

## Intermediate Capital Group, Inc.

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This brochure provides information about the qualifications and business practices of Intermediate Capital Group, Inc. (the “**Filing Adviser**”) and its affiliates, ICG Debt Advisors LLC – Manager Series, ICG Fund Advisors LLC, ICG Alternative Credit LLC and ICG Strategic Equity Advisors LLC (each, a “**Relying Adviser**”). If you have any questions about the contents of this brochure, please contact the U.S. Chief Compliance Officer, Nathaniel Kiernan, at 1-646-970-1270 or by email to [Nathaniel.Kiernan@icgam.com](mailto:Nathaniel.Kiernan@icgam.com). In addition, questions may also be directed to the Associate Director on the Compliance Team, Alyssa Benson, at 1-212-295-5855 or by email at [Alyssa.Benson@icgam.com](mailto:Alyssa.Benson@icgam.com). 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.

Intermediate Capital Group, Inc. and the Relying Advisers are each registered with the SEC as an investment adviser. Registration as an investment adviser does not imply any level of skill or training.

Additional information about Intermediate Capital Group, Inc. and the Relying Advisers is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Item 2: Material Changes**

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This brochure has been updated since the last annual update dated March 2023 to reflect the following material changes:

There have been no material changes of note.

**Item 3: Table of Contents**

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**Item 4: Advisory Business**

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Intermediate Capital Group, Inc. (“**Intermediate Capital**”), a Delaware corporation, was formed in July 2007 and is a wholly-owned subsidiary of ICG FMC Limited, a company incorporated in the United Kingdom. ICG FMC Limited is a wholly-owned subsidiary of Intermediate Capital Group plc, the parent organization and a premium listed company on the London Stock Exchange. Intermediate Capital Group plc and its affiliates (collectively, the “**ICG Group**”, and together with Intermediate Capital, “**ICG**”) provides discretionary management and investment advisory services to third-party assets.

ICG Group is a global specialist asset management firm providing investment advice relating to private debt (credit), mezzanine finance, syndicated bank loans (CLOs) , , structured credit, real assets (real estate), life sciences, LP and GP led secondaries and private equity. With approximately 621 employees, including approximately 306 investment professionals as of December 31, 2023, the ICG Group provides investment advisory services to institutional investors, including banks and other financial institution, insurance companies, investment companies, public and private retirement and pension plans, state and municipal government agencies, sovereign wealth funds, hedge funds and fund of funds, corporations and family offices. The ICG Group is headquartered in London and has offices in Paris, Madrid, Milan, Stockholm, Frankfurt, Amsterdam, Hong Kong, Sydney, New York, Singapore, Tokyo, Luxembourg, Dubai, Toronto, Copenhagen and Warsaw.

Intermediate Capital wholly owns four subsidiaries: ICG Debt Advisors LLC – Manager Series, ICG Fund Advisors LLC, ICG Alternative Credit LLC and ICG Strategic Equity Advisors LLC. Pursuant to umbrella registration, these subsidiaries are relying advisers included on Schedule R to Part 1A of the Form ADV of Intermediate Capital. Certain personnel of one or more non-U.S. affiliates of the Advisors (as defined below) (the “**Participating Affiliates**”) provide investment advice and other financial services, through the Advisors, to U.S. clients of the Advisors pursuant to a participating affiliate agreement. Such Participating Affiliates are deemed to be “participating affiliates” of the Advisors and such personnel are deemed to be “associated persons” of the Advisors. The Participating Affiliates are not separately registered as investment advisers in reliance on an SEC No-Action Letter (Uniao de Bancos de Brasileiros S.A., pub. avail. July 28, 1992) and related SEC guidance.

Intermediate Capital formed a new Delaware series limited liability company on December 9, 2016, with the name “ICG Debt Advisors Series LLC” (the “**Series LLC**”), of which the CLOs’ (as defined below) collateral manager (then named “ICG Debt Advisors Series LLC – Manager Series”) (the “**Collateral Manager**”) is a series. Concurrently therewith, Intermediate Capital contributed all of its rights, title and interest in its ownership interests of ICG Debt Advisors LLC, a Delaware limited liability company formed in 2013 (the “**Legacy Collateral Manager**”), to the Collateral Manager, pursuant to which the Legacy Collateral Manager became a wholly-owned subsidiary of the Collateral Manager. On December 29, 2016, the Legacy Collateral Manager assigned all of its rights, title and interest in the collateral management agreements under which the Legacy Collateral Manager acted as collateral manager (the “**Legacy Collateral Management Agreements**”) to the Collateral Manager and distributed all of its assets to the Collateral Manager. Following such assignment and contribution, the Collateral Manager became the collateral manager under the Legacy Collateral Management Agreements and the Legacy Collateral Manager was unwound and dissolved. Subsequently, the Series LLC changed its name to “ICG Debt Advisors LLC” and as a result the Collateral Manager changed its name to “ICG Debt Advisors LLC—Manager Series”. The Series LLC also has a series named ICG Debt Advisors LLC – Holdings Series, which is used to hold interests in CLOs necessary to comply with risk retention requirements in the European Union.

ICG Debt Advisors LLC – Manager Series (“**ICG Debt Advisors – Manager Series**”) offers discretionary management services to collateralized loan obligation vehicles, as disclosed on the Filing Adviser’s Form ADV Part 1A and any other collateralized loan obligation vehicles as could be formed in the future (each, a “CLO” and collectively, the “**CLOs**”). ICG Debt Advisors LLC – Manager Series also provides discretionary advisory services to ICG US Senior Loan Fund (Cayman) LP and ICG US Senior Loan Fund (Cayman) Master LP (collectively, the “**Loan Fund**”).

ICG Fund Advisors LLC, ICG North American Private Debt GP LP and ICG North American Private Debt (Offshore) GP LP (the latter two entities, together, the “**Private Debt Fund General Partner**”, ICG North American Private Debt II GP LP and ICG North American Private Debt II (Offshore) GP LP (together, the “**Private Debt Fund II General Partner**”), ICG North America Associates III LLC and ICG North America Associates III S.a.r.l. (the latter two entities, together, the “**Private Debt Fund III General Partner**”) and, together with ICG Fund Advisors LLC, “**ICG Fund Advisors**”) offer discretionary advisory services to ICG North American Private Debt Fund LP, ICG North American Private Debt Fund (Offshore) LP and ICG North America Holdings Ltd (collectively, with any parallel funds or accounts, the “**Private Debt Fund**”), ICG North American Private Debt Fund II LP and ICG North American Private Debt Fund II (Offshore) LP (collectively, “**Private Debt Fund II**”), ICG North American Credit Partners Fund III LP and ICG North American Credit Partners Fund III (Feeder) SCSp (collectively, with any parallel funds or accounts, the “**Private Debt Fund III**” and together with the Private Debt Fund and Private Debt Fund II, the “**Private Debt Funds**”). Intermediate Capital also wholly owns ICG Debt Administration LLC, which acts as administrative agent with respect to certain investments made by the Private Debt Fund and other investors. Unless otherwise provided, any references to the “Private Debt Fund General Partner” herein are deemed to include the Private Debt Fund II General Partner and Private Debt Fund III General Partner.

ICG Alternative Credit LLC (“**ICG Alternative Credit**”), offers discretionary advisory services to ICG Alternative Credit (Cayman) Master LP (the “**Alternative Credit Master Fund**”), ICG Alternative Credit (Cayman) LP (the “**Alternative Credit Offshore Feeder Fund**”), ICG Alternative Credit Ltd. (the “**Alternative Credit Corporate Feeder Fund**”) and ICG Alternative Credit (Delaware) LP (the “**Alternative Credit Onshore Fund**” and, collectively with the Alternative Credit Master Fund, the Alternative Credit Offshore Feeder Fund and the Alternative Credit Corporate Feeder Fund, the “**Alternative Credit Fund**”). The Alternative Credit Offshore Feeder Fund and the Alternative Credit Onshore Fund invest substantially all of their assets in the Alternative Credit Master Fund. The Alternative Credit Corporate Feeder Fund invests substantially all of its assets in the Alternative Credit Offshore Feeder Fund. ICG Alternative Credit offers discretionary advisory services to Raattama Fund Limited, which invests substantially all of its assets in the Alternative Credit Corporate Feeder Fund and in profit sharing notes issued by Raattama Fund Cayman LP, which invests substantially all of its assets in certain co-investment opportunities made available by ICG Alternative Credit. ICG Alternative Credit offers discretionary advisory services to ICG Alternative Credit Warehouse Fund I, LP, which is a single investor fund organized primarily to invest capital into CLO warehouses managed by unaffiliated CLO managers.

ICG Alternative Credit also offers discretionary advisory services to ICG Structured Special Opportunities (Offshore) LP (the “**SSO Cayman Feeder Fund**”) and ICG Structured Special Opportunities (Cayman) Master LP (the “**SSO Master Fund**”, and collectively with the SSO Cayman Feeder, the “**SSO Fund**”). The SSO Cayman Feeder Fund invests substantially all of its assets in the SSO Master Fund.

ICG Strategic Equity Advisors LLC, ICG Strategic Secondaries II GP LP, ICG Strategic Secondaries II (Offshore) GP LP, ICG Strategic Equity III GP LP, ICG Strategic Equity III (Offshore) GP LP, ICG Strategic Equity IV GP LP, ICG Strategic Equity IV GP LP SCSp, ICG Strategic Equity Associates IV LLC, ICG Strategic Equity GP V LLC and ICG Strategic Equity GP V S.a.r.l. (collectively, as the context requires, the

**“Equity Fund General Partner”**) and ICG Strategic Equity Side Car GP LP and ICG Strategic Equity Side Car II GP LP (collectively, as the context requires, the **“Side Car General Partner”** and, collectively with ICG Strategic Equity Advisors LLC, the Equity Fund General Partner, **“ICG Equity Advisors”**) offer discretionary advisory services to ICG Augusta Partners Co-Investor II LP and ICG Augusta Partners Co-Investor II (Offshore) LP (together, the **“Augusta Fund”**), ICG Cheetah Co-Investor II LP and ICG Cheetah Co-Investor II (Offshore) LP (together, the **“Cheetah Fund”**), ICG Dallas Co-Investor LP and ICG Dallas Co-Investor (Feeder) LP (together, the **“Dallas Fund”** and collectively with the Augusta Fund and the Cheetah Fund, the **“Special Purpose Investment Vehicles”**), ICG Excelsior Co-Invest Side Car LP, ICG Strategic Equity Side Car I LP and ICG Strategic Equity Side Car II LP (collectively, as the context requires, the **“Side Car”**), and ICG Strategic Secondaries II Holdings Ltd, ICG Strategic Secondaries Fund II LP, ICG Strategic Secondaries Fund II (Offshore) LP, ICG Strategic Equity Fund III LP, ICG Strategic Equity Fund III (Offshore) LP, ICG Strategic Equity Fund IV LP ICG Strategic Equity Fund IV (Feeder) SCSp, ICG Strategic Equity Fund V (USD) LP, ICG SE V (USD Feeder) SCSp, ICG Strategic Equity Fund V (EUR) SCSp, ICG SE V (EU Feeder) SCSp (collectively, as the context requires, the **“Equity Fund”**), as the case may be. The Special Purpose Investment Vehicles, the Side Car and the Equity Fund are collectively referred to herein as the **“Equity Vehicles”** and the Side Car General Partner and the Equity Fund General Partner are collectively referred to herein as the **“Equity Vehicle General Partners”**.

Intermediate Capital offers discretionary advisory services to ICG LP Secondaries Fund I LP (**“LP Secondaries Master Fund”**) and ICG LP Secondaries Fund I (Feeder) SCSp (**“LP Secondaries Feeder Fund”**), collectively with the LP Secondaries Master Fund, the **“LP Secondaries Fund”**). The LP Secondaries Feeder Fund invests substantially all of its assets in the LP Secondaries Master Fund.

In addition, Intermediate Capital offers discretionary advisory services to ICG Ludgate Hill IIA Boston LP and ICG Ludgate Hill IIIA Porsche LP (collectively, the **“ICG LP Secondaries Master Co-Investment Vehicles”**) which are warehousing and co-investment vehicles affiliated with the LP Secondaries Fund, and ICG Ludgate Hill (Feeder) IIA Boston SCSp and ICG Ludgate Hill (Feeder) IIIA Porsche SCSp (collectively, the **“ICG LP Secondaries Feeder Co-Investment Vehicles”** and collectively with the ICG LP Secondaries Master Co-Investment Vehicles, the **“ICG LP Secondaries Co-Investment Vehicles”**). Each ICG LP Secondaries Feeder Co-Investment Vehicle invests substantially all of its assets in its respective ICG LP Secondaries Master Co-Investment Vehicle.

Intermediate Capital could also serve as an investment adviser directly to other institutional clients, including U.S. and non-U.S. pension plans and sovereign wealth funds through separately managed accounts and pursuant to investment management agreements (the **“SMAs”**), which for purposes of this brochure includes certain multi-strategy funds of one. Such investment management agreements (**“IMAs”**) are generally negotiated on a case-by-case basis.

The CLOs, the Loan Fund, the Private Debt Fund, the Alternative Credit Fund, the SSO Fund, the LP Secondaries Fund, the ICG LP Secondaries Co-Investment Vehicle, the Special Purpose Investment Vehicles, the Side Car, the Equity Fund, and the SMAs, together with any future funds or accounts advised by the Advisor, are collectively referred to herein as the **“Investment Vehicles”**.

The Private Debt Fund General Partner, ICG Alternative Credit (Cayman) GP Limited (the **“Alternative Credit Fund General Partner”**), ICG Structured Special Opportunities GP Limited (the **“SSO Fund General Partner”**), ICG LP Secondaries Associates I LLC (the **“LP Secondaries General Partner”**), ICG LP Secondaries Fund Associates I S.A.R.L (the **“LP Secondaries Lux GP”**) and the Equity Vehicle General Partners are not separately registered as investment advisers in reliance on an SEC No-Action Letter (American Bar Association, Subcommittee on Private Investment Entities, pub. avail. December 8, 2005).

Each Investment Vehicle is exempt from registration as an investment company pursuant to Section 3(c)(7) or 7(d) of the U.S. Investment Company Act of 1940, as amended.

ICG Debt Advisors – Manager Series, ICG Fund Advisors, ICG Alternative Credit, ICG Equity Advisors and Intermediate Capital are herein collectively termed the “**Advisors**” or “**ICG**”, and each, individually, an “**Advisor**.”

Each CLO invests in a diversified pool consisting primarily of loans and, in some cases, to a lesser extent as permitted by the governing documents and/or applicable regulatory exemptions, bonds and other obligations. The Private Debt Funds invest in portfolios of private investments primarily consisting of subordinated debt, but which could also include senior secured debt, preferred stock, equity co-investments and other assets and securities. It primarily targets investments in middle market North American companies. The Alternative Credit Fund invests in a portfolio of credit investments consisting of high yield and investment grade securities, as well as other illiquid and structured credit instruments. Each of the Special Purpose Investment Vehicles pursues a private equity secondaries investment strategy by investing in an identified investment vehicle that is sponsored by a third party not affiliated with ICG. The Equity Fund and the Side Car each pursue a private equity secondaries investment strategy by investing in a portfolio of private investments, primarily consisting of purchases of interests in underlying funds through fund restructuring transactions and other secondary market transactions, as well as other investments.

The terms upon which Intermediate Capital serves as investment manager (investment advisor) to Pooled Investment Vehicles are generally set out in the governing (organizational and offering) documents entered into by Intermediate Capital with respect to the relevant Investment Vehicle and disclosed in the offering or disclosure documents for the relevant Investment Vehicle, as applicable. These terms, which vary among each Investment Vehicle, could limit the investments Intermediate Capital can invest on behalf of the relevant Investment Vehicle based on security classes, geographies, concentration limits, leverage limits and/or other criteria, among others. Therefore, Intermediate Capital manages the Investment Vehicles pursuant to the objectives specified in the materials through which they are offered and generally will not tailor investment advice to the individual needs of any particular investor in an Investment Vehicle (“**Investors**”). Investors do not have the right to specify, restrict, or influence the investment objectives or any investment or trading decisions of the relevant Investment Vehicle, except insofar as they have consent rights to certain amendments to the limited partnership agreement (each, a “**Limited Partnership Agreement**”) governing such Investment Vehicle, or, in the case of a CLO, following an event of default or as expressly permitted by the CLO documentation.

As of December 31, 2023, ICG managed “Regulatory Assets under Management” of approximately \$30,393,452,037 on a discretionary basis for the Investment Vehicles.

## **Item 5: Fees and Compensation**

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### **Management Fees**

For the services they provide to the Investment Vehicles, each of the Advisors will be entitled to receive a management fee (a “**Management Fee**”). Investors in the Investment Vehicles also bear an “incentive fee”, “carried interest”, “performance allocation”, or other similar performance-based fee (as further described in Item 6 below).

For the services ICG Debt Advisors – Manager Series provides to each CLO, it will generally deduct a quarterly Management Fee in arrears, which will include a “Base Management Fee” and a “Subordinated Management Fee”. Both the Base Management Fee and the Subordinated Management Fee will generally



equal a percentage per annum based upon the principal amounts of assets under management (subject to reduction in respect of certain assets). In addition, as described in the offering circular of each CLO, on the closing date for the notes issued by the CLO, the CLO will generally reimburse ICG Debt Advisors – Manager Series for certain expenses incurred by it in connection with such closing, as well as for other expenses incurred by it over the life of the CLO (as described further below under “Expenses”) and pay ICG Debt Advisors – Manager Series a structuring fee. For the services ICG Debt Advisors – Manager Series provides to the Loan Fund, it will generally receive a Management Fee in respect to each Investor’s capital in the Loan Fund, payable on a monthly basis in arrears.

For the services ICG Fund Advisors provides to the Private Debt Funds, it will generally receive a Management Fee quarterly in advance in respect of each Investor in the Private Debt Funds other than certain Investors affiliated with the general partner. In the event that the Private Debt Funds respective investment advisory agreement with ICG Fund Advisors is terminated before the end of a quarter for which the Management Fee has been paid, ICG Fund Advisors will pro rate such Management Fee based on the number of days elapsed and refund the amount of the Management Fee allocable to the period subsequent to the termination date. With respect to the Private Debt Funds, the Management Fee throughout its term will generally equal a percentage per annum based upon aggregate capital contributions of all Investors (other than affiliates of the Private Debt Fund General Partner) with respect to investments that have not been disposed of (together with outstanding borrowings for such investments). Management Fees are paid by the Private Debt Fund on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. Management Fees will be reduced by 100% of each Investor’s allocable share of any commitment, closing, origination, transaction, break-up, directors’, monitoring, management, amendment and other similar fees paid to ICG Fund Advisors and its affiliates in connection with the provision of capital and/or services to a portfolio company of the Private Debt Fund.

For the services ICG Alternative Credit provides to the Alternative Credit Fund, it will generally receive a Management Fee in respect to each Investor’s capital in the Alternative Credit Fund. The Management Fee will accrue on a monthly basis and will be payable quarterly in arrears. The Management Fee will be prorated for any period that is less than a full fiscal quarter.

For the services ICG Alternative Credit provides to the SSO Fund, it will generally receive a Management Fee in respect of each Investor’s capital in the SSO Fund. The Management Fee will generally equal a percentage per annum based on an Investor’s share of the acquisition cost of the SSO Fund’s investments less any investments that have been realized and any amounts advanced by the Investor in respect of other fees. Management Fees are paid by the SSO Fund on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. The Management Fee will accrue on a monthly basis and will be payable quarterly in advance. The Management Fee will be prorated for any period that is less than a full fiscal quarter. Management Fees will be reduced by 100% of each Investor’s allocable share of any commitment, closing, origination, transaction, break-up, directors’, monitoring, management, amendment and other similar fees paid to the SSO Fund General Partner and its affiliates in connection with the provision of capital and/or services to a portfolio company of the SSO Fund.

