cost of the third-party service provider attributable to the former Adviser employee working on the Fund will be borne entirely by the Fund and no such amounts will reduce the management fee paid or the carried interest distributed by such Fund on the basis that such person used to be a former Adviser employee.

Additionally, Adviser Personnel, 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 the Adviser in determining whether to select or recommend such service provider to perform services for a Fund or a portfolio company. Although the Adviser selects service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Fund(s)), there is a possibility that the Adviser, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

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

The Adviser, its personnel, the Funds and the portfolio companies of the Funds 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 the Adviser, its personnel, the Funds, and/or the portfolio companies. As a result, the Adviser or its personnel may receive a more favorable rate on services provided to it by such a common service provider than the rates payable by the Funds and/or the portfolio company, or may receive a discount on services even though the Funds and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between the Adviser and its personnel, on the one hand, and the Funds and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it, 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 the Funds and/or the portfolio companies. Neither the Funds nor investors in the Funds will receive the benefit of any such favorable rate or discount provided to the Adviser, its personnel or its affiliates, and the Advisory Fee paid by any Fund will not be reduced in connection with such favorable rate or discount.

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 Adviser or its

affiliates differ from those required by the Funds and/or its portfolio companies, the Adviser and its affiliates will pay different rates and fees than those paid by the Funds and/or its portfolio companies.

The Adviser and the Funds will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest (e.g., cross transactions and other affiliated transactions). Members of the law firms engaged to represent the Funds may be investors in a Fund and may also represent one or more portfolio companies or investors in a Fund. In the event of a significant dispute or divergence of interest between Funds, the Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of the Adviser and its affiliates, and in litigation and other circumstances, separate representation may be required.

The Adviser from time to time expects to cause the Funds to bear the full cost and expense of engaging certain third-party service providers on behalf of a portfolio company. In the event a Fund is not the sole shareholder of the portfolio company, other shareholders will benefit from the costs incurred by such Fund and will not reimburse the Fund for their pro rata portion of the cost of any such service provider.

Side Letter Agreements

The Adviser may enter into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, confidentiality rights, co-investment rights, and transfer rights.

Other Potential Conflicts

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

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

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For

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

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

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

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

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

Item 12. Brokerage Practices

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

Selection of Brokers and Dealers

For each of the Funds, the Adviser has, subject to the direction of such Fund's general partner, if applicable, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for a Fund involving a broker-dealer, the Adviser will seek "best execution" of the transaction. "Best execution" means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

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

In order to monitor best execution, the Adviser's investment team, in consultation with the Adviser's Chief Compliance Officer ("CCO"), will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Fund.

The Adviser does not currently receive "soft dollars" in connection with its use of broker-dealers and the Adviser's personnel must contact the CCO prior to entering into soft dollar arrangements.

Aggregation of Trades

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

have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction.

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

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the portfolio companies of the Funds and generally maintains an ongoing oversight position in such portfolio companies. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes the members and other investment professionals of the Adviser.

Reporting

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 120 days after the fiscal year end of such Fund, as well as unaudited quarterly summary reports within 45 days after each fiscal quarter end. The Adviser and the applicable General Partner, if any, may from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Investors in a Co-Investment Vehicle will receive the reports and other information described in the organizational documents governing such Co-Investment Vehicle, which may include, for example, financial information regarding the specific portfolio company in which the Co-Investment Vehicle is invested.

Item 14. Client Referrals and Other Compensation

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

The Adviser does not engage in any client referral or investor referral relationships for compensation.

Item 15. Custody

To the extent assets of a Co-Investment Vehicle that does not provide annual audited reports to investors are held by one or more custodial banks, such custodial banks send account statements to investors in such Fund. In addition, the assets of a Co-Investment Vehicle that does not provide annual audited reports to investors will be subject to a custody surprise examination in

compliance with certain provisions of Rule 206(4)-2 of the Investment Advisers Act of 1940 on an annual basis.

Item 16. Investment Discretion

Investment advice is provided directly to the Funds, subject to the direction and control of the general partner of each Fund, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the Advisory Agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the organizational or offering documents of the applicable Fund.

Co-Investment Vehicles and Alternative Investment Vehicles are generally established in order to invest independently or alongside or in the place of one or more Main Funds in a particular investment opportunity, and the Adviser typically has limited discretion to invest the assets of the Co-Investment Vehicles or Alternative Investment Vehicles independent of the limitations as set forth in the organizational documents of the Co-Investment Vehicle or Alternative Investment Vehicle and applicable Main Fund.

Item 17. Voting Client Securities

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

It is the Adviser’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, the Adviser reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Adviser’s Chief Compliance Officer (the “CCO”), the Adviser’s founders, or the relevant Adviser investment professional, the costs associated with voting such Vote outweigh the benefits to the relevant Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Funds. Funds generally cannot direct the Adviser’s Vote.

All Voting decisions initially are referred to the Adviser’s appropriate investment professional for a voting decision. In most cases, the Adviser’s CCO or investment professional covering the particular investment will make the decision as to the appropriate vote for any particular Vote. In making such decision, he or she may rely on any of the information and/or research available to him or her. If the investment professional is making the Voting decision, the investment professional will inform the CCO of any such Voting decision, and if the CCO does not object to such decision as a result of his conflict of interest review, the Vote will be voted in such manner. If the investment professional and the CCO are unable to arrive at an agreement as to how to vote, then the CCO may consult with the Adviser’s founders as to the appropriate vote, who will

then review the issues and arrive at a decision based on the overriding principle of seeking the maximization of the economic value of the relevant Funds' holdings.

The Adviser's CCO has the responsibility to monitor Votes for any conflicts of interest, regardless of whether they are actual or perceived. All Voting decisions will require a mandatory conflicts of interest review by the Adviser's CCO in accordance with these policies and procedures, which will include consideration of whether the Adviser or any investment professional or other person recommending how to vote and/or the Adviser's affiliates has an interest in how the Vote is voted that may present a conflict of interest. In addition, all Adviser investment professionals are expected to perform their tasks relating to the voting of Votes in accordance with the principles set forth above, according the first priority to the best interest of the relevant Funds. The Adviser's CCO will use his best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his independent assessment of the best interests of the Funds.

Where the Adviser's CCO deems appropriate in his sole discretion, unaffiliated third parties may be used to help resolve conflicts. In this regard, the Adviser's CCO shall have the power to retain independent fiduciaries, consultants, or professionals to assist with voting decisions and/or to delegate voting or consent powers to such fiduciaries, consultants or professionals.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Fund and copies of proxy voting policies are available to any client or prospective client upon written request to: Andrew Keating, KarpReilly, LLC, 102 Greenwich Avenue, 2nd Floor, Greenwich, CT 06830.

Item 18. Financial Information

Item 18 is not applicable to the Adviser.