For the services ICG Equity Advisors provides to the Equity Fund, it will generally receive a Management Fee quarterly in advance in respect of each Investor in the Equity Fund. In the event that the Equity Fund’s investment advisory agreement with ICG Equity Advisors is terminated before the end of a quarter for which the Management Fee has been paid, ICG Equity Advisors will pro rate such Management Fee based on the number of days elapsed and refund the amount of the Management Fee allocable to the period subsequent to the termination date. The Management Fee during the investment period will generally



equal a percentage per annum based upon committed capital. After the earlier of (i) the end of the investment period and (ii) the time management fees in connection with a successor fund have begun to accrue, the Management Fee will equal a percentage per annum based upon the aggregate capital contributions of all Investors (other than affiliates of the Equity Fund General Partner) with respect to investments that have not been disposed of (together with outstanding borrowings for such investments). Management Fees are paid by the Equity Fund on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. Management Fees will be reduced by 100% of the portion of any commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment and other similar fees representing the proportionate share of the capital contributions by the Investors that are not affiliates of the Equity Fund General Partner relative to the capital contributions of all Investors for such investment paid to ICG Equity Advisors and its affiliates in connection with the provision of capital and/or services to a portfolio company by the Equity Fund.

For the services ICG Equity Advisors provides to the Side Car, it will generally receive a Management Fee quarterly in advance in respect of each Investor in the Side Car. In the event that the Side Car's investment advisory agreement with ICG Equity Advisors is terminated before the end of a quarter for which the Management Fee has been paid, ICG Equity Advisors will pro rate such Management Fee based on the number of days elapsed and refund the amount of the Management Fee allocable to the period subsequent to the termination date. The Management Fee will generally be equal to a percentage per annum multiplied by either (a) the sum of (x) the net asset value with respect to such Investor's interest as of the most recent date of determination and (y) such Investor's pro rata share of any outstanding borrowings by the Side Car and any portfolio investments or (b) either (x) until the end of the investment period, committed capital and (y) after the end of the investment period, the sum of (i) the fair market value of all unrealized investments and a specified portion of available cash as of such date. Management Fees are paid by the Side Car on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. Management Fees will be reduced by 100% of the portion of any commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment and other similar fees representing the proportionate share of the capital contributions by the Investors that are not affiliates of the Side Car General Partner relative to the capital contributions of all Investors for such investment paid to ICG Equity Advisors and its affiliates in connection with the provision of capital and/or services to a portfolio company by the Side Car.

For the services ICG Equity Advisors provides to the Augusta Fund, the Dallas Fund, and the Cheetah Fund, it will generally receive a Management Fee quarterly in advance in respect of each Investor in the Augusta Fund, the Dallas Fund, and the Cheetah Fund, respectively. In the event that the Augusta Fund's, the Dallas Fund's, or the Cheetah Fund's investment advisory agreement with ICG Equity Advisors is terminated before the end of a quarter for which the Management Fee has been paid, ICG Equity Advisors will pro rate such Management Fee based on the number of days elapsed and refund the amount of the Management Fee allocable to the period subsequent to the termination date. The Management Fee will generally be equal to a percentage per annum multiplied by the aggregate capital contributions by such Investor with respect to investments that have not been disposed of (together with outstanding borrowings for such investments, including the Augusta Fund's, the Dallas Fund, and the Cheetah Fund's pro rata share of borrowings by the underlying fund). Management Fees are paid by the Augusta Fund, the Dallas Fund, and the Cheetah Fund on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. Management Fees will be reduced by 100% of the portion of any commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment and other similar fees representing the proportionate share of the capital contributions by the Investors that are not

affiliates of the Equity Fund General Partner relative to the capital contributions of all Investors for such investment paid to ICG Equity Advisors and its affiliates in connection with the provision of capital and/or services to a portfolio company by the Augusta Fund, the Dallas Fund, and the Cheetah Fund.

For the services Intermediate Capital provides to the LP Secondaries Fund, it will generally receive a Management Fee in respect of each Investor's capital in the LP Secondaries Fund. The Management Fee will generally equal a percentage per annum based on an Investor's capital commitment. Management Fees are paid by the LP Secondaries Fund on behalf of its Investors by requiring such Investors to make capital contributions in respect of such fees, by withholding such amounts from distributions to Investors and/or through borrowings. The Management Fee will accrue on a daily basis and will be payable quarterly in advance. The Management Fee will be prorated for any period that is less than a full fiscal quarter. Management Fees will be reduced by 100% of the prorated share of each Investor that is not an affiliate of the LP Secondaries General Partner by net amount of (a) commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment, and other similar fees; (b) any placement fees; and (c) any excess organizational expenses.

For the services Intermediate Capital provides to the ICG LP Secondaries Co-Investment Vehicle it will generally receive a Management Fee based on the profit share of LP Secondaries General Partner in its capacity as general partner of the ICG LP Secondaries Master Co-Investment Vehicle, which is in respect of each Investor's capital in the ICG LP Secondaries Co-Investment Vehicle. The profit share will generally equal a percentage per annum based on an Investor's capital commitment. Management Fees are paid by LP Secondaries General Partner in its capacity as general partner of the ICG LP Secondaries Master Co-Investment Vehicle on behalf of Investors by requiring such Investors to make capital contributions in respect of LP Secondaries General Partner's profit share, by withholding such amounts from distributions to Investors and/or through borrowings. The profit share will accrue on a daily basis and will be payable quarterly in advance. The profit share will be prorated for any period that is less than a full fiscal quarter.

The Private Debt Fund General Partner, the Alternative Credit Fund General Partner, the Side Car General Partner, the SSO General Partner, and the Equity Fund General Partner have each waived the Management Fee as it applies to interests in the relevant fund held by such general partner, the Advisor, ICG Group and their respective affiliates, including their employees, officers, directors, and managers, and affiliates or family members thereof or entities for their benefit, and such general partners have in the past, and could in the future waive, reduce or vary the Management Fee as to one or more other particular Investors, by separate agreement, or without notice to the other Investors.

**For the services Intermediate Capital provides to SMAs, fees will be determined on a case-by-case basis, which could include management fees and or performance-based compensation. Expenses**

The following is a list of expenses that are typically borne by the Investment Vehicles (and indirectly by the Investors in the Investment Vehicles) and paid to third parties. This list is not intended to be exhaustive; prospective and existing Investors in the Investment Vehicles are advised to review the organizational documents and offering memoranda for the particular Investment Vehicle for a more extensive description of the expenses associated with an investment in such Investment Vehicle. Additionally, one or more members of the ICG Group, in its sole discretion, subject to limitations in the Investment Advisers Act of 1940 could determine who is best suited to bear any of the following expenses in lieu of one of the Investment Vehicles.

Fees, costs and expenses of maintaining the operations of the Investment Vehicle and its investments (including travel costs and related expenses associated therewith) paid by or on behalf of the Investment Vehicle and not paid or reimbursed by the related portfolio companies, including, without limitation, fees,

costs and expenses for and/or relating to advisors, operating partners, trustees, custodians and depositaries and legal, investment banking, filing, auditing, consulting, compliance, administration, middle office functions performed by the administrator (including trade capture and reconciliations; affirmation, confirmation and matching of trades; valuation; collateral and trade settlements), accounting, research and other professional fees and expenses (including, expenses of consultants and experts' fees relating to particular investments, as applicable), fees charged ICG Group to provide legal, tax or administrative services related to the Investment Vehicles, (and expenses incurred directly by ICG Group in connection with the provision of such administrative services), liquidation expenses and costs and expenses associated with the operation and maintenance of the general partner of any Investment Vehicle and any alternative, carried interest or other vehicles related to an Investment Vehicle;

organizational expenses, including legal, compliance, accounting, filing, capital raising, meals, lodging, travel and other organizational expenses and organizational expenses of any feeder funds;

broken-deal expenses (including, as applicable, in respect of co-investment opportunities, the portion of any such costs that would have been allocated to the ICG Group and/or co-investors had the relevant investment opportunity been consummated);

- government fees and taxes;
- information, communication and reporting costs, including annual meeting expenses (excluding expenses incurred by individual Investors in connection with attending the annual meeting), expenses of the advisory committee and financial statements, tax returns and Schedules K-1 expenses;

Operational related expenses for the Investment Vehicle and, to the extent consistent with the Advisers Act, the Advisor (including expenses incurred in connection with complying with provisions in investor side letter agreements, including "most favored nations" provisions);

- consulting fees, agent bank and other bank service fees; costs and expenses of any lenders, investment banks and other financing sources, principal, interest on, insurance and fees and expenses incurred in respect of all borrowings, guarantees and credit support obligations of the Investment Vehicle, including, but not limited to, the arranging thereof, and fees, costs and expenses associated with portfolio and risk management, including currency and interest rate hedging;
- subject to the Advisers Act limitations, costs and expenses of any litigation involving the Investment Vehicle or any Investment Vehicle's investment and the amount of any judgments, fines, or remediation (whether involving alleged wrongdoing or otherwise) paid in connection therewith, directors and officers, liability or other insurance and indemnification (including advancement of any fees, costs or expenses to persons entitled to indemnification) or extraordinary expense or liability relating to the affairs of the Investment Vehicle, including indemnification obligations to any placement agents and finders in connection with the offer and sale of interests in the Investment Vehicle and any costs and expenses associated with third-party examinations or audits of the Investment Vehicle or the Advisor that are attributable to the operation of the Investment Vehicle or requested by Investors;

Fees, costs, and expenses (including director registration fees) of the BOD and officers (including persons appointed to act as AML officers of the Investment Vehicles pursuant to the applicable law in the Cayman Islands and Luxembourg ("AML Officers" or "MLROs"));

- fees, costs and expenses (including fees relating to the preparation and filing of Form PF, reports to be filed in connection with the requirements of the U.S. Commodity Futures Trading Commission (including Form CPO-PQR, and Form NFA-PQR, as applicable), relating to reports, disclosures, filings and notifications prepared in connection with the laws, rules, regulations or similar requirements of jurisdictions in which the Investment Vehicle engages in activities (or in which any prospective Investor is resident or established), which additionally includes any fees incurred in compliance with the rules of any self-regulatory organization or any federal, state, or local laws and any notices, reports and/or filings in accordance with the Directive 2011/61/EU of

the European Parliament and of the Council on Alternative Investment Fund Managers, the European Sustainable Finance Disclosure Regulation and/or other regulatory filings, notices or disclosures of the Advisor and its Affiliates relating to the Investment Vehicle's direct or indirect activities); and

- fees, costs and expenses of winding-up the Investment Vehicles and other expenses relating to the acquisition, holding, monitoring, settlement, and disposition of the Investment Vehicle's investments (including any due diligence expenses, any brokerage, custody or hedging costs, and any travel and accommodation expenses (including, without limitation, social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers) associated with the Investment Vehicle's activities), the costs and expenses associated with vehicles through which the Investment Vehicle or the investors directly or indirectly participate in investments or otherwise facilitating the Investment Vehicle's investment activities, and the fees, costs and expenses of any custodians, consultants, valuation experts, lenders, banks, investment banks and other financing sources.

Each of the Equity Vehicles bears its direct expenses and management costs, as well as its pro rata share of the expenses and management costs incurred by the underlying funds in which it invests. It is expected that the underlying funds will charge management fees and incentive fees or carried interest to their investors, a portion of which will be paid, indirectly, by the Equity Vehicles, as applicable. Such fees and expenses are expected to materially reduce the actual returns to the respective limited partners and will result in greater expense than if limited partners were to invest directly in those underlying funds or the underlying companies in their portfolios. Fees and expenses of the Equity Vehicles and the underlying funds in which they invest will generally be paid regardless of whether such Equity Vehicles or their underlying funds produce positive investment returns.

The CLOs, the Loan Fund, and the Alternative Credit Fund are responsible for and do incur other fees and expenses related to the transactions ICG Debt Advisors – Manager Series and ICG Alternative Credit, as applicable, execute for their respective accounts. These fees and expenses could include brokerage fees, commissions, mark-ups or mark-downs and other related transaction costs; custodial charges; interest expenses; taxes, duties, and other governmental charges; transfer and registration fees or similar expenses; other portfolio expenses; sales and use taxes; and other costs, expenses and fees (including third-party settlement related fees that could be charged in connection with certain types of investments).

For further details on ICG Debt Advisors LLC – Manager Series' and ICG Equity Advisor's brokerage practices refer to Item 12 of this Brochure.

#### **Item 6: Performance-Based Fees and Side-By-Side Management**

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Each CLO will charge an "incentive management fee" that will generally be equal to a specified percentage of the available proceeds after the subordinated notes have achieved a specified internal rate of return and will be paid by the CLO to ICG Debt Advisors – Manager Series.

The Alternative Credit Fund will allocate a portion of its investment profits to an affiliate of Intermediate Capital Group plc (the "**Alternative Credit Special Limited Partner**") as a performance allocation of a specified percentage of profits on investments over a high-water mark, as further set forth in the Alternative Credit Fund's organizational documents.

Each of the Private Debt Funds, the SSO Fund, the LP Secondaries Fund, the ICG LP Secondaries Co-Investment Vehicles, and the Equity Vehicles will allocate a portion of its investment profits to one or more affiliates of Intermediate Capital Group plc as a carried interest of a specified percentage of profits on distributions derived from the disposition of investments (and, in certain circumstances, other income

from investments) following a preferred return to the Investors in such Investment Vehicle, in each case, as further set forth in the legal documents and offering memoranda for such Investment Vehicle.

The Private Debt Fund General Partner, the Alternative Credit Fund General Partner, the SSO Fund General Partner, the LP Secondaries General Partner, and the Equity Vehicle General Partners have each waived their performance allocations with respect to investments made by such general partner, the Advisor, ICG Group and their respective affiliates, including their employees, officers, directors, and managers and affiliates or family members thereof or entities for their benefit, and such general partners have in the past and could in the future vary, waive, or reduce performance allocations with respect to one or more other particular Investors without notice to the other Investors.

As described in Item 5, SMAs could be charged performance-based fees, as negotiated on a case-by-case basis.

The terms of the performance-based compensation that Intermediate Capital or its affiliates receive could differ between the various Investment Vehicles, and some Investment Vehicles do not provide for any performance-based compensation to Intermediate Capital or its affiliates. This results in a conflict of interest in some cases when opportunities are allocated among these Investment Vehicles because Intermediate Capital will have an incentive to favor an account that pays higher performance-based compensation. To mitigate such a conflict-of-interest Intermediate Capital generally follows documented procedures in allocating opportunities among such Investment Vehicles, which do not take into account the performance-based compensation to which such vehicles are subject. Disparities in fee structures can also create an incentive for the Advisor to disproportionately allocate time, services or functions to Investment Vehicles paying performance-based compensation or paying such compensation at a higher rate. Further, performance-based fee arrangements create an incentive to recommend investments which are riskier or more speculative than those which would be recommended under a different fee arrangement.

Please see “Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading – Certain Potential Conflicts of Interest – Performance Allocation / Fund Management Fee and Allocation of Investment Opportunities” for further information regarding conflicts of interest in relation to performance-based fees.

## **Item 7: Types of Clients**

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The Advisor manages the Investment Vehicles which includes pooled investment vehicles, funds and separately managed accounts. Investors in the Investment Vehicles could include a variety of institutional investors capable of understanding the risks of their investments, including the following types of Investors:

- Banks and other financial institutions
- Insurance companies
- Investment companies
- Public and private retirement and pension plans
- State and municipal government agencies
- Sovereign wealth funds
- Hedge funds and fund of funds
- Corporations
- Family Offices

Each Investor (other than non-US Investors in certain Investment Vehicles organized outside the United States, such as ICG Alternative Credit (Cayman) LP and the CLOs) will be a “qualified purchaser” as that term is defined in the U.S. Investment Company Act of 1940, as amended. ICG requires the Investors to make representations concerning their level of financial sophistication and their ability to bear the risk of loss of their entire investment.

The minimum initial investment in a CLO generally is \$250,000.

The minimum initial investment in the Senior Loan Fund is \$1,000,000, although certain classes have a higher minimum investment amount.

The minimum initial investment in the Private Debt Fund is \$10,000,000 or such lesser amount as determined in the sole discretion of the Private Debt Fund General Partner.

The minimum initial investment in the Alternative Credit Fund is \$250,000 or €200,000 (depending on the tranche of the Alternative Credit Fund in which such investment is made) or such lesser amount as determined in the sole discretion of the Alternative Credit Fund General Partner.

There is no minimum initial investment in the SSO Fund.

There is no minimum initial investment in the Special Purpose Investment Vehicles or the Side Car.

The minimum initial investment in the Equity Fund is \$10,000,000 or such lesser amount as determined in the sole discretion of the Equity Fund General Partner.

The minimum investment in the LP Secondaries Fund is \$10,000,000 or such lesser amount as determined in the sole discretion of the LP Secondaries General Partner.

The minimum investment in any ICG LP Secondaries Co-Investment Vehicle is \$10,000,000 or such lesser amount as determined in the sole discretion of the LP Secondaries General Partner.

Minimum investment amounts in the Investment Vehicles have been reduced or waived in the past by an investment fund’s General Partner and are expected to be reduced or waived for certain Investment Vehicles in the future.

Any minimum initial investment amount for SMAs will be determined on a case-by-case basis.

## **Item 8: Methods of Analysis, Investment Strategies and Risk of Loss**

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### **Methods of Analysis & Investment Strategy**

#### **The CLOs and Loan Fund**

ICG Debt Advisors – Manager Series’ investment process for evaluating potential opportunities and investments could include a variety of proprietary and non-proprietary research models and methods of analyses. It derives information used to make investment decisions on behalf of the Loan Fund and CLOs from a variety of both internal and external resources, such as financial newspapers and magazines, research and reports provided by third parties and corporate ratings services. In addition, ICG Debt Advisors – Manager Series generally conducts an in-depth review of the target companies/investments, which could include, without limitation, (i) analyses of corporate activities and financials, (ii) reviews of



annual reports, prospectuses and other filings with the SEC, if any, and (iii) where appropriate, interviews and meetings with senior management of such target companies.

Generally, ICG Debt Advisors – Manager Series seeks to capitalize on both long- and short-term inefficiencies in the market by investing across a spectrum of loan investments, often employing bottom-up analysis, utilizing market technical and fundamentals to select investments. There could be occasions when (consistent with applicable fund and CLO guidelines) the strategy could be weighted to deep value or be more opportunistic and seek short-term gains.

### **The Private Debt Fund**

The majority of the Private Debt Funds' investments are expected to be completed in connection with private equity-sponsored transactions. Additionally, the Private Debt Fund could invest in non-sponsored transactions, generally in connection with management-owned business and management-led buyouts.

ICG Fund Advisors' investment process will include transaction evaluation, execution, and management. ICG Fund Advisors expects that numerous transactions will be sourced each year through direct relationships with private equity sponsors and through the ICG Group's broad relationships with financial intermediaries and other transaction sources. Prospective investments undergo a significant due diligence process, which could include findings from third-party consultants and advisors. Post-transaction investment management will include monitoring of financial performance.

Investment opportunities are submitted to ICG Fund Advisor's North American Private Debt investment committee for review, and if considered appropriate, approval. Unanimous approval by the investment committee is required for an investment to be approved for the Private Debt Fund.

### **The Alternative Credit Fund and the SSO Fund**

The Alternative Credit Fund seeks to achieve long-term growth by investing worldwide in a variety of credit opportunities. Normally, the format of such investments will be that of income producing securities, but ICG Alternative Credit could also pursue equity, derivative, and loan investments. The Alternative Credit Fund could buy Asset-Backed Securities ("**ABS**"), such as CLOs, CDOs (as defined below), Commercial Mortgage-Backed Securities ("**CMBS**") and Residential Mortgage Backed Securities ("**RMBS**"). Additionally, it could make use of swaps or other derivative instruments for hedging, as well as investment, purposes.

The SSO Fund seeks to make tactical and opportunistic investments and in particular to make, hold, monitor and realize investments in opportunistic structured credit and related investments backed by corporate, consumer and/or public sector assets (which could include, without limitation, equity, derivatives, loans, bonds, receivables, credit linked notes or other forms of debt and could be performing or non-performing).

The ICG Alternative Credit team uses a combination of proprietary modelling tools as well as third party analytics for evaluating investment opportunities. The team also relies on the broader team of ICG research analysts for further insights that are compiled and used to evaluate investment opportunities. The team gathers market data and additional research from third party data feeds, dealer research, relevant market professionals and other similar sources of relevant financial information.

All investment opportunities are approved by the ICG Alternative Credit investment committee or, in the case of the SSO Fund, the SSO Fund investment committee, if necessary.



**The Equity Vehicles**

ICG Equity Advisors focuses predominantly on acquiring portfolios of private equity assets from older vintage private equity funds (typically in years 8+), primarily by partnering with incumbent general partners of private equity funds to gain exposure to their remaining unrealized underlying portfolio companies. Specifically, ICG Equity Advisors intends to engage in fund restructuring transactions, in which it would generally facilitate the availability of liquidity options to current limited partners (investors) in selling funds and negotiate new terms on which the underlying general partner will manage the assets with structured incentives and governance rights, as well as other secondary market transactions.

ICG Equity Advisors seeks to proactively build and maintain relationships with target general partners, intermediaries and key limited partners in order to generate a strong pipeline of investment opportunities, as well as keeping and actively maintaining a proprietary database of the private equity funds and general partners within its target universe.

ICG Equity Advisors targets portfolios of private equity assets at entry prices which, in ICG Equity Advisors' view, provide a balance between downside protection and strong upside potential. Target portfolios under consideration are analyzed and priced as an aggregation of individual assets. ICG Equity Advisors seeks portfolios which it believes are ably managed and diversified by exposure, sector, cycle and/or cash generative characteristics. Each underlying portfolio company is assessed on a stand-alone basis with a view towards gaining a deep understanding of its business fundamentals and risk parameters. The investment team then develops detailed base case assumptions which drive the expected financial projections, cash flows and exit values.

All investment opportunities are submitted to the ICG Equity Advisors investment committee for review, and if considered appropriate, approval. Unanimous approval of a quorum of the ICG Equity Advisors investment committee is required in order to proceed with the investment and to enter into binding legal documentation.

**The LP Secondaries Fund**

The LP Secondaries Fund has a purpose-built strategy focused solely on the secondary acquisition of private equity limited partnership interests. The LP Secondaries Fund seeks to acquire high-quality LP positions of buyout and growth funds in North America and Western Europe to deliver private equity-like returns with less risk and more liquidity than a traditional private equity fund. Importantly, as purpose-built strategy, the LP Secondaries Fund does not participate in GP-led secondary opportunities.

All investment opportunities are submitted to the LP Secondaries Fund investment committee for review, and if considered appropriate, approval. Unanimous approval of a quorum of the LP Secondaries Fund final investment committee is required in order to proceed with the investment and to enter into binding legal documentation.

**Risk of Loss.**

Investing in each of the Investment Vehicles involves various risks, including loss of capital that Investors should be prepared to bear. The following list of risk factors does not purport to be a complete enumeration or explanation of the risks involved in an investment in the Investment Vehicles. Prospective investors are urged to consult their professional advisers and review the legal documents and offering memoranda for the particular Investment Vehicle before deciding to invest.

**General Risks Relating to an Investment in the Investment Vehicles.*****No Assurance of Investment Return.***

The Investment Vehicles are not able to provide assurance that they will be able to choose, make and realize investments in any particular company or portfolio of companies. An investment in the Investment Vehicles requires a long-term commitment with no certainty of return. There can be no assurance that an Investment Vehicle will be able to generate returns for its Investors, that the returns will be commensurate with the risks of investing in the type of companies and transactions described herein or that the Advisor's methodology for evaluating risk-adjusted return profiles for investments will achieve its objectives. There can be no assurance that the Investment Vehicles will be able to generate returns for its investors, that the returns will be commensurate with the risks of investing in the type of assets and transactions described herein or that the Advisor's methodology for evaluating risk-adjusted return profiles for investments will achieve its objectives. There could be little or no near-term cash flow available to the limited partners from the Investment Vehicles and there can be no assurance that the Investment Vehicles will make any distribution to the limited partners. Partial or complete sales, transfers, or other dispositions of investments which could result in a return of capital or the realization of gains, if any, are generally not expected to occur for a number of years after an investment is made, and long-term economic performance in an increasingly volatile macroeconomic landscape can be unpredictable. In some cases, the Investment Vehicles could be legally, contractually or otherwise prohibited from selling such securities for a period of time or otherwise be restricted from disposing of them, and illiquidity could also result from the absence of an established market for such securities. The realizable value of a highly illiquid investment at any given time could be less than its intrinsic value. In addition, certain types of Investments made by the Investment Vehicles will require a substantial length of time to liquidate. As a result, the Investment Vehicles could be unable to realize its investment objectives by sale or other disposition at attractive prices; thus, there can be no assurance that the Investment Vehicles will be able to implement their investment strategy and investment approach, achieve their investment objective or complete any exit strategy. The Investment Vehicles' performance over a particular period could not necessarily be indicative of the results that could be expected in future periods. An investment in an Investment Vehicle should only be considered by persons who can afford a loss of their entire investment.

***Risk of Limited Number of Investments***

Certain Investment Vehicles could participate in a limited number of investments and, as a consequence, their aggregate return could be substantially adversely affected by the unfavorable performance of even a single investment. In addition, Investors could have no assurance as to the degree of diversification of the Investment Vehicles' investments, either by geographic region, asset type or sector. To the extent an Investment Vehicle concentrates investments in a particular issuer, industry, security or geographic region, its investments will become more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. As a consequence, the aggregate return of the Investment Vehicles could be adversely affected by the unfavorable performance of one or a small number of investments, geographic regions or industries or unfavorable developments in one or a small number of geographic regions. Moreover, since all of the Investment Vehicles' investments cannot reasonably be expected to perform well or even return capital, for the Investment Vehicles to achieve above-average returns, one or a few of its investments must perform very well. There are no assurances that this will be the case.

***Risk of Minority and Non-Controlled Investments.***

ICG regularly makes minority investments in alternative asset management firms that are not affiliated with ICG, the Investment Vehicles and their respective portfolio companies and which could from time

to time engage in similar investment transactions, including with respect to purchase and sale of investments, with these asset management firms and their sponsored funds and portfolio companies. Typically, the ICG-related party with an interest in the asset management firm would be entitled to receive a share of carried interest/performance based incentive compensation and net fee income or revenue share generated by the various products, vehicles, funds and accounts managed by that third party asset management firm that are included in the transaction or activities of the third-party asset management firm, or a subset of such activities such as transactions with a ICG-related party. In addition, while such minority investments are generally structured so that ICG does not “control” such third-party asset management firms, ICG could nonetheless be afforded certain governance rights in relation to such investments (typically in the nature of “protective” rights, negative control rights or anti-dilution arrangements, as well as certain reporting and consultation rights) that afford ICG the ability to influence the firm. Although ICG does not intend to control such third-party asset management firms, there can be no assurance that all third parties will similarly conclude that such investments are non-control investments or that, due to the provisions of the governing documents of such third-party asset management firms or the interpretation of applicable law or regulations, investments by ICG will not be deemed to have control elements for certain contractual, regulatory, or other purposes. While such third party asset managers will not be deemed “affiliates” of ICG for any purpose, ICG could, under certain circumstances, be in a position to influence the management and operations of such asset managers and the existence of its economic/revenue sharing interest therein could give rise to conflicts of interest.

Participation rights in a third-party asset management firm (or other similar business), negotiated governance arrangements and/or the interpretation of applicable law or regulations could expose the investments of the Funds to claims by third parties in connection with such investments (as indirect owners of such asset management firms or similar businesses) that could have an adverse financial or reputational impact on the performance of the Investment Vehicles. Furthermore, it is expected that from time to time the Investment Vehicles, their affiliates and their respective portfolio companies will engage in transactions with, and buy and sell investments from, any such third party asset managers and their sponsored funds, and make investments in vehicles sponsored by such third-party asset managers, which could result in the ICG-related party earning carried interest/performance-based incentive compensation and/or fee income in respect of any such transactions. Such transactions and other commercial arrangements between the Investment Vehicles and their portfolio companies, on the one hand, and such third-party asset managers, on the other, are not subject to the relevant Fund Advisory Committee approval. There can be no assurance that the terms of these transactions between parties related to ICG, on the one hand, and the Investment Vehicles and their portfolio companies, on the other hand, will be at arm’s length or that ICG will not receive a benefit from such transactions, which can be expected to incentivize ICG to cause these transactions to occur. Such conflicts related to investments in and arrangements with other asset management firms will not necessarily be resolved in favor of the Investment Vehicles. Investors will not be entitled to receive notice or disclosure of the terms or occurrence of either the investments in alternative asset management firms or transactions therewith and will not receive any benefit from such transactions

***Limited Operating History.***

The Investment Vehicles and the Advisor are, in certain instances, relatively new entities and have little operating history upon which Investors can evaluate their past and future performance. Additionally, ICG Group could not have previously managed a fund pursuing the same investment objective, strategy and geographic region as certain of the Investment Vehicles. Investors should draw no conclusions from the performance of any other ICG Group investments or funds.

***Changes in Legislation or Regulation.***

Changes in the legislative and regulatory environment could affect the Investment Vehicles. Recent and ongoing regulations proposed by the SEC are likely to impose additional compliance burdens on the Advisors and may have a detrimental effect on Investment Vehicles' operations and consequently may adversely affect returns to investors. In addition, the costs of complying with new and proposed regulation could be substantial; it is possible that certain of these costs would be borne by the Investment Vehicles, which could also adversely affect returns to Investors. In addition, uncertainty about the full scope and timing of regulations that will be promulgated could create uncertainty in the credit and other financial markets and create other unknown risks.

***Regulatory Approvals.***

The Investment Vehicles could invest in portfolio companies they believe have obtained all material U.S. federal, state, local or non-U.S. approvals required to operate. In addition, the consent or approval of certain regulatory authorities could be required in order for the Investment Vehicles to acquire or hold instruments related to certain portfolio companies. These portfolio companies could be adversely affected to the extent regulations or applicable laws change or become more stringent as a result of judicial or administrative interpretations. Moreover, additional regulatory approvals could become applicable in the future as a result of the foregoing or for other reasons. There can be no assurance that portfolio companies will be able to obtain all required regulatory approvals or once obtained to maintain such approvals in accordance with the requirements applicable thereto. Failure or delay in obtaining any applicable regulatory approvals could adversely affect the business of the Investment Vehicles and impede the Investment Vehicles' ability to effectively achieve their investment objective.

***Change of Law Risk.***

In addition to the risks regarding regulatory approvals, it should be noted that government counterparties or agencies could have the discretion to implement or change or increase regulation of the operations of the Investment Vehicles and their portfolio companies. The Investment Vehicles and their portfolio companies also could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements. Governments have considerable discretion in implementing regulations, including, for example, the possible imposition or increase of taxes on income earned by or from an Investment Vehicle's portfolio company or gains recognized by the Investment Vehicle on its investment in a portfolio company, that could impact the Investment Vehicle's portfolio company's business as well as the Investment Vehicle's return on investment. Because some of the Investment Vehicle's portfolio companies could provide basic everyday services and/or face limited competition, or because the industries of certain of the Investment Vehicle's portfolio companies could be considered strategic areas or for other reasons, governments could be influenced by political considerations and could make decisions that adversely affect an Investment Vehicle's portfolio company's business.

***Enhanced Scrutiny and Regulation of the Private Investment Fund Industry and the Financial Services Industry.***

On August 23, 2023, the SEC voted to adopt previously proposed propose new rules and amendments (collectively, the "**Private Funds Advisor Rules**" or "**PFAR**") to existing rules under the Advisers Act specifically related to registered investment advisers and their activities with respect to private funds they advise. In particular, PFAR, will, among other changes, require registered investment advisers to: prepare and distribute to private fund investors quarterly statements containing detailed information about compensation, fees and expenses, portfolio investments and performance; obtain an annual audit for all

private funds they manage; to obtain a fairness or valuation opinion and make certain disclosures, in connection with adviser-led secondary transactions (also known as GP-led secondaries). In addition, PFAR will restrict all investment advisers from engaging in certain practices unless they satisfy certain disclosure requirements and, in some cases, consent requirements: such as, without limitation, charging private fund clients fees and expenses associated with regulatory and investigation-related expenses, charging non-pro rata fee and expense allocations, reducing the amount of any clawback of advisory fees by actual, potential or hypothetical taxes and borrowing money from a private client. The Private Funds Rules also restrict advisers from providing certain forms of preferential treatment to investors related to liquidity (i.e., redemption rights) and information rights unless they meet specified conditions, and require advisers to make certain disclosures to private fund investors with regard to preferential treatment provided to investors in that fund. The compliance dates for the Private Fund Adviser Rules are in September 2024 or March 2025. While the full extent of the Private Funds Rules' impact cannot yet be determined, it is generally anticipated that they will have a significant effect on private fund advisers and their operations, including by increasing regulatory and compliance costs and burdens and heightening the risk of regulatory action. It is expected that the private funds advised by ICG and its affiliates will bear (either directly or indirectly) certain regulatory and compliance costs relating to the Private Funds Rules. For these reasons, the Private Funds Rules could have a material negative impact on the operations and financial performance of the investment adviser entities and the private funds that ICG and its affiliates manage and advise. Additionally, in February 2023, the SEC proposed extensive amendments to the custody rule for SEC-registered investment advisers. If adopted, the amendments would require, among other things, the adviser to: obtain certain contractual terms from each advisory client's qualified custodian; document that privately-offered securities cannot be maintained by a qualified custodian; and promptly obtain verification from an independent public accountant of any purchase, sale or transfer of privately-offered securities. The amendments also would apply to all assets of a client, including assets that generally are not considered securities under the federal securities laws. The SEC has also recently proposed other new or amended rules under the Advisers Act, including in relation to the outsourcing of functions to service providers, ESG-related disclosures, conflicts of interest relating to the use of predictive data analytics and other covered technologies, and cybersecurity risk management.

The regulatory environment for private funds is continuing to evolve, and changes in the regulation of private funds and their trading activities may adversely affect the ability of ICG to pursue the private funds' investment strategies, its ability to obtain leverage and financing and the value of investments held by private funds. There has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry in general. It is impossible to predict what, if any, changes in regulations may occur, but any regulations that restrict ICG's or a private fund's activities could have a material adverse impact on a private fund's portfolio.

### ***Alternative Investment Fund Managers Directive***

The European Union Alternative Investment Fund Managers Directive (the "**Directive**" of the "**AIFMD**"), as transposed into national law within the member states of the European Economic Area (the "**EEA**") and the UK Alternative Investment Fund Managers Regulations 2013 (the "**AIFMR**" and, together with the Directive, the "**AIFM Legislation**"), impose requirements, respectively, on non-EEA and non-UK imposes alternative investment fund managers ("**AIFMs**") that market alternative investment funds ("**AIF**") within the EEA.

In particular, the AIFM Legislation requires suitable co-operation agreements to be in place as between the relevant regulators of the United States and each EEA member state and/or the UK, as applicable, in which interests in the Investment Vehicles are being marketed, the absence of which will restrict the ability of the Advisor to offer interests in the Investment Vehicles to investors in such EEA member states and/or the UK and could therefore limit the Advisor's ability to attract investors based in the EEA and lead to a

reduction in the overall amount of capital invested in the Investment Vehicles. This could, in turn, have an adverse impact upon the operations of the Investment Vehicles, including the range of investment strategies that each Investment Vehicle is able to pursue. The AIFM Legislation could also impose additional disclosure and reporting requirements in relation to the Investment Vehicles and their investments, compliance with which could involve additional costs, as well as restrictions on early distributions or reductions in capital in respect of EEA and UK portfolio companies (the so-called “asset stripping” rules) which could result in additional costs and could limit the use of certain investment and realization strategies (such as dividend recapitalization and reorganizations) which do not apply to non-AIF/AIFM competitors not subject to the AIFM Legislation, thereby potentially placing the Investment Vehicles at a disadvantage to such competitors. In parallel, certain member states of the EEA and the UK have changed or are contemplating changing their domestic private placement rules, which could also restrict the ability of the Advisor in similar ways and/or impose additional disclosure, reporting and operational requirements in relation to the Investment Vehicles.

In the future, the Advisor or its affiliate may be compelled to seek, or it may determine that it should seek, authorization as an AIFM in an EEA member state (should that option become available, including pursuant to a pan-European marketing “passport” that may in the future become available) or under a similar regime elsewhere. This would entail compliance with all requirements of the Directive (or with similar requirements of a similar regime). Alternatively, it might be determined in the future that the Investment Vehicle should be managed by an affiliate of the Advisor that is an authorized AIFM and has its registered office in an EEA member state. In either circumstance, the AIFM of the Fund would become subject to additional requirements, such as, among other things, rules relating to the remuneration, minimum regulatory capital requirements, restrictions on use of leverage, requirements relating to liquidity, risk management, further disclosure and reporting requirements to both investors and EEA home state regulators, the independent valuation of assets and the appointment of legal representatives and an independent depository to hold assets. Such requirements could have adverse effects in relation to the Investment Vehicles and the Advisor’s business by, among other things, increasing the regulatory burden and costs of operating and managing the Investment Vehicle and its investments, and potentially requiring changes to compensation structures for key personnel, thereby affecting the Advisor’s ability to recruit and retain key personnel.

More generally, the implementation and applicability of the AIFM Legislation (and/or the interpretation thereof) could limit the Advisor’s operating flexibility and the Fund’s investment opportunities, as well as expose the Advisor and/or the Investment Vehicles to conflicting regulatory requirements in the United States, the EEA and its member states, and/or the UK. The Investment Vehicles will bear the costs and expenses of compliance with the AIFM Legislation and any related regulations, including costs and expenses of collecting and calculating data and the preparation of regular reports to be filed with EEA member states.

It should be noted that the scope and requirements of the AIFM Legislation remain uncertain and interpretation and application of the AIFM Legislation are subject to change as a result of, for example, the issuance of further national guidance by a member state, the issuance of guidelines by the European Securities and Markets Authority (“**ESMA**”) in the EEA, Financial Conduct Authority Guidance in the UK with respect to any relevant AIFM Legislation, further EU legislation amending the AIFM Legislation, and/or a change in the national private placement regime of any member state. It should also be noted that, despite the deadline for the transposition of the Directive into national law within the member states of the EEA having passed, certain member states of the EEA have yet to implement, or to fully implement, the Directive into national law and as a result there is significant uncertainty as to the rules for the offering of interests in the Investment Vehicles to investors in such EEA member states during the intervening period between the scheduled date for implementation of the Directive (i.e. July 22, 2013) and the actual



implementation of the Directive into national law by such member states. Such uncertainty may restrict the ability of the Advisor to offer interests in the Investment Vehicles to investors in such EEA member states with consequences similar to those described above, as well as affect the Advisor's ability to comply with the rules for the offering of interests in such EEA member states during any such intervening period. It is also possible that there may be further future divergence between the Directive as it applies in the EEA and the AIFMR as it applies in the UK, leading to additional or differing requirements applying to AIFMs and the marketing of AIFs in the EEA and the UK respectively.

### ***Economic Sanctions and Sanctions Considerations.***

Economic sanction laws in the U.S., the European Union, the United Kingdom, and other jurisdictions prohibit ICG, ICG's professionals and the Investment Vehicles from transacting in certain countries and with certain individuals and companies. For example, in the U.S., the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") administers and enforces laws, executive orders and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These entities and individuals include specially designated nationals, specially designated narcotics traffickers and other parties. In addition, certain economic sanction programs administered by OFAC prohibit dealing with individuals or entities in certain countries or territories regardless of whether such individuals or entities appear on such lists maintained by OFAC. Accordingly, the Investment Vehicles require investors to represent that they are not named on a list of prohibited entities and individuals maintained by OFAC or under similar EU, UK Regulations or under Cayman Islands law, and are not operationally based or domiciled in a country or territory in relation to which current sanctions have been issued by the U.S., United Nations, EU, UK or Cayman Islands (collectively "**Sanctions Lists**"). If an investor is on a Sanctions List, the Investment Vehicles could be required to cease any further dealings with the investor's Interest until such sanctions are lifted or a license is sought under applicable law to continue dealings. Other jurisdictions maintain different and/or additional economic and trade sanctions, including their own lists of prohibited countries, territories, persons and entities. Accordingly, these types of sanction laws could prohibit or limit the Investment Vehicles' investment activities. Although ICG expends significant effort to comply with the sanctions regimes in the countries where it operates, one of these rules could be violated by ICG's or the Investment Vehicles' activities, which would adversely affect the Investment Vehicles. As a result, ICG may also incur costs and expenses associated with inquiries or investigations relating to economic sanctions or anti-corruption laws or anti-bribery laws.

### ***Pay-to-Play Laws, Regulations, and Policies.***

A number of U.S. states and municipal pension plans, as well as many non-U.S. jurisdictions, have adopted "pay-to-play" laws, regulations or policies which prohibit, restrict or require disclosure of payments to and certain contacts with the applicable government officials by individuals and entities seeking to do business with government entities, including, advising public retirement funds. The SEC also has adopted rules that, among other things, prohibit an investment adviser from providing advisory services for compensation with respect to a government plan investor for two years after a contribution is made by the advisor or certain of its executives or employees to certain elected officials or candidates. If ICG, its affiliates or their respective employees fail to comply with pay-to-play rules, such noncompliance could have an adverse effect on the Investment Vehicles by, for example, providing the basis for the withdrawal of the affected government plan investor.



***Corruption Risk; FCPA.***

Corruption can result in huge economic losses due to fraud, theft and waste. Moreover, corruption can corrode critical public institutions, such as the courts, law enforcement and public pension administration, thereby undermining property rights, public confidence and social stability. As a result, corruption dramatically increases the systemic risks that exist in some of the jurisdictions in which the Investment Vehicles invest. Corruption scandals are common and likely to remain so going forward. Investors in the Investment Vehicles are thus exposed to the increased costs and risks of corruption where the Investment Vehicles invest, and there can be no assurance that any reform efforts will have a meaningful effect during the term of the Investment Vehicles. The U.S. and UK have the U.S. Foreign Corrupt Practices Act (“**FCPA**”) and the UK Bribery Act of 2010 (the “**UK Bribery Act**”), respectively, and other jurisdictions have adopted similar anti-corruption laws. Many of these laws have extraterritorial application. In recent years, the U.S. Department of Justice and the SEC have devoted greater resources to enforcement of the FCPA. In addition, the UK Bribery Act is broader in scope than the FCPA and applies to private and public sector corruption and holds companies liable for failure to prevent bribery unless they have adequate procedures in place to prevent bribery. Other countries have also adopted or improved their anti-corruption legal regimes in recent years. ICG, its professionals and the Investment Vehicles are committed to complying with the FCPA and the UK Bribery Act and other anti-corruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations, to which they are subject. As a result, the Investment Vehicles could be adversely affected because of its unwillingness to participate in transactions that violate such laws or regulations. Such laws and regulations could make it difficult in certain circumstances for the Investment Vehicles to act successfully on investment opportunities and for the Investment Vehicles’ portfolio companies to obtain or retain business. Although ICG conducts FCPA due diligence on all targets with operations, the Investment Vehicles could acquire an investment with risks related to prior non-compliance with one or more of these statutes. Furthermore, although ICG has robust compliance programs designed to ensure strict compliance by ICG and its personnel with the FCPA and the UK Bribery Act and other similar laws, even reasonable compliance programs could not be effective in all instances at preventing violations. In addition, in spite of ICG’s policies and procedures, the Investment Vehicles’ portfolio companies, particularly in cases where the Investment Vehicle does not control such portfolio company, and persons acting on behalf of the Investment Vehicle or any portfolio company and third-party consultants, managers and advisors, including related persons of ICG, could engage in conduct and activities that could result in a violation of one or more of the FCPA, UK Bribery Act or other similar laws. Any determination that a related entity not controlled by ICG or the Investment Vehicles, or ICG or the Investment Vehicles themselves or their controlled entities, have violated the FCPA, the UK Bribery Act or other applicable anti-corruption laws or anti-bribery laws could subject ICG and the Investment Vehicles to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct, securities litigation, reputational harm and/or a general loss of investor confidence. The Investment Vehicles could incur costs and expenses associated with engaging external counsel or other third-party consultants or professionals in connection with inquiries or investigations relating to FCPA or other applicable anti-corruption laws or anti-bribery laws. In these cases, the Partnership could suffer significant losses from the cost of defense, interruption to ordinary operations and fines and penalties.

***Risks of Artificial Intelligence Use***

Artificial intelligence, including machine learning and similar tools and technologies that collect, aggregate, analyze or generate data or other materials (collectively, “AI”), and its current and potential future applications including in the private investment and financial industries, as well as the legal and regulatory frameworks within which AI operates, continue to rapidly evolve. The use of AI could exacerbate or create new and unpredictable risks to our business, including by potentially significantly disrupting the

markets in which we operate or subjecting us to increased competition and regulation, which could materially and adversely affect our business, financial condition or results of operations. We intend to avail ourselves of the benefits, insights and efficiencies that are available through the use of AI. To this end, we may pay and bear expenses and fees associated with using and maintaining such technology.

Our use of AI may yield inaccurate, incomplete, or ineffective results, which could lead to operational and reputational harm to the extent that we rely on such results. Generative AI may produce incomplete, insufficient, biased or otherwise flawed results, which may not be easily detectable despite internal policies and diligence efforts in place to mitigate such deficiencies. To the extent we rely on such results, we could incur operational inefficiencies, competitive harm, brand or reputational harm, or other adverse impacts on our business and results of operations. If we or third-party developers whose AI we rely on do not have sufficient rights to use the data or other material relied upon by such AI technology, we also may incur liability through the alleged violation of applicable laws and regulations, third-party intellectual property, data privacy, or other rights, or contractual obligations.

Legal and regulatory frameworks related to the use of AI are evolving, including due to the perceived or actual risks of bias, unfair discrimination, transparency and information security. The use of AI and the technologies underlying AI are subject to a variety of laws and regulations, including intellectual property, data privacy and security, consumer protection, competition, and equal opportunity laws, and may be subject to new laws and regulations or new interpretations of existing laws and regulations. AI is the subject of ongoing review by various U.S. and foreign governmental and regulatory agencies. The enactment or expansion of laws and regulations related to the use of AI in our operations could result in increased compliance costs.

### ***Reliance on the Advisors and their Professionals.***

Investors will have no opportunity to control or influence the day-to-day operations, including investment and disposition decisions, of any Investment Vehicle. Investors must rely entirely on the relevant Advisor to conduct and manage the affairs of the Investment Vehicles and the relevant Advisor will have complete discretion in directing the investment of assets, subject to any contractual limitations imposed on the Investment Vehicle. The success of an Investment Vehicle will depend in large part upon the skill and expertise of the relevant Advisor to identify and consummate suitable investments and to dispose of investments at a profit. The Advisor will rely on the skill and expertise of its investment professionals, and others providing investment and other advice and services. There is ever increasing competition among alternative asset firms, financial institutions, private equity firms, investment managers and other industry participants for hiring and retaining qualified investment professionals, and there can be no assurance that such professionals will continue to be associated with the Advisor or its affiliates throughout the life of the Investment Vehicles. The loss of the services of one or more of such persons could have a material adverse impact on the Investment Vehicle's ability to realize its investment objectives. Moreover, although the Advisor expects to have access to all of the appropriate resources, relationships and expertise of ICG, there can be no assurance that such resources, relationships and expertise will be available for every transaction. In addition, investment professionals and committee members could be replaced or added at any time. Conflicts of interest could arise in allocating management time, services or functions, and ICG and the ability of the members of the investment team to access other professionals.

### ***Cyber Security Breaches and Identity Theft.***

Cyber security incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. The Advisor's, Investment Vehicles' and their respective service providers' information and technology systems could be vulnerable to damage

or interruption, including without limitation, from computer viruses or other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors or malfeasance by their respective professionals or service providers, power, communications or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, earthquakes, or terrorist incidents. If unauthorized parties gain access to such information and technology systems, or if personnel abuse or misuse their access privileges, they could be able to steal, publish, delete or modify private and sensitive information, including nonpublic personal information related to limited partners (and their beneficial owners) and material nonpublic information.

Although the Advisor has implemented various measures to manage information and technology risks relating to these types of events, including measures at the Investment Vehicle level, such measures may be inadequate and, if compromised, information and technology systems could become inoperable for extended periods of time, cease to function properly or fail to adequately secure private information. Even with sophisticated prevention and detection systems, breaches such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage could not be identified in a timely manner, potentially resulting in further harm and precluding appropriate remediation. ICG Group, the Advisors and/or the Investment Vehicles could have to make significant investments to fix or replace information and technology systems. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Advisor's and/or an Investment Vehicle's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to limited partners (and their beneficial owners), material non-public information, and the intellectual property and trade secrets and other sensitive information in possession of the Advisor and/or an Investment Vehicle. Such failure could harm the reputation of ICG, the Advisor and/or an Investment Vehicle, subject them and their respective affiliates to legal claims and adverse publicity, require them to incur significant costs to remedy the effects of any such failures, and otherwise affect their business and financial performance. When issues are present with regard to the issuer of securities in which an Investment Vehicle invests, such Investment Vehicle's investment in those securities could lose value.

#### ***Reliance on Portfolio Company Management.***

Although the Advisors will monitor the performance of each investment, underlying fund and portfolio company, it is the responsibility of a portfolio company's management to operate the company on a daily basis and will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing, monitoring and eventually divesting investments made by such portfolio company. Furthermore, the Investment Vehicles could not learn of significant structural events, such as personnel changes or substantial changes to the value of the assets of, or obtain other important information regarding the portfolio companies until after the fact. There can be no assurance that for the Investment Vehicles, the Advisor or any of their affiliates, will be able to exercise any amount of influence or control over any portfolio company, or that determinations or recommendations advanced on behalf of the Investment Vehicles will prevail. In addition, it will be difficult, if not impossible, for the Investment Vehicles, the Advisor or any of their affiliates to protect investors from the risk of the management team of any portfolio company engaging in fraud, misrepresentation, material strategy alteration or other acts or omissions. Furthermore, limited partners themselves will generally have no direct dealings or contractual relationships at the portfolio company level. Accordingly, there can be no assurance that the management team of a Portfolio Company or any successor will be able to operate the portfolio company in accordance with the Investment Vehicle's expectations or the Advisor's suggestions, or that the Investment Vehicle will be able to recover on or profit from its investments.

In addition, although the Investment Vehicles generally invest in portfolio companies with strong management teams, there can be no assurance that the existing management teams of such portfolio

companies will continue to operate a portfolio company successfully in accordance with the Investment Vehicle's expectations or ICG's suggestions or that such management teams will continue to be involved in such role throughout the period of the Investment Vehicles investment. Portfolio companies will need to attract, retain and develop executives and members of their management teams and the market for executive talent is extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the Investment Vehicles could be adversely affected thereby. In the event that all or part of the management team ceases to be involved with the management of a portfolio company, the Investment Vehicles could not have any rights or remedies in order to mitigate the effects of such cessation or could not be able to exercise any rights or remedies without the support of other constituencies of such portfolio company (which could include, without limitations, other investors, the board of directors, equity shareholders and/or other creditors), which could or could not be forthcoming. In addition, the Investment Vehicles could invest in portfolio companies whose management teams could be distressed, in a period of change, or otherwise perceived to be ineffective or inefficient, and there can be no assurances that the Investment Vehicles will be able to successfully make impactful changes or procure comprehensive oversight rights.

***Portfolio Company Specific Risks.***

Portfolio companies could be affected by force majeure events (e.g., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events could adversely affect the ability of a party (including a portfolio company or a counterparty to the Investment Vehicle or such portfolio company) to perform its obligations until it is able to remedy the force majeure event. Force majeure events that are incapable of or are too costly to cure could have a material adverse effect on the Investment Vehicle's investments. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries that an Investment Vehicle could invest specifically. In addition, the cost to a portfolio company or an Investment Vehicle of repairing or replacing damaged assets resulting from such force majeure event could be considerable. There can be no assurance that a portfolio company will be fully insured against all risks inherent to their businesses. If a significant accident or event occurs that is not fully insured, it could adversely affect the operations and financial condition of such portfolio company. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more companies or its assets or changes in the regulatory landscape, could result in a loss to the Investment Vehicle, including if its Investment in such portfolio company is canceled, unwound or acquired (which could be without what the Investment Vehicle considers to be adequate compensation).

***Use of Leverage by Portfolio Companies.***

The Investment Vehicles could invest in portfolio companies whose capital structures could already have significant leverage (including substantial leverage senior to the Private Debt Fund's investment, a considerable portion of which could be secured and/or could be at floating interest rates), which could impair these companies' ability to finance their future operations and capital needs.

While investments in leveraged companies offer the potential opportunity for capital appreciation, such investments also involve a higher degree of risk as a result of recessions, operating problems and other general business and economic risks that could have a more pronounced effect on the profitability or survival of such companies. Moreover, rising interest rates could significantly increase portfolio companies'

interest expense, causing losses and/or the inability to service debt levels. Leverage magnifies gains and losses attributable to other investment policies and practices, such as investing in below investment grade instruments. Such investments are inherently more sensitive to declines in revenues, competitive pressures and increases in expenses and interest rates. The leveraged capital structure of certain portfolio companies will increase the effects of any deterioration in such portfolio companies' condition or industry, competitive pressures, an adverse economic environment, or rising interest rates and could accelerate declines in the value of the Investments in a down market compared to an unleveraged investment. In the event that any portfolio company cannot generate adequate cash flows to service its debt, the Investment Funds could suffer a partial or total loss of capital invested with respect to such portfolio company, which would adversely affect the returns of the Fund.

The debt securities acquired by the Private Debt Fund could be the most junior in what will typically be a complex capital structure. Furthermore, to the extent companies in which the Private Debt Funds have invested become insolvent, the Private Debt Funds could determine, in cooperation with other debt holders or on its own, to engage, at the Private Debt Funds expense in whole or in part, counsel and other advisors in connection therewith. In addition to leverage in the capital structure of portfolio companies, the Private Debt Fund General Partner could incur leverage on behalf of the Private Debt Funds.

#### ***Use of Third Parties in Diligence Process.***

Before making investments, the Advisors will typically conduct the due diligence that it deems appropriate for each investment. The Advisors could utilize outside consultants, legal advisors, accountants, investment banks and other third parties to complete the due diligence process. The involvement of third-party advisors/consultants could present a number of risks primarily relating to the reduced control of the Investment Vehicle's general partner of the functions that are outsourced. When making an assessment regarding an investment, the Advisors will rely on the resources available to it, including information provided by any third parties during the due diligence process. A critical concern is the possibility of material misrepresentation or omission on the part of the sponsor, seller or other representative of the applicable portfolio company. Such inaccuracy or incompleteness could adversely affect the value of an Investment Vehicle's investment. The Investment Vehicles will rely upon the accuracy and completeness of representations received in the due diligence process to the extent reasonable when it makes its investments but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to the Investment Vehicles could be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

#### ***Risks Relating to Due Diligence of Investments and Conduct at the Underlying Funds.***

Due diligence could entail evaluation of important and complex business, financial, tax, accounting, environmental and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties could be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third-party advisors or consultants could present a number of risks primarily relating to the Advisors' reduced control of the functions that are outsourced. In addition, if the Advisors are unable to timely engage third-party providers, their ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, the Advisors will rely on the resources available to it, including information provided by the target of the investment (or the sponsor thereof) and, in some circumstances, third-party investigations. The due diligence investigation that the Advisors carry out with respect to any investment opportunity could not reveal or highlight all relevant facts that could be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. There can be no assurance that attempts to provide downside protection with respect



to investments will achieve their desired effect and potential investors should regard an investment in an Investment Vehicle as being speculative and having a high degree of risk. There can be no assurance that the Advisors will be able to detect or prevent irregular accounting, employee misconduct or other fraudulent practices during the due diligence phase or during its efforts to monitor the investment on an ongoing basis. Additionally, among the other risks inherent in Investments, particularly so in companies experiencing financial distress, is the fact that it frequently could be difficult to obtain information as to the true condition of such companies. There can be no assurance that attempts to provide downside protection with respect to Investments will achieve their desired effect and potential investors should regard an investment in the Investment Vehicle as being speculative and having a high degree of risk.

A critical concern is the possibility of material misrepresentation or omission on the part of the sponsor, seller or other representative of the applicable portfolio company. Such inaccuracy or incompleteness could adversely affect the value of the Investment Vehicle's investment. The Investment Vehicle will rely upon the accuracy and completeness of representations received in the due diligence process to the extent reasonable when it makes its investments but cannot guarantee such accuracy or completeness. Under certain circumstances, payments to the Investment Vehicle could be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

### **General Risks Relating to the Assets of the Investment Vehicles.**

#### ***Credit Risk.***

One of the fundamental risks associated with the Investment Vehicles' investments is credit risk, which is the risk that an issuer will be unable or unwilling to make principal and interest payments on its outstanding debt obligations when due. If a portfolio company cannot generate adequate cash flow to meet its debt obligations, it could default on its loan agreements or be forced into bankruptcy resulting in a restructuring of the company's capital structure or liquidation of the company and the Investment Vehicle could suffer a partial or total loss of invested capital. Adverse credit events with respect to a portfolio company, such as missed or delayed payment of interest and/or principal, bankruptcy, receivership or distressed exchange, can significantly diminish the value of the Investment Vehicle's investment in it. In addition, the Investment Vehicle's debt investment in a portfolio company could be structurally or contractually subordinated to more senior indebtedness, including the portfolio company's revolving credit facility and/or its second lien term loan, which could be secured and afford the holders of such debt greater rights than the Investment Vehicle with respect to such portfolio company. There can be no assurances that the value of any collateral used to secure a debt investment will satisfy the entire debt obligation or that such collateral could be readily liquidated. Moreover, debt investments could not be protected by financial covenants or limitations upon additional indebtedness, and there can be no guarantee that any such debt investments will have or maintain a favorable credit rating. Other factors could materially and adversely affect the market price and yield of such debt investments, including, without limitation, investor demand, changes in the financial condition of the portfolio company, government fiscal policy and domestic or worldwide economic conditions. Any of these factors could have a material adverse effect on the performance of the Investment Vehicle.

The CLOs will invest primarily in senior secured loans. Although most of the CLOs' investments are expected to be in senior secured loans, a portion could be in second lien loans, unsecured assets and certain other assets. Many of the Private Debt Funds' investments are expected to be in subordinated debt securities, senior secured loans (first and second lien), marketable and non-marketable common and preferred equity securities and other unsecured investments, each of which involves a higher degree of risk than senior secured loans. There are varying sources of statistical default and recovery rate data for senior secured loans and numerous methods for measuring default and recovery rates. The historical performance of the leveraged loan market is not necessarily indicative of its future performance. The

Alternative Credit Fund could hold investments via special purpose vehicles (“**SPVs**”) or other investment conduits and could originate loans using such SPVs. Originated loans could be issued with respect to borrowers that are small, unrated and/or without access to multiple channels of credit.

***Highly Competitive Market for Investment Opportunities.***

The activity of identifying, completing and realizing on attractive investments that fall within the objective of an Investment Vehicle is highly competitive, involves a high degree of uncertainty and will be subject to market conditions. In particular, in light of changes in such market conditions, including changes in long-term interest rates, certain types of investments could not be available to an Investment Vehicle on attractive terms. The Investment Vehicles will be competing for investments with other investment vehicles, as well as financial institutions and other investors. Other investment funds and other institutions currently in existence or organized in the future could adopt, partially or totally, an Investment Vehicle’s strategy and compete with such Investment Vehicle. Such funds and institutions could have more relevant experience, greater financial resources and more personnel than the Advisor, the Investment Vehicle and Intermediate Capital, resulting in fewer investment opportunities available for the Investment Vehicle or unfavorable implications for the pricing and other terms of potential investments, which could adversely affect the Investment Vehicle’s investment program. Some of these funds and institutions could have greater access to investment opportunities and greater ability to complete investments than an Investment Vehicle or could have different return criteria than such Investment Vehicle, any of which would afford them a competitive advantage. Furthermore, in connection with investments that the Investment Vehicle could seek to make in portfolio companies, pre-emptive rights in such companies could create competition from existing investors with respect to investments in such companies. There can be no assurance that the Investment Vehicles will be able to identify or consummate investments satisfying its investment criteria or that the Investment Vehicles will be able to fully invest their capital commitments. Even if such investments are made, there can be no assurance that such investments will be realized upon at favorable valuations or that the objectives of the Investment Vehicles will be achieved. The Investment Vehicles could incur significant expenses identifying, investigating, and attempting to acquire potential investments that are not ultimately consummated. To the extent that an Investment Vehicle encounters competition for investments, returns to its limited partners could decrease.

***General Economic and Market Conditions.***

The market for private debt, secondary private equity investments, and other investments generally, and the success of an Investment Vehicle’s investment activities in particular, will be affected by general economic and market conditions, as well as by changes in applicable laws, trade barriers, currency exchange controls, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and national and international political and socioeconomic circumstances in respect of the countries in which such Investment Vehicle could invest. These conditions and opportunities could include, among others, the availability of alternative sources of financing, the continuation of high levels of private equity fundraising, the continued demand for non-investment grade debt by financial sponsors and the expansion of the leveraged buyout market. No assurance can be given that such conditions, trends or opportunities will arise or continue, as applicable, or that private debt can be acquired or disposed of at favorable prices or that the market for such investments will either remain stable or, as applicable, grow or improve, since this will depend upon events and factors outside the control of the relevant Advisor. These factors could affect the level and volatility of securities prices and the liquidity of an Investment Vehicle’s investments, which could impair such Investment Vehicle’s profitability or result in losses. In addition, general fluctuations in the market prices of securities and interest rates could affect an Investment Vehicle’s investment opportunities and the value of such Investment Vehicle’s investments.



The Advisor's and Intermediate Capital's financial condition could be adversely affected by a significant general economic downturn and it could be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on the Advisor's and Intermediate Capital's businesses and operations and thereby could impact the Investment Vehicles. Moreover, a recession, slowdown and/or sustained downturn in the U.S. or global economy (or any particular segment thereof) could have a pronounced impact on the Investment Vehicles and could adversely affect the Investment Vehicles' profitability, impede the ability of the Investment Vehicles' portfolio companies to perform under or refinance their existing obligations, and impair the Investment Vehicles' ability to effectively deploy its capital or realize its Investments on favorable terms. Intermediate Capital could also be affected by difficult conditions in the capital markets and the overall weakening of the financial services industry. It is possible that a further weakening of market conditions could adversely affect Intermediate Capital's funding obligations to the Investment Vehicles and that the Investment Vehicles could suffer other adverse consequences, any of which could adversely affect the business of the Investment Vehicles, restrict the Investment Vehicles' investment activities and impede the Investment Vehicles' ability to effectively achieve its investment objective.

### ***Litigation***

The investment activities of Investment Vehicles could include activities that will subject it to the risks of becoming involved in litigation by third parties. This risk will be greater where the Investment Vehicles exercise control or significant influence over a portfolio company's direction (e.g., as a result of governance rights an Investment Vehicle could negotiate for in advance of making an investment in a portfolio company). To the extent that an Investment Vehicle is not indemnified by the relevant portfolio company, the expense of defending against claims against Investment Vehicles by third parties and paying any amounts pursuant to settlements or judgments would be borne by the Investment Vehicles and would reduce net assets and could require the return of distributed capital and earnings to the Investment Vehicle. The Advisor and any of its respective affiliates and the directors, officers, partners, members, employees, agents and legal representatives of any of them will be indemnified by the Investment Vehicles in connection with such litigation, subject to certain conditions.

### ***Force Majeure.***

ICG's investments could be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including, without limitation, acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism, labor strikes, major plant breakdowns, pipeline or electricity line ruptures, failure of technology, defective design and construction, accidents, demographic changes, government macroeconomic policies, social instability, etc.). Some force majeure events could adversely affect the ability of a party (including an investment or other service provider) to perform its obligations until it is able to remedy the force majeure event. Force majeure events that are incapable of or are too costly to cure could have a material adverse effect on the Investment Vehicles' investments. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries that an Investment Vehicle could invest specifically. In addition, the cost to a portfolio company or the Investment Vehicle of repairing or replacing damaged assets resulting from such force majeure event could be considerable. There can be no assurance that each portfolio company will be fully insured against all risks inherent to their businesses. If a significant accident or event occurs that is not fully insured, it could adversely affect the operations and financial condition of such portfolio company. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more companies or its assets or changes in the regulatory landscape, could result in a loss to the Investment Vehicle, including if

its investment in such portfolio company is canceled, unwound or acquired (which could be without what the Investment Vehicle considers to be adequate compensation).

### ***Coronavirus and Public Health Emergencies.***

Public health emergencies can affect the broader local, national and international economy, along with Intermediate Capital, the Advisors, and the companies in which the Investment Vehicles invest, and could give rise to force majeure conditions, the effects of which could be significant. There was recently an ongoing outbreak of a novel and highly contagious form of coronavirus (“**COVID-19**”), which the World Health Organization has declared to constitute a “Public Health Emergency of International Concern” and a pandemic. The COVID-19 pandemic has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity, debt, derivatives and commodities markets. The global impact of the outbreak has been evolving over the course of the past few years and at different points in time many countries have reacted by instituting (or strongly encouraging) quarantines, prohibitions on travel, the closure of offices, businesses, schools, retail stores, restaurants, hotels, courts and other public venues, and other restrictive measures designed to help slow the spread of COVID-19. Businesses have also implemented at different times and to different degrees similar precautionary measures.

Any public health emergency, including any new or variant outbreaks of COVID-19, SARS, H1N1/09 flu, avian flu, other coronaviruses, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on an Investment Vehicle and its investments or its portfolio companies and could materially adversely affect an Investment Vehicle’s ability to fulfill its investment objectives.

The extent of the impact of any public health emergency on an Investment Vehicle’s investments’ or its portfolio companies’ operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and voluntary or mandatory government or private restrictions implemented, the impact of such public health emergency on overall supply and demand, goods (including component parts and raw materials) and services, investor liquidity, consumer confidence and spending levels, the extent of government support and levels of economic activity (including office attendance) and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency could materially and adversely impact the value and performance of an Investment Vehicle’s investments, an Investment Vehicle’s ability to source, manage and divest investments and an Investment Vehicle’s ability to achieve its investment objectives, all of which could result in significant losses to an Investment Vehicle.

Any such disruptions could continue for an extended period of time. In implementing the Investment Vehicles’ investment strategy, ICG will make a number of assumptions, including as to the severity of the consequences of COVID-19 to the U.S. and global economies as well as prospective portfolio companies, and the likelihood of a similar future event and any possible impacts thereof. There can be no assurances that such assumptions will be correct and unexpected events and developments, including the severity of this or any other pandemic on economies and specific portfolio companies, could be detrimental to the Investment Vehicles and their investments. In addition, the operations of the Investment Vehicles, the portfolio companies, and ICG could be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings (including office attendance), forwarding of and otherwise delayed receipt of email, and other factors related to a public health emergency, including its potential adverse impact on the health of the personnel of any such entity or the health of the personnel of any such entity or the personnel of any such entity’s key service providers. Additionally, restrictions on immigration and processing of visas and other

work permits could affect the work force of the Investment Vehicles' portfolio companies, some of which could rely on foreign talent as an important part of its work force, and which could have a material adverse impact on their ability to implement their business plans. The impact to businesses in such circumstances has been and could continue to be substantial.

In connection with the impacts of the COVID-19 pandemic and any future such public health emergency, the Investment Vehicles are expected to incur heightened legal expenses which could similarly have an adverse impact to the Investment Vehicles' returns. For example, but not by limitation, the Partnership or Portfolio Entities could be subject to heightened litigation and its resulting costs, which costs could be significant and are expected to be borne by the Investment Vehicles and/or their portfolio companies. There is also a heightened risk of cyber and other security vulnerabilities during a public health emergency, which could result in adverse effects to the Investment Vehicles or the portfolio companies in the form of economic harm, data loss or other negative outcomes.

### ***Russian Invasion of Ukraine.***

The Russian Federation invaded Ukraine on February 24, 2022. Geopolitical tensions have risen significantly in response and the United States, the United Kingdom, EU member states, and other countries have imposed economic sanctions on the Russian Federation, parts of Ukraine, as well as various designated parties. As further military conflicts and economic sanctions continue to evolve, it has become increasingly difficult to predict the impact of these events or how long they will last. Depending on direction and timing, the Russian Federation-Ukraine conflict may significantly exacerbate the normal risks associated with the transaction and result in adverse changes to, among other things: (i) general economic and market conditions; (ii) shipping and transportation costs and supply chain constraints; (iii) interest rates, currency exchange rates, and expenses associated with currency management transactions; (iv) available credit in certain markets; (v) import and export activity from certain markets; and (vi) laws, regulations, treaties, pacts, accords, and governmental policies. Economic and military sanctions related to the Russian Federation-Ukraine conflict, or other conflicts, have the potential to gravely impact markets, global supply and demand, import/export policies, and the availability of labor in certain markets. In addition, sanctions may force the Investment Vehicles to dispose of certain investments, likely resulting in a substantial loss. There is no guarantee that such sanctions and economic actions will abate or that more restrictive economic sanctions will not be put in place in the near term. Moreover, the Russian Federation-Ukraine military conflict could spark further sanctions and/or military conflicts which will impact other regions. The foregoing could have a material adverse effect on the ability of affected borrowers and issuers to perform their obligations under loans or debt securities held by the Investment Vehicles and on the value of Investment Vehicles' investments in such affected borrowers and issuers, which could have a material adverse effect on returns to the holders of CLO notes and investors in other Investment Vehicles.

### ***Inflation.***

The U.S. and other economies have recently begun to experience higher-than normal inflation rates. It remains uncertain whether substantial inflation in the U.S. and other economies will be sustained over an extended period of time or have a significant effect on the U.S. or other economies. Inflation and rapid fluctuations in inflation rates have had in the past, and may in the future have, negative effects on economies and financial markets, particularly in emerging economies. For example, if a portfolio company is unable to increase its revenue in times of higher inflation, its profitability and ability to service its outstanding debt (including debt owned by the Investment Vehicles) may be adversely affected. Portfolio companies may have revenues linked to some extent to inflation, including, without limitation, by government regulations and contractual arrangement. As inflation rises, a portfolio company may earn more revenue

but may incur higher expenses. As inflation declines, a portfolio company may not be able to reduce expenses commensurate with any resulting reduction in revenue. Furthermore, wages and prices of inputs increase during periods of inflation, which can negatively impact returns on investments. In an attempt to stabilize inflation, countries may impose wage and price controls or otherwise intervene in the economy. Governmental efforts to curb inflation often have negative effects on the level of economic activity and can be expected to reduce investment opportunities. There can be no assurance that continued and more wide-spread inflation in the U.S. and/or other economies will not become a serious problem in the future and have a material adverse impact on the Investment Vehicles' returns or pipeline of attractive opportunities or otherwise materially adversely affect the Investment Vehicles.

***Recent Developments in the Banking Sector.***

Recent bank closures in the United States have caused uncertainty for financial services companies and fear of instability in the global financial system generally. In addition, certain financial institutions – in particular smaller and/or regional banks – have experienced volatile stock prices and significant losses in their equity value, and there is concern that depositors at these institutions have withdrawn, or may withdraw in the future, significant sums from their accounts at these institutions. Notwithstanding intervention by U.S. governmental agencies to protect the uninsured depositors of banks that have recently closed, there is no guarantee that the uninsured depositors of a financial institution that closes (which depositors could include the Investment Vehicles and/or their portfolio companies) will be made whole or, even if made whole, that such deposits will become available for withdrawal in short order. There is a risk that other banks, or other financial institutions, may be similarly impacted, and it is uncertain what steps (if any) regulators may take in such circumstances. As a consequence, for example, the Investment Vehicles and/or their portfolio companies may be delayed or prevented from accessing money, making any required payments under their own debt or other contractual obligations or pursuing key strategic initiatives, and limited partners may be impacted in their ability to honor capital calls and/or receive distributions. In addition, such bank failures or instability could affect, in certain circumstances, the ability of both affiliated and unaffiliated joint venture partners, co-lenders, syndicate lenders or other parties to undertake and/or execute transactions with the Investment Vehicles, which in turn may result in fewer investment opportunities being made available to the Investment Vehicles, result in shortfalls or defaults under existing investments, or impact the Investment Vehicles' ability to provide additional follow-on support to portfolio companies. In addition, in the event that a financial institution that provides credit facilities and/or other financing to an Investment Vehicle or its portfolio companies closes or experiences distress, there can be no assurance that such bank will honor its obligations or that such Investment Vehicle or such portfolio company will be able to secure replacement financing or capabilities at all or on similar terms. There can be no assurances that the Investment Vehicles or their portfolio companies will establish banking relationships with multiple financial institutions, and the Investment Vehicles and their portfolio companies are expected to be subject to contractual obligations to maintain all or a portion of their respective assets with a particular bank (including, without limitation, in connection with a credit facility or other financing transaction). Uncertainty caused by recent bank failures – and general concern regarding the financial health and outlook for other financial institutions – could have an overall negative effect on banking systems and financial markets generally. These recent developments may also have other implications for broader economic and monetary policy, including interest rate policy. For the foregoing reasons, there can be no assurances that conditions in the banking sector and in global financial markets will not worsen and/or adversely affect the Investment Vehicles, their portfolio companies or their respective financial performance.

***Potential for Decline in Loan Performance.***

Increasingly negative economic trends nationally as well as in specific geographic areas of the United States could result in an increase in loan defaults and delinquencies, therefore loan performance may decline. The financial markets have experienced substantial fluctuations in prices for leveraged loans and limited liquidity for such instruments. During periods of limited liquidity and higher price volatility in global credit markets, the Investment Vehicles' ability to acquire or dispose of investments at an advantageous price and time may be severely impaired. As a result, in periods of rising market prices, Investment Vehicles may be unable to participate in price increases fully to the extent that they are unable to acquire desired positions quickly. The Investment Vehicles' inability to dispose fully and promptly of positions in declining markets may exacerbate losses suffered by the Investment Vehicles when investments are sold. Significant additional liquidity-related risks for the Investment Vehicles and potential investors include, among others, (i) the possibility that opportunities for Investment Vehicles to sell their assets in the secondary market may be impaired or restricted by the contractual agreements and (ii) increased illiquidity of the underlying securities because of reduced secondary trading in the relevant securities. These additional risks may affect the returns to investors.

Certain investments, regardless of market conditions, will have only a limited (or no) trading market. Illiquid debt obligations may trade at a discount from comparable, more liquid investments. In addition, adverse developments in the relevant primary markets may reduce opportunities for Investment Vehicles to purchase new securities. In the event of a liquidity crisis in the global credit markets, there may be reduced flexibility in relation to the management of the portfolios and, ultimately, the returns to investors.

***Rising Interest Rates could Render Some Obligors Unable to Pay Interest.***

The Investment Vehicles' assets could bear interest at floating interest rates. To the extent interest rates continue to increase, periodic interest obligations owed by the related obligors will also increase. As prevailing interest rates increase, some obligors could not be able to make the increased interest payments on their obligations or refinance their non-amortizing obligations, resulting in payment defaults. Conversely if interest rates decline, obligors could refinance their collateral obligations at lower interest rates which could shorten the average life of the investments.

***Balloon Loans and Bullet Loans Present Refinancing Risk.***

The investments of the CLOs and the Private Debt Funds will primarily consist of obligations that require minimal or no amortization prior to maturity. The inability of an obligor to refinance or repay such borrowings at maturity will result in a default and impair the investment results.

***ESG Framework Risk.***

ICG has established an environmental, social, and governance ("ESG") framework that it applies as applicable across the Investment Vehicles' investment portfolios. The act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by ICG will reflect the beliefs, values, internal policies or preferred practices of any particular investor or align with the beliefs or values or preferred practices of other asset managers or with market trends. Considering ESG factors when evaluating an investment may, to the extent material economic risks associated with an investment are identified, cause the General Partners not to make an investment that they would have made or to make a management decision with respect to a portfolio company differently than it would otherwise have made in the absence of such consideration. ESG factors are only some of the many factors that the General Partners may consider in making an investment. Although the General Partners consider application of the ESG framework to be an opportunity to enhance or protect

the performance of investments over the long-term, the General Partners cannot guarantee that its ESG framework, which depends in part on qualitative judgments, will positively impact the financial, climate, or ESG performance of any individual portfolio company or the Investment Vehicles as a whole. Similarly, there is no guarantee that any efforts by ICG to engage with a portfolio company on ESG matters will improve the financial or ESG related performance of the investment. In addition, to the extent that the General Partners or their affiliates provides ESG reporting to investors, such reports will be based on the General Partners', their affiliates' or the applicable portfolio company's subjective determinations and beliefs. The General Partners' ESG framework and related practices will differ from those of other asset managers and they can be expected to change over time. Further, ESG integration and responsible investing practices as a whole are evolving rapidly and there are different frameworks and methodologies being implemented by other sponsors and by regulators in various jurisdictions. There can be no assurances that the General Partners' current approach will meet any future regulatory requirements or industry best practices or that any such efforts will be successful.

**Consultants.**

The Investment Vehicles and/or portfolio companies have in the past, and may in the future engage strategic advisors, consultants, senior advisors, operating partners and/or other professionals (which may include current and former executive officers, employees or other affiliates of ICG or any portfolio companies of the Investment Vehicles or any Other Accounts) as well as other similar professionals (collectively, "Consultants") and who are expected, from time to time, to receive payments from, or allocations or performance-based compensation (e.g., promote) with respect to portfolio companies. In such circumstances, such payments, allocations or compensation will be borne indirectly by the Investment Vehicles and will not be subject to offset or return provisions under the Partnership Agreements. Consultants are expected to have the right or may be offered the ability to co-invest alongside the Investment Vehicles, including in those investments in which they are involved (and for which they may be entitled to receive performance-related incentive fees, which will reduce the Investment Vehicles' returns and will not necessarily be subordinated to the return of investors' capital contributions), or otherwise participate in equity plans for management of any such portfolio company, and such co-investment and/or participation generally will result in the Investment Vehicles being allocated a smaller share of an investment. The nature of the relationship with each Consultant and the amount of time devoted or required to be devoted by them may vary considerably. In some cases, they provide industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and provide reference checks on management teams. In other cases, they take on more extensive roles and serve as executives or directors on the boards of portfolio companies or contribute to the sourcing, monitoring, disposition or other management functions with respect to investments. These arrangements may be memorialized in a formal written agreement or may be informal and are negotiated individually, depending upon the anticipated services to be provided, and any such arrangement may or may not be terminable upon notice by either or both parties. In certain cases, a Consultant will have certain attributes of ICG "employees" (e.g., they may have dedicated offices at ICG, participate in general meetings and events for ICG personnel or on ICG matters as their primary or sole business activity) even though they are not considered ICG employees, affiliates or personnel for purposes of the Partnership Agreement. Consultants may be sources of investment opportunities, co-investors or counterparties, may have other prior relationships with ICG, Other Accounts and/or any of their investments or affiliates thereof, or otherwise have a relationship with ICG and/or its Affiliates. These relationships may influence the decision whether to select or recommend such a Consultant to perform services for an Investment Vehicle or a portfolio company. There can be no assurance that any of the Consultants and/or other professionals will continue to serve in such roles and/or continue their arrangements with ICG, the Investment Vehicle and/or any portfolio companies throughout the term of the Investment Vehicle.



**Risks Relating to an Investment in a CLO.*****Illiquidity and Potential for Early Redemption or Re-pricing.***

Investment in a CLO involves certain risks relating to the securities the CLO issues and the assets it holds. The securities issued by a CLO have limited liquidity and are subject to transfer restrictions that could require Investors to retain their interests in the CLO for its duration. Conversely, the CLO could be subject to an early redemption or re-pricing. In such case, an Investor could not realize its desired return, and could not be able to reinvest the proceeds of redeemed securities in assets with a comparable interest rate or maturity. Furthermore, there can be no assurance that, upon any such redemption or refinancing, the proceeds from the liquidation of the CLO's assets would permit any payment on the CLO equity after all required payments are made to the holders of the more senior CLO securities and to cover administrative expenses of the CLO. Limited Recourse and Subordination.

The debt securities of a CLO are limited recourse obligations of the issuer and will only be satisfied with the proceeds of the CLO's assets. To the extent such assets are insufficient to pay the issuer's debt securities in full, an Investor in such debt securities could suffer a loss of all or a portion of its investment. The equity securities of a CLO (which could be in the form of "subordinated notes") are highly leveraged, unsecured obligations of the issuer and are subordinated to payment in full of the issuer's debt securities and administrative expenses. To the extent the issuer's assets are insufficient to pay its debt securities and administrative expenses in full, an Investor in equity securities could suffer a loss of all or a portion of its investment. The ability of the issuer to fulfill its payment obligations under its debt and equity securities depends on the performance and value of its assets.

***Risks Relating to Underlying Assets.***

Risks that impact the performance and value of a CLO's assets include risks relating to default, refinancing, prepayment, liquidity, market value, credit, interest rate, reinvestment and certain other risks. The assets of a CLO are typically below investment grade, could be unsecured and could be subordinated to other obligations of the related obligors. As such, repayment on these assets could be impaired by any adverse changes in the financial condition of such obligors and general market conditions. Furthermore, the need to liquidate assets rapidly upon an early redemption could result in the CLO receiving less for such assets than it might at a later date. Both the CLO and its underlying assets are subject to the risk of general market deterioration and change in law or regulation that could affect the CLO's ability to pay its obligations. In a bankruptcy proceeding involving an asset, the CLO could be subject to claims for preferential payments and fraudulent transfers. Potential Investors in a CLO should consider these risks, as well as the structural and liquidity risks relating to their potential investment.

***Interest Rate Risk.***

Interest rate risk will be inherent in the CLOs because of, among other things, a difference between the interest rate basis of the CLO's rated notes and of floating/fixed rate assets purchased by the CLO, the CLO's cash balances not being required to be invested in floating rate investments, and changing levels of SOFR or other indexes in relation to the floating rate CLO notes and floating rate assets. There may also be mismatches in timing and where the CLO notes and floating rate assets have different floors. No assurance can be made that the portion of floating rate assets of the CLO that bear interest based on indices other than SOFR will not increase in the future. The CLOs are not expected to enter into hedge agreements to minimize such risk.

The U.S. federal government has adopted legislation (which preempts any LIBOR fallback legislation adopted by New York or any other state) to implement LIBOR fallback provisions for contracts that have



no or ineffective LIBOR fallback language. Although most collateral obligations that bore interest based on LIBOR migrated to a new benchmark on or before July 3, 2023, such transition may have been a transition to SOFR or the Term SOFR Reference Rate and the spread adjustment adopted in connection with such transitions may not have been representative of LIBOR as of the date of determination of such benchmark. On April 3, 2023, the United Kingdom Financial Conduct Authority (the “**FCA**”) announced that it would compel the ICE Benchmark Administration (the “**IBA**”) to publish a non-representative synthetic LIBOR for one-, three-, and six-month USD LIBOR settings for use in certain legacy contracts through the end of September 2024. Therefore, certain collateral obligations that bore interest based on LIBOR may not migrate away from LIBOR until at least that date. These ongoing transitions may result in certain volatility, hedging and liquidity risks. It is possible that an asset may not function or perform as originally intended, its price may be negatively impacted or value may not be transferred, and it may become illiquid and hard to value. It may not be possible to remediate certain assets to new rates, or to transition a hedge and its underlying position at the same time, causing a mismatch or “basis risk”. Remediation is likely to be particularly difficult for assets issued to multiple investors or with high consent thresholds to amend the rate.

It is also possible that in the future, SOFR will need to be replaced with a fallback rate. Subject to limitations imposed by the CLO documents, ICG Debt Advisors – Manager Series will be responsible for nominating or designating an alternative to SOFR in respect of its securities. If this happens, there can be no assurance that any such change in the floating rate (a) will be adopted, (b) that is adopted will effectively mitigate interest rate risks or result in an equivalent methodology for determining the interest rates, (c) will be adopted prior to any material adverse consequences or (d) will not result in a material adverse effect.

#### ***Reinvestment Risk.***

The CLO’s inability to invest or reinvest available funds (from the proceeds of the offering of the CLO securities or from sale proceeds, prepayments or other proceeds in respect of the assets) with comparable or favorable interest rates that satisfy the CLO’s investment criteria could adversely affect the timing and amount of payments received by the holders of CLO’s rated notes, the yield to maturity of the CLO’s rated notes and the distributions on the CLO equity. There can be no assurance that ICG Debt Advisors – Manager Series will be able to invest or reinvest available funds in assets with comparable interest rates that satisfy the CLO’s investment criteria or (if it is able to make such reinvestments) as to the length of any delays before such investments are made.

#### ***Prepayment Risk.***

Loans are generally prepayable in whole or in part at any time, and ICG Debt Advisors – Manager Series cannot predict the timing or amount of prepayments. There can be no assurance that ICG Debt Advisors – Manager Series will be able to reinvest prepayment proceeds in a timely or advantageous manner.

#### ***Trading Risks in Mortgage-Related Securities.***

Mortgage-related securities are collateralized by residential or commercial mortgages or pools of residential or commercial mortgages. Pools of mortgage loans are assembled as securities for sale to investors by various governmental, government related and private organizations. These securities could include complex instruments such as collateralized mortgage obligations (“**CMOs**”), stripped mortgage-backed securities (“**SMBS**”), including, in the case of the SSO Fund, interest-only and principal-only securities, and mortgage pass-through securities, interests in real estate mortgage investment conduits (“**REMICs**”), as well as other real estate related securities. The mortgage-related securities in which the Alternative Credit Fund and the SSO Fund invests could include those with fixed, adjustable, floating or variable interest rates, those with interest rates that change based on multiples of changes in a specified

index of interest rates and those with interest rates that change inversely to changes in interest rates, as well as those that do not bear interest. The mortgage-related securities in which the Alternative Credit Fund and the SSO Fund invests could also relate to balloon mortgages.

Mortgage-related securities are subject to credit risks associated with the performance by the mortgagors. In certain instances, the credit risk associated with mortgage-related securities can be reduced by third party guarantees or other forms of credit support. Improved credit risk does not reduce prepayment risk, which is unrelated to the rating assigned to the mortgage-related security. Prepayment risk can lead to fluctuations in value of the mortgage-related security, which could be pronounced. If a mortgage-related security is purchased at a premium, all or part of the premium could be lost if there is a decline in the market value of the security, whether resulting from changes in interest rates or prepayments on the underlying mortgage collateral. Certain mortgage-related securities that could be purchased by the Alternative pet, such as inverse floating-rate CMOs, have coupons that move inversely to a multiple of a specific index, which could result in a form of leverage. As with other interest bearing securities, the prices of certain mortgage-related securities are inversely affected by changes in interest rates. However, although the value of a mortgage-related security could decline when interest rates rise, the converse is not necessarily true, since in periods of declining interest rates the mortgages underlying the security are more likely to be prepaid. Due to declining interest rates and for other reasons, a mortgage-related security's stated maturity could be shortened by unscheduled prepayments on the underlying mortgages. Therefore, it is not possible to predict accurately a security's return to the Alternative Credit Fund or the SSO Fund. Moreover, with respect to certain SMBS, if the underlying mortgage securities experience greater than anticipated prepayments of principal, the Alternative Credit Fund or the SSO Fund could fail to fully recoup its initial investment even if the securities are rated in the highest rating category by a rating agency. During periods of rapidly rising interest rates, prepayments of mortgage-related securities could occur at slower than expected rates. Slower prepayments effectively could lengthen a mortgage-related security's expected maturity, which generally would cause the value of such security to fluctuate more widely in response to changes in interest rates.

Investments in subordinated mortgage-backed securities ("**MBS**") involve greater credit risk of default than the senior classes of the issue or series. Default risks could be further pronounced in the case of subordinated MBS secured by, or evidencing an interest in, a relatively small or less diverse pool of underlying loans.

### ***Mortgage Loans Risk.***

Mortgage loans could be, at the time of their origination or acquisition, or could become after such origination or acquisition, non-performing for a variety of reasons. Such non-performing mortgage loans could require a substantial amount of workout negotiations and/or restructuring, which could entail, among other things, a substantial reduction in the interest rate and a substantial write-down of the principal of such loans. Even if a restructuring were successfully accomplished, a risk exists that upon maturity of such mortgage loan, replacement "takeout" financing will not be available. Purchases of participations in mortgage loans raise many of the same risks as investments in mortgage loans and also carry risks of illiquidity and lack of control. It is possible any appointed loan servicer could find it necessary or desirable to foreclose on collateral securing one or more mortgage loans purchased. Borrowers often resist foreclosure actions by asserting numerous claims, counterclaims and defenses against the holder of a mortgage loan including, without limitation, numerous lender liability claims and defenses, in an effort to prolong the foreclosure action. If the borrower files for bankruptcy during foreclosure proceedings, it would stay the foreclosure action and further delay the foreclosure process. Foreclosure litigation tends to create a negative public image of the collateral property and could result in disrupting ongoing leasing and management of the property. In addition, certain mortgage loans in which the Alternative Credit Fund

or the SSO Fund could invest could be structured so that all or a substantial portion of the principal will not be paid until maturity, which increases the risk of default at that time.

Mortgage loans are also subject to prepayment or call risk, which is the risk that payments could be received earlier or later than expected due to changes in the rate at which the underlying loans are prepaid. Faster prepayments often happen when market interest rates are falling. As a result, the Alternative Credit Fund or the SSO Fund could need to reinvest these early payments at lower interest rates, thereby reducing its income. Conversely, when interest rates rise, prepayments could happen more slowly, causing the underlying loans to be outstanding for a longer time, which can cause the market value of the security to fall because the market could view its interest rate as too low for a longer-term investment. Such changes in prepayment rates could result in reduced yields, increased volatility and/or reductions in the Alternative Credit Fund's and the SSO Fund's net asset value.

### ***Collateralized Obligations.***

The Alternative Credit Fund and the SSO Fund could invest in CDOs, collateralized loan obligations (which could include CLOs) and collateralized synthetic obligations ("**CSOs**"). The Alternative Credit Fund's and the SSO Fund's portfolio could include a variety of different types of products including CDO, CLO and CSO equity, multi-sector CDO equity, trust preferred CDO equity and CLO debt. The CDO equity purchased by the Alternative Credit Fund or the SSO Fund will most likely be unrated or non-investment grade. As a holder of CDO equity, the Alternative Credit Fund and the SSO Fund will have limited remedies available upon the default of the CDO. The Alternative Credit Fund and the SSO Fund could be unable to find a sufficient number of attractive opportunities to meet its investment objective or fully invest its committed capital. For example, from time to time, the market for CDO transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. CDOs often invest in concentrated portfolios of assets. The concentration of an underlying portfolio in any one obligor would subject the related CDO securities to a greater degree of risk with respect to defaults by such obligor and the concentration of a portfolio in any one industry would subject the related CDOs to a greater degree of risk with respect to economic downturns relating to such industry.

The value of the CDO securities owned by the Alternative Credit Fund and the SSO Fund generally will fluctuate with, among other things, the financial condition of the obligors or issuers of the underlying portfolio of assets of the related CDO ("**CDO Collateral**"), general economic conditions, the condition of certain financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Consequently, holders of CDO securities must rely solely on distributions on the CDO Collateral or proceeds thereof for payment in respect thereof. If distributions on the CDO Collateral are insufficient to make payments on the CDO securities, no other assets will be available for payment of the deficiency and, following realization of the CDO securities, the obligations of such issuer to pay such deficiency generally will be extinguished. CDO Collateral could consist of high yield debt securities, loans, asset-backed securities and other financial instruments, which often are rated below investment grade (or of equivalent credit quality). High yield debt securities generally are unsecured (and loans could be unsecured) and could be subordinated to certain other obligations of the issuer thereof. The lower ratings of high yield securities and below investment grade loans reflect a greater possibility that adverse changes in the financial condition of an issuer or in general economic conditions or both could impair the ability of the related issuer or obligor to make payments of principal or interest. Such investments could be speculative.

**High Yield Securities.**

The Alternative Credit Fund and the SSO Fund could invest in “high yield” bonds and preferred securities, which are rated in the lower rating categories by the various credit rating agencies (or in comparable non-rated securities). Financial instruments in the lower rating categories are subject to greater risk of loss of principal and interest than higher-rated securities and are generally considered to be predominately speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower-rated securities, the yields and prices of such securities could tend to fluctuate more than those of higher-rated securities. The market for lower-rated securities is thinner and less active than that for higher-rated securities, which can adversely affect the prices at which these securities can be sold. In addition, adverse publicity and investor perceptions about lower rated securities, whether or not based on fundamental analysis, could be a contributing factor in a decrease in the value and liquidity of such lower-rated securities.

**Subordinated Securities.**

Some of the investments of the SSO Fund will consist of subordinated debt issued by corporate, financial, or special purpose issuers. In the event of default under investments purchased by the SSO Fund, the SSO Fund is unlikely to be able to recover all of its investment in the securities purchased. The recovery value for subordinated debt is lower than for senior debt as any residual value of the issuer will be the first repaid to senior debt holders. In addition, the investments could have structural features that divert payments of interest and/or principal due to adverse conditions prior to an actual default. As a result of these features, subordinated securities have a higher risk of loss from adverse conditions and/or defaults.

**Securitisation Regulation.**

If the SSO Fund acquires investments through a special purpose vehicle (an “**SPV**”) and the SPV enters into a credit facility in connection therewith, ICG Alternative Credit or other relevant parties (e.g., the SSO Fund’s lender) could conclude that the scheme is a “securitisation” within the meaning of, in the EU Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017, (the “**EU Securitisation Regulation**”) and, in the UK, the EU Securitisation Regulation as it forms part of UK domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**UK Securitisation Regulation**”) and together with the EU Securitisation Regulation, the “**Securitisation Regulations.**”) by reference to the tranching of credit risk associated with the exposures held by the SPV and the lender. ICG Alternative Credit will seek to structure such lending to ensure that the Securitisation Regulations do not apply, but there is no certainty that such structuring will be successful due to the very broad definition of “securitisation” in the regulation and related uncertainty. The application of the Securitisation Regulations could materially and adversely affect the SSO Fund’s ability to execute its investment strategy.

**Risks Related to Asset Backed Securities.**

Asset-backed securities are subject to credit risks associated with the performance of the underlying assets. Asset-backed notes generally are issued pursuant to indentures, and pass-through certificates generally are issued pursuant to pooling and servicing agreements. A separate servicing agreement typically is executed in connection with asset-backed notes (such servicing agreements, indentures and pooling and servicing agreements, the “**Asset-Backed Agreements**”). The Asset-Backed Agreements provide for the appointment of a trustee and the segregation of the transferred pool of assets from the other assets of the transferor. Typically, the transferor segregates the assets only on its own books and records, such as by marking its computer files, and perfects the trustee’s interest by filing a financing

statement under the Uniform Commercial Code. This method of segregation and perfection presents the risk that the trustee's interest in the assets could be lost as a result of negligence or fraud, such that the trustee and the asset-backed security holders become unsecured creditors of the transferor of the assets.

### ***Derivative Instruments.***

The Alternative Credit Fund and the SSO Fund could use various derivative instruments. While the use of derivative instruments can be beneficial, such instruments also involve risks different from, and, in certain cases, greater than, the risks presented by more traditional investments. General risk factors of derivatives include:

- *Market Risk* — This is the general risk, attendant to all investments that the value of a particular investment will change in a way detrimental to the Alternative Credit Fund's and the SSO Fund's interests.
- *Management* — Derivatives are highly specialized instruments that require investment techniques and risk analyses different from those associated with equities and bonds. The use of a derivative instrument requires an understanding not only of the underlying instrument but also of the derivative itself, without the benefit of observing the performance of the derivative under all possible market conditions.
- *Tracking* — When used for hedging purposes, an imperfect or variable degree of correlation between price movements of the derivative instrument and the underlying investment sought to be hedged could prevent the Alternative Credit Fund and the SSO Fund from achieving the intended hedging effect or expose the Alternative Credit Fund or the SSO Fund to the risk of loss.
- *Liquidity* — Derivative instruments, especially when traded in large amounts, could not be liquid in all circumstances, so that in volatile markets the Alternative Credit Fund and the SSO Fund could not be able to close out a position without incurring a loss. In addition, daily limits on price fluctuations and speculative position limits on exchanges on which the Alternative Credit Fund could conduct its transactions in derivative instruments could prevent prompt liquidation of positions, subjecting the Alternative Credit Fund to the potential of greater losses.
- *Leverage* — Trading in derivative instruments can result in large amounts of leverage. Thus, the leverage offered by trading in derivative instruments will magnify the gains and losses experienced by the Alternative Credit Fund and the SSO Fund.
- *Tax* — Tax rules governing the Investment Vehicle's transactions in derivative instruments may affect whether gains and losses recognized by the Investment Vehicle are treated as ordinary or capital, accelerate the recognition of income or gains to the Investment Vehicle, defer losses to the Investment Vehicle, and cause adjustments in the holding periods of the Investment Vehicle's securities, thereby affecting, among other things, whether capital gains and losses are treated as short-term or long-term. These rules could therefore affect the amount, timing, and/or character of distributions to shareholders. These rules are complex and substantial uncertainty exists with regards to their application.

***Illiquidity.***

Illiquidity in the collateralized default obligation (“**CDO**”), leveraged finance and fixed income markets could affect holders of the securities. Events in the CDO (including CLOs), leveraged finance and fixed income markets contributed to a severe liquidity crisis in the global credit markets that has existed in recent years. The financial markets have experienced substantial fluctuations in prices for senior secured loans and reduced liquidity for such obligations.

***Futures Contracts and Options on Futures Contracts.***

In entering into futures contracts and options on futures contracts, there is a credit risk that the counterparty will not be able to meet its obligations to the Alternative Credit Fund and the SSO Fund. The counterparty for futures contracts and options on futures contracts traded in the United States and on most foreign futures exchanges is the clearinghouse associated with such exchange. In general, clearinghouses are backed by the corporate members of the clearinghouse, which are required to share any financial burden resulting from the non-performance by one of its members and, as such, should significantly reduce this credit risk. In cases where the clearinghouse is not backed by the clearing members (e.g., some foreign exchanges), it is normally backed by a consortium of banks or other financial institutions. There can be no assurance that any counterparty, clearing member or clearinghouse will be able to meet its obligations to the Alternative Credit Fund or the SSO Fund.

For a more complete discussion of the analysis and investment strategies used in formulating investment advice or managing assets and the investment risks for any Investment Vehicle, Investors should review the applicable offering documents for that Investment Vehicle.

***Leverage.***

The Alternative Credit Fund or the SSO Fund could increase the amount of capital available for investment through use of leverage, including through the use of a credit facility. While the use of leverage can substantially improve the return on invested capital, potential investors should be aware that such use could also substantially increase the adverse impact to which the portfolio of the Alternative Credit Fund or the SSO Fund could be subject. To the extent that the Alternative Credit Fund or the SSO Fund uses leverage, changes in the general level of interest rates on borrowed money could adversely affect the Alternative Credit Fund's or the SSO Fund's assets and operating results.

Borrowings will typically be secured by the Alternative Credit Fund's or the SSO Fund's securities and other assets. Under certain circumstances, a lender could demand an increase in the collateral that secures the Alternative Credit Fund's or the SSO Fund's obligations and, if the Alternative Credit Fund or the SSO Fund were unable to provide additional collateral, the lender could liquidate assets held in the account to satisfy the Alternative Credit Fund's or the SSO Fund's obligations to the lender. Liquidation in that manner could have extremely adverse consequences for the Alternative Credit Fund or the SSO Fund.

***Emerging and Less Developed Markets; Non-U.S. Investments.***

In emerging and less developed markets, in which the Alternative Credit Fund or SSO Fund could invest, the legal, judicial and regulatory infrastructure is still developing but there is much legal uncertainty both for local market participants and their overseas counterparts. Some markets could carry higher risks for investors who should, therefore, ensure that, before investing, they understand the risks involved and are satisfied that an investment is suitable as part of their portfolio. Investments in emerging and less developed markets should be made only by sophisticated investors or professionals who have independent knowledge of the relevant markets, are able to consider and weigh the various risks presented by such



investments and have the financial resources necessary to bear the substantial risk of loss of investment in such investments. Such risks might be of a political, legal or economic nature, or might result from prices, currency or taxation movements.

Countries with emerging and less developed markets include but are not limited to (1) countries that have an emerging stock market in a developing economy as defined by the International Finance Corporation, (2) countries that have low or middle income economies according to the World Bank, and (3) countries listed in a World Bank publication as developing.

Investment in non-U.S. issuers or securities principally traded outside the United States could involve certain special risks due to economic, political and legal developments, including favorable or unfavorable changes in currency exchange rates, exchange control regulations (including currency blockage), expropriation of assets or nationalization, imposition of withholding taxes on dividend or interest payments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive, accounting reporting and disclosure requirements than domestic issuers. The securities of some foreign governments and companies and foreign securities markets are less liquid and at times more volatile than comparable U.S. securities and securities markets. Foreign brokerage commissions and other fees are also generally higher than in the United States. The laws of some foreign countries could limit the Alternative Credit Fund's ability to invest in securities of issuers located in certain foreign countries. There are also special tax considerations which apply to securities of foreign issuers and securities principally traded overseas.

The risks of foreign investments described above apply to an even greater extent to investments in emerging markets. The securities markets of emerging markets countries are generally smaller, less developed, less liquid and more volatile than the securities markets of the U.S. and developed foreign markets. Disclosure and regulatory standards in many respects are less stringent than in the United States and developed foreign markets. Accounting and auditing standards in many markets are different, and sometimes significantly different from those applicable in the United States or Europe. In particular, the accounting standards with respect to inflation have to be clearly understood in order to analyze a balance sheet. There is substantially less publicly available information about companies located in emerging markets than there is about companies in other more developed jurisdictions. There also could be a lower level of monitoring and regulation of securities markets in emerging market countries, and the activities of investors in such markets and enforcement of existing regulations has been extremely limited. Many emerging markets countries have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and could continue to have very negative effects on the economies and securities markets of certain emerging markets countries. Economies in emerging markets generally are heavily dependent upon international trade and, accordingly, have been and could continue to be affected adversely by trade barriers, exchange controls, managed adjustments in relative currency values, and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of emerging markets countries also have been and could continue to be adversely affected by economic conditions in the countries with which they trade. The economies of emerging markets countries could also be predominantly based on only a few industries or dependent on revenues from particular commodities. In addition, custodial services and other costs relating to investment in foreign markets could be more expensive in emerging markets than in many developed foreign markets, which could reduce the Alternative Credit Fund's or the SSO Fund's income from such securities.

In many cases, governments of emerging markets countries continue to exercise significant control over their economies, and government actions relative to the economy, as well as economic developments generally, could affect the capacity of issuers of emerging markets country debt instruments to make payments on their debt obligations, regardless of their financial condition. In addition, there is a heightened

possibility of expropriation or confiscatory taxation, imposition of withholding taxes on interest payments or other similar developments that could affect investments in those countries. There can be no assurance that adverse political changes will not cause the Alternative Credit Fund or the SSO Fund to suffer a loss of any or all of its investments or, in the case of fixed-income securities, interest thereon.

Many emerging markets countries are undergoing important political and economic changes that are making their economies more free-market oriented. However, there could be future political and economic changes that could return the situation to closed and centrally-controlled economies with price and foreign exchange controls. Many emerging markets countries lack the legal, structural and cultural basis for the establishment of a dynamic, orderly, market-oriented economy. Many of the promising changes that are being seen at present could be reversed, causing significant impact on the Alternative Credit Fund's or the SSO Fund's investment returns in this region.

### ***Loan Investments Risk.***

The Alternative Credit Fund or the SSO Fund could originate and invest in a variety of loans. Bank loans are obligations of companies or other entities typically entered into in connection with recapitalizations, acquisitions, and refinancings. The Alternative Credit Fund's or the SSO Fund's investments in bank loans are generally acquired as a participation interest in, or assignment of, loans originated by a lender or other financial institution. These investments could include institutionally- traded floating and fixed-rate debt securities. The bank loans underlying these securities often involve borrowers with low credit ratings whose financial conditions are troubled or uncertain, including companies that are highly leveraged or in bankruptcy proceedings. Participation interests and assignments involve credit, interest rate, and liquidity risk. Bridge loans involve certain risks in addition to those associated with bank loans including the risk that the borrower could be unable to locate permanent financing to replace the bridge loan, which could impair the borrower's perceived creditworthiness. Debtor-in-possession ("DIP") loans are subject to the risk that the entity will not emerge from bankruptcy and will be forced to liquidate its assets. Mezzanine loans generally are rated below investment grade, and frequently are unrated. Investment in mezzanine loans is a specialized practice that depends more heavily on independent credit analysis than investments in other fixed-income securities.

The Alternative Credit Fund's or the SSO Fund's success will depend, in part, on its ability to originate or obtain loans on advantageous terms. In originating or purchasing loans, the Alternative Credit Fund or the SSO Fund will compete with a broad spectrum of investors and institutions. Increased competition for qualifying loans could result in lower yields on such loans, which could reduce returns to investors.

### ***Risks of Investing in Real Estate Loans.***

Real estate loans that are in default could require a substantial amount of workout negotiations and/or restructuring. If a restructuring was successful, a risk still exists that upon maturity of such loan, replacement "takeout" financing will not be available. It is also possible that the ICG Alternative Creditor servicer could find it necessary or desirable to foreclose on collateral securing one or more real estate loans purchased by the Alternative Credit Fund or the SSO Fund, which process can be lengthy and expensive. In some jurisdictions, foreclosure actions can take several years to litigate, which proceedings tend to create a negative public image of the collateral property and related assets, and could disrupt the ongoing leasing and management of the property. At any time during the foreclosure proceedings, the borrower could file for bankruptcy, which would have the effect of staying the foreclosure action and further delaying the foreclosure process. The amount that could be received by the Alternative Credit Fund or the SSO Fund could be substantially affected by foreclosure actions by lenders senior to the Alternative Credit Fund or the SSO Fund, if any.

***Risks Associated with Loans.***

Loans are subject to the risk of non-payment of scheduled interest or principal. Such non-payment would result in a reduction of income to the Fund, and a reduction in value of an investment of the Alternative Credit Fund or the SSO Fund. There can be no assurance that the liquidation of any collateral securing a loan would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal payments, or that such collateral could be readily liquidated. In the event of bankruptcy of a borrower, the Alternative Credit Fund or the SSO Fund could experience delays or limitations with respect to its ability to realize the benefits of the collateral securing a loan. To the extent that a loan is collateralized by stock in the borrower or its subsidiaries, such stock could lose all or substantially all of its value in the event of bankruptcy of a borrower; the current economic landscape indicates increased volatility and the possibility of more frequent bankruptcies. Some asset-backed loans are subject to the risk that a court, pursuant to a fraudulent conveyance or other similar laws, could subordinate such loans to presently existing or future indebtedness of the borrower or take other action detrimental to the holders of asset-backed loans including, in certain circumstances, invalidating the loans or causing interest previously paid to be refunded to the borrower. If interest were required to be refunded, it could negatively affect the Alternative Credit Fund's or the SSO Fund's performance. Risks associated with bank loans include the fact that prepayments could generally occur at any time without premium or penalty.

In addition, certain loans could be supported, in part, by personal guarantees made by the persons affiliated with a borrower or guarantees made by a corporation affiliated with the borrower. The amount realizable with respect to a loan could be detrimentally affected if a guarantor fails to meet its obligations under the guarantee. Moreover, the value of collateral supporting loans could fluctuate. In addition, active lending/origination by the Alternative Credit Fund or the SSO Fund could subject it to additional regulation. Finally, there could be a monetary, as well as a time cost involved in collecting on defaulted loans and, if applicable, taking possession of and subsequently liquidating various types of collateral.

Most loans made by the Alternative Credit Fund or the SSO Fund will not be rated by a rating agency, will not be registered with the SEC or any foreign or state securities commission and will not be listed on any U.S. or foreign securities exchange. The amount of public information with respect to such loans will generally be less extensive than that available for registered or exchange listed securities. In evaluating the creditworthiness of borrowers, ICG Alternative Credit will consider, and could rely in part, on analyses performed by others.

No active trading market could exist for many loans and some loans could be subject to restrictions on resale. A secondary market could be subject to irregular trading activity, wide bid/ask spreads and extended trade settlement periods, which could impair the ability to realize full value and thus cause a material decline in the value of the Alternative Credit Fund's or the SSO Fund's investments.

***Over-the-Counter ("OTC") Transactions***

The SSO Fund could deal in forward foreign exchange contracts between currencies of the different countries and multi-national currency units and options on currencies for hedging or speculation. With respect to forward currency contracts, this is accomplished through contractual agreements generally to purchase or sell one specified currency for another currency at a specified future date and price determined at the inception of the contract. The SSO Fund could enter into credit derivatives and engage in other OTC transactions, such as options not traded on an exchange, swaps, caps, floors, and collars.

In general, there is less governmental regulation and supervision in the OTC markets than of transactions entered into on an organized exchange. In addition, many of the protections afforded to participants on some organized exchanges, such as the performance guarantee of an exchange clearinghouse, will not be

available in connection with OTC transactions. This exposes the SSO Fund to the risks that a counterparty will not settle a transaction because of a credit or liquidity problem or because of disputes over the terms of the contract. The SSO Fund is not restricted from concentrating transactions with one counterparty. The SSO Fund, therefore, will be exposed to greater risk of loss through default than if they confined their trading to regulated exchanges.

The SSO Fund will be subject to the risk of the inability of counterparties to perform with respect to transactions, whether due to insolvency, bankruptcy, governmental prohibition or other causes, which could subject the Fund to substantial losses.

### **Risks Relating to an Investment in Private Debt Funds.**

#### ***Credit Ratings are Not a Guarantee of Quality.***

Credit ratings of assets represent the rating agencies' opinions regarding their credit quality and are not a guarantee of quality. A credit rating is not a recommendation to buy, sell or hold assets and may be subject to revision or withdrawal at any time by the assigning rating agency. In the event that a rating assigned to any corporate debt obligation is lowered for any reason, no party is obligated to provide any additional support or credit enhancement with respect to such corporate debt obligation. Rating agencies attempt to evaluate the safety of principal and interest payments and do not evaluate the risks of fluctuations in market value; therefore, ratings may not fully reflect the true risks of an investment. Also, rating agencies may fail to make timely changes in credit ratings in response to subsequent events, so that an obligor's current financial condition may be better or worse than a rating indicates. Consequently, credit ratings of any corporate debt obligation should be used only as a preliminary indicator of investment quality and should not be considered a completely reliable indicator of investment quality. Rating reductions or withdrawals may occur for any number of reasons and may affect numerous assets at a single time or within a short period of time, with material adverse effects upon the corporate debt obligation. It is possible that many credit ratings of assets included in or similar to the corporate debt obligation will be subject to significant or severe adjustments downward.

While the Private Debt Fund General Partners expect that the current environment will yield attractive investment opportunities for the Private Debt Funds, there can be no assurances that conditions in the global financial markets will not worsen and/or adversely affect one or more of the Private Debt Funds' Investments, their access to capital for leverage, an issuer or the Private Debt Funds' overall performance. The Private Debt Funds' investment strategies and the availability of opportunities satisfying the Private Debt Funds' risk-adjusted return parameters rely in part on the continuation of certain trends and conditions observed in the market for Investments (e.g., the inability of certain companies to obtain financing solutions from traditional lending sources or otherwise access the capital markets) and the broader financial markets as a whole and in some cases the improvement of such conditions. Trends and historical events do not imply, forecast or predict future events and, in any event, past performance is not necessarily indicative of future results. There can be no assurance that the assumptions made or the beliefs and expectations currently held by the Advisor will prove correct and actual events and circumstances may vary significantly. Any of the foregoing events could result in substantial or total losses to the Private Debt Funds in respect of certain Investments, which losses will likely be exacerbated by the presence of leverage in an Issuer's capital structure and by the use of leverage by the Private Debt Funds. [Source: ICG NACPF III]

#### ***LIBOR and Other "IBOR" Rates.***

As of January 1, 2022, the four non-U.S. dollar LIBOR benchmark ratee, specifically the British pound (GBP), Japanese yen (JPY), Swiss franc (CHF) and euro (EUR), along with the one-week and two-month

USD LIBOR, were no longer published. The end of these rates was part of the final cessation of LIBOR, and all remaining USD LIBOR rates were discontinued after 30 June 2023. Globally, 2021 was the beginning of the end for LIBOR. In October of that year, U.S. (and U.K.) federal financial and securities regulators reiterated their expectations that supervised institutions with LIBOR exposure should progress towards an orderly transition away from the benchmark. The government strongly advised institutions to no longer use USD LIBOR as a reference rate on new contracts after 31 December 2021, and to ensure existing contracts have robust fallback language that included a clearly defined alternative reference rate.

In response, ICG established a project with a SteerCo chaired by the CFO in April 2020 to transition ICG's Libor exposure including its USD LIBOR exposure to SOFR. During the summer of 2023, ICG successfully completed the LIBOR transition project by actively transitioning the remaining USD LIBOR exposure under ICG's control.

This related primarily to USD LIBOR exposure in several strategies, specifically collateralized loan obligations, direct lending and private credit. The transition of USD LIBOR exposure follows from the successful transition of non-USD LIBOR exposure (primarily GBP) that was completed by the end of 2021.

### **Risks Relating to an Investment in the Equity Vehicles.**

#### ***Risks at the Underlying Fund Level.***

An investment in an underlying fund involves substantial risks and uncertainties. These risks and uncertainties include, but are not limited to, the risk that the underlying fund is a newly formed partnership with no separate operating history and its affiliates' investment track record is not indicative of its future performance, and the general partner or manager of the underlying fund and its respective investment professionals and affiliates could be able to pursue other business activities and provide services to third parties, including affiliates that compete directly with the underlying fund. This risk is exacerbated where the general partner or manager of the underlying fund does not intend to sponsor a new fund (or a new fund with the same investment strategy as the underlying fund). The Investment Vehicles are highly dependent on the applicable general partner or manager of the underlying fund and their investment professionals and there can be no assurance that the Investment Vehicles, ICG Equity Advisors, ICG or any of their respective affiliates will have continued access to them. In addition, certain investment professional and affiliates of the underlying fund's general partner will be entitled to carried interest at the underlying fund level, and could receive carried interest distributions even if the Investment Vehicle's investment in such underlying fund does not increase in value or in fact decreases in value. An Investment Vehicle could be subject to less favorable carried interest arrangements than comparable investments by other limited partners of the underlying fund. The underlying fund's general partner could be incentivized to make investments and take other actions that could be unfavorable, or less favorable than other options, to an Investment Vehicle, including an incentive for it to assume greater risks when making investment decisions than it otherwise would in the absence of carried interest at the underlying fund level. Further, an underlying fund's organizational structure, management, investment program and other characteristics could involve other significant risks and conflicts of interest that could be resolved in a manner which is not always in the best interests of an Investment Vehicle or its Investors.

#### ***Reliance on Underlying Fund and Underlying Portfolio Company Management.***

Although ICG Equity Advisors will monitor the performance of each underlying fund and underlying portfolio company, unless otherwise provided in the transaction documents in connection with an investment, the management of such underlying fund or underlying portfolio company will be responsible for operating it on a day-to-day basis and will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing, monitoring and eventually divesting investments made by such

underlying fund or underlying portfolio company. Furthermore, an Investment Vehicle could not learn of significant structural events, such as personnel changes or substantial changes to the value of the assets of, or obtain other important information, regarding the underlying funds and underlying portfolio companies until after the fact. In addition, it will be difficult, if not impossible, for the Investment Vehicles, ICG Equity Advisors or any of their affiliates to protect Investors from the risk of the management team of any underlying fund or underlying portfolio company engaging in fraud, misrepresentation, material strategy alteration, or other acts or omissions. Furthermore, investors will generally have no direct dealings or contractual relationships at the underlying fund or underlying portfolio company level. Accordingly, there can be no assurance that the management team of a portfolio company or any successor will be able to operate the portfolio company in accordance with the Investment Vehicle's expectations or the Advisor's suggestions, or that the Investment Vehicle will be able to recover on its investments.

In addition, although the Investment Vehicles generally intends to invest in underlying funds and underlying portfolio companies with strong management teams, there can be no assurance that the existing management teams of such underlying funds or underlying portfolio companies will continue to operate an underlying fund or underlying portfolio company successfully in accordance with the Investment Vehicles' expectations or ICG's suggestions or that such management teams will continue to be involved in such role throughout the period of an Investment Vehicle's investment. Portfolio companies will need to attract, retain and develop executives and members of their management teams and the market for executive talent is extremely competitive. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, the Investment Vehicles could be adversely affected thereby. In the event that all or part of the management team ceases to be involved with the management of an underlying fund or underlying portfolio company, the applicable Investment Vehicle could not have any rights or remedies in order to mitigate the effects of such cessation or could not be able to exercise any rights or remedies without the support of other constituencies of such portfolio company (which could include, without limitations, other investors, the board of directors, equity shareholders and/or other creditors), , which could or could not be forthcoming. In addition, the Investment Vehicles could invest in portfolio companies whose management teams could be distressed, in a period of change, or otherwise perceived to be ineffective or inefficient, and there can be no assurances that the Investment Vehicles will be able to successfully make impactful changes or procure comprehensive oversight rights.

### **Underlying Fund Governance Rights.**

Although each Investment Vehicle is expected to have certain governance rights in the underlying funds in which it invests, including the right to appoint a representative to the limited partner advisory committees of the underlying funds in which the Investment Vehicles invest and/or board member or observer rights with respect to the underlying companies in which the Investment Vehicles invest,, there can be no assurance that such Investment Vehicles, ICG Equity Advisors or any of their respective personnel or representatives, will be able to exercise any amount of influence or control over any underlying fund or underlying portfolio company, or that determinations or recommendations advanced on behalf of such Investment Vehicle will prevail. Furthermore, as a consequence of an Investment Vehicle having the ability to appoint a member to an underlying fund's limited partner advisory committee, a member or observer on an underlying company's board, or to otherwise exercise governance rights with respect to an underlying fund, such Investment Vehicle could be subjected to an increased risk of liability at the underlying fund or underlying portfolio company level, which could result in potential indemnification payments by the limited partners of the Investment Vehicle, thereby decreasing the returns of such limited partners.



***Risks Relating to the Special Purpose Investment Vehicles; No Diversification.***

The principal purpose of each Special Purpose Investment Vehicle is to invest in the applicable underlying fund. An investment by a Special Purpose Investment Vehicle in an underlying fund is speculative in nature and there can be no assurance that any Investor will receive a return on invested capital or any distribution in respect of its investment in such Special Purpose Investment Vehicle. Investors should expect that they could not receive any return of capital for a long period of time.

An investment in a Special Purpose Investment Vehicle involves a high degree of risk and, as a consequence, the aggregate return of a Special Purpose Investment Vehicle could be substantially adversely affected by unfavorable performance of its investment in the applicable underlying fund.

**Access to Information from Underlying Funds.**

ICG Equity Advisors will not always receive full information from underlying funds because certain of this information is considered to be proprietary by an underlying fund. An underlying fund's use of proprietary investment strategies and/or other information that are not fully disclosed to the ICG Equity Advisors will involve risks under certain market and other conditions that are not anticipated by ICG Equity Advisors. Furthermore, this lack of access to information will make it more difficult for ICG Equity Advisors to select, evaluate, and monitor underlying funds. Similar considerations apply to information of the underlying portfolio companies.

**Nature of Investments in Underlying Funds.**

Although the Equity Fund generally intends to invest in underlying funds which are at least 80% funded at the time of the Equity Fund's investment and for which any unfunded capital is limited primarily for follow-on investments in existing portfolio companies, the Equity Fund could invest in newly formed underlying funds and underlying funds which have a greater amount of drawable capital available for investment. In such circumstances, the Equity Fund will generally not be given the opportunity to take part in the underlying fund manager's investment decision or conduct due diligence of new investments prior to its acquisition by the underlying fund.

The management of the underlying funds in which the Investment Vehicles invest will be responsible for operating such underlying funds and the underlying portfolio companies in their portfolio on a day-to-day basis and will generally have sole and absolute discretion in structuring, negotiating and purchasing, financing, monitoring and eventually divesting investments made by such underlying fund or underlying portfolio company. Accordingly, the Investment Vehicles could be unable to take steps to protect against or mitigate the effects of the risks described herein.

**Valuation Matters.**

There is no established market for secondary private equity partnership interests or for the privately held portfolio companies of private equity sponsors, and there could not be any comparable companies for which public market valuations exist. In addition, under limited circumstances, ICG Equity Advisors could not have access to all material information relevant to a valuation analysis and will make certain assumptions about future events. As a result, the valuation of an Investment Vehicle's investments could be based on imperfect information and is subject to inherent uncertainties. For purposes of the Partnership Agreements of the Equity Vehicles, the fair market value of any investment will generally be the value of such interest as most recently reported by the manager of the relevant underlying fund or the relevant underlying portfolio company. Different underlying fund managers and underlying portfolio companies use different valuation methods and determine such valuations at different times and there can

be no assurance that any of such valuations are accurate. In addition, these valuations could be provided by the manager of the relevant underlying fund based on interim unaudited financial statements. Accordingly, these figures could be subject to an upward or downward adjustment following the auditing of such financial records. There can be no assurance that investments will ultimately be realized for amounts equal to, or greater than, these valuations, or that the past performance information based on such valuations will accurately reflect the ultimate realization value of such investments, and the difference between any such valuation and the ultimate sales price could be material. The actual realized returns generated by unrealized investments will depend on, among other factors, future operating results, the value of the assets and market conditions at the time of disposition, any related transaction costs and the timing and manner of sale. Valuations are subject to determinations, subjective judgments and opinions, and investors or other third parties or limited partners could disagree with such valuations and/or their underlying methodologies and assumptions. There could be circumstances where ICG is incentivized to determine valuations that differ from the actual fair value of such investments.

### **Risks Relating to an Investment in the LP Secondaries Fund.**

The market for investments in underlying funds has been evolving and is likely to continue to evolve. It is best possible that competition for appropriate investment opportunities will increase, thus reducing the number of investment opportunities available to the LP Secondaries Fund and adversely affecting the terms upon which investments can be made. Accordingly, there can be no assurance that the LP Secondaries Fund will be able to identify sufficient investment opportunities or that it will be able to acquire sufficient investments on attractive terms. Although the LP Secondaries Fund generally intends to invest in underlying funds for which any unfunded capital is limited primarily for follow-on investments in existing portfolio companies, the LP Secondaries Fund could invest in newly formed underlying funds and underlying funds which have a greater amount of drawable capital available for investment. In such circumstances, the LP Secondaries Fund will generally not be given the opportunity to take part in the underlying fund manager's investment decision or conduct due diligence of new investments prior to its acquisition by the underlying fund. The management of the underlying funds in which the LP Secondaries Fund invests will be responsible for operating such underlying funds and the underlying companies in their portfolio on a day-to-day basis and will generally have sole and absolute discretion in structuring, negotiating, and purchasing, financing, monitoring and eventually divesting investments made by such underlying fund or underlying company. Accordingly, the LP Secondaries Fund could be unable to take steps to protect against or mitigate the effects of the risks described herein. In addition, in the cases where the LP Secondaries Fund acquires an interest in an underlying fund or directly held security in a secondary transaction, the LP Secondaries Fund typically will acquire certain contingent liabilities of the seller of such interest. More specifically, where the seller has received distributions from the relevant underlying fund and, subsequently, such underlying fund recalls one or more of these distributions, the LP Secondaries Fund (as the purchaser of the interest to which such distributions are attributable) and not the seller likely will be obligated to return monies equivalent to such distributions to the underlying fund. While the LP Secondaries Fund could, in turn, be able to make a claim against the seller for any such monies so paid to the underlying fund, there can be no assurances that the LP Secondaries Fund would have the ability to make such a claim or, if such a claim were made, that the LP Secondaries Fund would prevail.

All investments involve the risk of loss of capital. Investment techniques that the LP Secondaries Fund could employ or become subject to can substantially increase the impact of adverse market changes and/or other risks. There can be no assurances that the LP Secondaries Fund will be able to accurately predict or effectively mitigate any risks.

The underlying company securities in which the LP Secondaries Fund will indirectly invest will typically be among the most junior in the capital structure of such underlying companies and are therefore subject to the greatest risk of loss. Targeted returns will reflect the assumed level of risk but there can be no

assurance that the LP Secondaries Fund will be adequately compensated for risks taken. The LP Secondaries Fund would not typically receive interim cash dividends or other distributions with respect to underlying company investments during its holding period but would realize its entire return upon eventual disposition by the LP Secondaries Fund or the underlying fund (as applicable). The timing of ultimate realization is highly uncertain, and these securities will have no readily available market for liquidity. As a result, the holding period for these securities could be lengthy. Further, in the event of a bankruptcy, liquidation or reorganization or similar proceeding relating to an underlying company, the LP Secondaries Fund or the underlying fund (as applicable) will participate with all other equity holders of such underlying company in the assets remaining after the underlying company has paid all of its indebtedness, including subordinated indebtedness.

The LP Secondaries Fund will invest generally in existing underlying funds and equity securities in unquoted underlying companies. Prospective investors should be aware that investments in private equity funds and in companies whose securities are not quoted on any exchange or market can involve a greater risk than investments in quoted companies, and that the ability of a minority investor in such funds and companies to influence their affairs or to protect the LP Secondaries Fund's position is limited. Investments in funds will often be made through a limited partnership interest. Although the LP Secondaries General Partner intends to seek governance rights in connection with Investment, the LP Secondaries Fund will generally not be permitted to participate in the management and operations of underlying funds and the LP Secondaries Fund could not obtain any such governance rights. The success of each investment will depend on the ability and success of the management of the relevant portfolio investment in addition to economic and market factors. Moreover, the marketability of interests in private equity funds and in unquoted companies is restricted. Potential exit routes include a sale to other investors, a buyout by the management team, a sale to a third party or an initial public offering on a capital market. However, there can be no guarantee that an exit can be found for any investment. Where the LP Secondaries Fund makes an investment on a secondary basis, the LP Secondaries Fund will generally not have the ability to negotiate the amendments to the constitutional documents of an underlying fund, enter into side letters or otherwise negotiate the legal or economic terms of the interest in the underlying fund being acquired. Additionally, with respect to secondary transactions in which multiple LP Secondaries Funds participate, there can be no guarantee that agreements with counterparties regarding allocations of purchase price among secondary portfolio interests, deferred purchase price payment mechanics and/or other terms of the transaction will not be more or less advantageous to one or more specific LP Secondaries Funds than to other participating LP Secondaries Funds.

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**Item 9: Disciplinary Information**

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The Advisor has not been subject to any disciplinary action, whether criminal, civil or administrative (including regulatory) in any jurisdiction. Likewise, no person involved in the management of the Advisor has been subject to such action.

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**Item 10: Other Financial Industry Activities and Affiliations**

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Due to the broad range of activities of the ICG Group, it is expected that at times companies in the group will engage in activities that present a conflict of interest to the Advisor or are not consistent with the best interests of the Investment Vehicles or Investors therein. For example, various entities that form the ICG Group invest at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments give rise to conflicts of interest, or perceived conflicts of interest, between the ICG Group entities, including the Advisor. Additionally, conflicts of interest between the ICG Group and Investment Vehicles arise, out of the overall investment activity of the Advisor and the ICG Group, as described further in the relevant ordering memorandum and in Item 11 below.

Please see Item 11 below regarding certain potential and actual conflicts of interest.

ICG Alternative Credit is registered as a Commodity Pool Operator with the U.S. Commodity Futures Trading Commission and is a member of the National Futures Association. ICG Alternative Credit relies on a self-executing exemption from registration as a Commodity Trading Advisor. Sridhar Bearely, Nathaniel Kiernan and David Deutsch are Principals of ICG Alternative Credit and Sunil Vaswani, Brian Marshall, , and Joe Pallotta are Associated Persons of ICG Alternative Credit.

As described in Item 4, Intermediate Capital has entered into a Participating Affiliate arrangement with certain non-U.S. affiliates. Pursuant to this arrangement, certain employees of the Participating Affiliates serve as Associated Persons of Intermediate Capital and, in this capacity, are subject to the oversight of Intermediate Capital. Certain Associated Persons, on behalf of Intermediate Capital, participate in providing discretionary and non-discretionary investment management services (including acting as portfolio managers and traders), research and related services to Investment Vehicles.

An affiliate of the Advisor has made an investment into CAIS, an investment platform utilized by the Advisor. This relationship has the potential for a conflict of interest whereby the Advisor is incentivized to utilize the services of CAIS, and CAIS is incentivized to promote the Advisor and its related persons (included managed funds) on its portal. However, this potential conflict is mitigated through the Advisor's and CAIS's compliance policies and procedures, disclosures and the nature of the CAIS platform.

## **Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading**

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### **Code of Ethics**

It is Intermediate Capital's policy that all employees conduct themselves so as to avoid not only actual conflicts of interest with the Investment Vehicles and Investors, but also conduct which could give rise to the appearance of a conflict of interest. ICG has adopted a Code of Ethics (the "**Code**") which describes its high standard of business conduct and fiduciary duty to its Investment Vehicles and Investors. All ICG employees must acknowledge the terms of the Code at the commencement of employment and annually thereafter. Further, the Associated Persons employed by Participating Affiliates are subject to elements of the Code. The chief compliance officer monitors the administration of the Code and training provided to Intermediate Capital's access persons as well as Associated Persons employed by Participating Affiliates.

Intermediate Capital recognizes and believes that (i) high ethical standards are essential for its success and to maintain the confidence of its Investors; (ii) its long-term business interests are best served by adherence to the principle that the interests of Investors come first; and (iii) it has a fiduciary duty to the Investment Vehicles to act in or not opposed to the best interests of such vehicles. All employees are required to act in accordance with the implied contractual covenants of good faith and fair dealing in respect of their dealings with Investors. All employees must also comply with all applicable federal securities laws.

The Code governs a number of actual and potential conflicts of interest that exist when providing advisory services to the Investment Vehicles. The Code is designed to ensure that each Advisor meets its fiduciary obligation to the Investment Vehicles and to instill a culture of compliance within ICG. An additional objective of the Code is to detect and prevent violations of federal securities laws. The Code is distributed to each employee at the commencement of employment and annually thereafter. The Code addresses, among other things, pre-clearance and reporting of employee personal securities transactions.

On an annual basis, all employees are required to certify that they are in compliance with the Code. Requests for a copy of the Code can be made by contacting the U.S. Chief Compliance Officer, Nathaniel Kiernan at 646-970-1270.

### **Certain Actual and Potential Conflicts of Interest.**

#### ***Broad and Wide-Ranging Activities.***

The Advisor and the ICG Group engage in a broad spectrum of activities. In the ordinary course of their business activities, the Advisor and the ICG Group could engage in activities where the interests of the Advisor and the ICG Group or the interests of their clients could conflict with the interests of the Investment Vehicles or Investors. Other present and future activities of the Advisor and/or the ICG Group could give rise to additional conflicts of interest. Where conflicts of interest arise, the Advisor will attempt to resolve such conflicts in a fair and equitable manner on a case-by-case basis through discussions between senior management of the relevant Advisor and representatives of the ICG Group, who in many circumstances will be the same individuals. Any such discussions will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict. The Advisor will have the power to resolve, or consent to the resolution of, conflicts of interest on behalf of, and such resolution will be binding on, the Investment Vehicles. Investors should be aware that conflicts will not necessarily be resolved in favor of the interests of the relevant Investment Vehicle. These resolutions could include, by way of example and without limitation, refraining from investing in or disposing of the security giving rise to the conflict of interest, appointing an independent fiduciary or consulting with the relevant Investment Vehicle's Limited Partner advisory committee or the board of directors of a CLO.

#### ***ICG Group Policies and Procedures.***

Specified policies and procedures implemented by the ICG Group to mitigate actual and potential conflicts of interest and address certain regulatory requirements and contractual restrictions could reduce the synergies across the ICG Group's various businesses that the Investment Vehicles expect to draw on for purposes of pursuing attractive investment opportunities. As the ICG Group has many different asset management businesses, it is subject to a number of actual and potential conflicts of interest, greater regulatory oversight and more legal and contractual restrictions than that to which it would otherwise be subject if it had just one line of business. In addressing these conflicts and regulatory, legal and contractual requirements across its various businesses, the ICG Group has implemented, and could further implement, certain policies and procedures (e.g., information walls) that could reduce the positive synergies that the Investment Vehicles expect to utilize for purposes of finding attractive investments. For example, the ICG Group regularly comes into possession of material, non-public information with respect to companies in which an Investment Vehicle could be considering making an investment or companies that are the ICG Group's advisory clients, for example, through ICG Group or other client's or Investment Vehicles' majority ownership of portfolio companies. As a consequence, that information, which could be of benefit to an Investment Vehicle, might become restricted to those other businesses and otherwise be unavailable to such Investment Vehicle, and could also restrict such Investment Vehicle's activities. In addition, where an Investment Vehicle holds loans of a borrower in which other ICG Group clients or Investment Vehicles hold significant equity, the Investment Vehicle could be considered an affiliate of the borrower, and as a consequence could be restricted under the governing documents for the loan from voting or enforcing its rights. Additionally, the terms of confidentiality or other agreements with or related to companies in which any Group client has or has considered making an investment could restrict or otherwise limit the ability of an Investment Vehicle, its portfolio companies and their affiliates to make investments in or otherwise engage in businesses or activities competitive with such companies. The ICG Group could enter into one or more strategic relationships in certain regions or with respect to certain types of investments that, although they could be intended to provide greater opportunities for the Investment Vehicles, could

require the Investment Vehicles to share such opportunities or otherwise limit the amount of an opportunity the Investment Vehicles can otherwise take. While the Investment Vehicles will typically hold no publicly traded securities, ICG has implemented a structured employee investment policy with pre-approval and quarterly reporting requirements. The Advisor also maintains a restricted list intended to avoid any conflicts with portfolio holdings.

***Performance Allocation / Fund Management Fee.***

The existence of performance-based arrangements could create an incentive for ICG to make more risky investments on behalf of the Investment Vehicles than it would otherwise make in the absence of such performance-based arrangements, although, in the case of certain Investment Vehicles, the significant commitment by the respective general partner and the ICG Group to invest in investments and the clawback should tend to reduce this incentive. In addition, in the case of certain Investment Vehicles, the fact that a portion of the fund management fee could be calculated based on capital contributions with respect to investments that have not been disposed of, rather than capital commitments, could create an incentive for the applicable Advisor to (i) make more speculative investments than it otherwise would have made if fund management fees were based on capital commitments, (ii) seek to deploy the capital commitments in investments at an accelerated pace, (iii) hold investments longer than it otherwise would have if fund management fees were based on capital commitments and/or (iv) employ a greater degree of leverage than it otherwise would have if fund management fees were based on capital commitments.

The payment by some, but not all Investment Vehicles of carried interest or performance allocations or fees or the payment of such amounts at varying rates will, in certain cases, create an incentive for the general partner or investment manager to disproportionately allocate time, services or functions to Investment Vehicles paying carried interest or performance allocations or fees or paying such amounts at a higher rate, or allocate investment opportunities to such Investment Vehicles. Further the general partner or investment manager of an Investment Vehicle could, in its sole discretion, agree to reduce or waive fees or carried interest with respect to certain limited partners and could allocate a portion of the carried interest to one or more third parties, including an Investment Vehicle limited partner. In such instances, the relevant general partner or manager will have a reduced incentive to seek to maximize the respective Investment Vehicle's returns and as a consequence could devote less time and attention to the management of such Investment Vehicle or allocate investment opportunities to higher fee-paying vehicles, which could reduce the returns of such Investment Vehicle's limited partners.

***Other Fees.***

The Advisor could earn commitment, closing, origination, transaction, break-up, directors', monitoring, management, amendment, and other similar fees in connection with the provision of capital to a portfolio company by an Investment Fund. The fund management fee payable by an Investment Fund's Limited Partner will generally be reduced by an amount equal to 100% of such Investment Fund's Limited Partner's pro rata share of such fees. Except as set forth above, the Investment Fund's Limited Partners will not receive the benefit of fees or other compensation received by the ICG Group in connection with the provision of services by the ICG Group to the Investment Fund, Investment Fund portfolio companies, or third parties. Moreover, such fees or other compensation, to the extent paid by portfolio company of an Investment Fund, give rise to a conflict of interest between ICG Group, which receives the benefit of such compensation, and the Investment Fund and its investors, which generally will indirectly bear all or part of the expense of the compensation paid by portfolio companies.

For greater certainty, the Advisor engages and retains strategic advisors, consultants, and other similar professionals who are not employees or affiliates of the Advisor and who could, from time to time, receive



payments from, or allocations with respect to, portfolio companies. In such circumstances, such amounts will not be deemed paid to or received by the Advisor and such amounts will not be subject to offset.

The Advisor and its personnel can also be expected to receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of an Investment Fund which will not be subject to the offset arrangements described above or otherwise shared with such Investment Fund, its limited partners and/or portfolio companies. For example, airline travel or hotel stays incurred as fund expenses could result in “miles” or “points” or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to the Advisor and/or such personnel (and not such Investment Fund, its limited partners and/or portfolio companies) even though the cost of the underlying service is borne by such Investment Fund and/or portfolio companies.

### ***Allocation of Investment Opportunities.***

The Advisor advises multiple types of Investment Vehicles, and other companies in the ICG Group provide investment management services to other clients, other investment funds, client accounts (including managed accounts), and proprietary accounts in which the Investment Vehicles will not have an interest.

The investment program of an Investment Vehicle could or could not be substantially similar to the investment programs of other Investment Vehicles (such other Investment Vehicles, collectively the “**Other Accounts**”). An Investment Vehicle’s Advisor and the ICG Group could give advice and recommend investments (including loans) to Other Accounts and other clients of the ICG Group which could differ from advice given to, or securities recommended or bought for, the Investment Vehicles, even though their investment objectives could be the same or similar to those of the Investment Vehicles. In addition, ICG could purchase or sell securities for its own proprietary accounts and references to “Other Accounts” could include such activities as the context requires. The ICG Group or such Other Accounts, whether now existing or created in the future, could compete with an Investment Vehicle for the purchase and sale of investment opportunities.

While each Investment Vehicle’s Advisor will seek to manage potential conflicts of interest in good faith, the portfolio strategies employed by the Advisor and the ICG Group in managing the Other Accounts could conflict with the transactions and strategies employed by the Advisor in managing the Investment Vehicles and could affect the prices and availability of the securities and instruments in which an Investment Vehicle invests. Conversely, participation in specific investment opportunities could be appropriate, at times, for both an Investment Vehicle and Other Accounts. It is the policy of the Advisor generally to share appropriate investment opportunities (and sale opportunities) with the Other Accounts. In general and except as provided below, this means that such opportunities will be allocated pro rata among an Investment Vehicle and the Other Accounts based on available capacity for such investment in each fund, taking into account capital commitments, available cash and the relative capital of the respective funds and such other factors as the Advisor determines in good faith to be appropriate (including whether or not the Investment Vehicles and Other Accounts are considered to be “plan assets” for purposes of the Employee Retirement Income Security Act of 1974 and the regulations thereunder). Nevertheless, investment and/or sale opportunities could be allocated other than on a pro rata basis, if the Advisor deems in good faith that a different allocation among an Investment Vehicle and the Other Accounts is appropriate, taking into account, among other considerations (a) the risk-return profile of the proposed investment; (b) such Investment Vehicle’s and any Other Account’s objectives, whether such objectives are considered solely in light of the specific investment under consideration or in the context of the portfolio’s overall holdings; (c) the potential for the proposed investment to create an industry, sector or issuer imbalance in such Investment Vehicle’s and any Other Account’s portfolios; (d) the liquidity of such Investment Vehicle and Other Accounts, including whether the Investment Vehicle or Other Account is warehousing, ramping-up or winding-down; (e) tax consequences; (f) regulatory restrictions; (g) the need

to re-size risk in such Investment Vehicle's or Other Accounts' portfolios; (h) redemption or withdrawal requests from Other Accounts and anticipated future contributions into or withdrawals from such Investment Vehicle and Other Accounts; (i) proximity of an Investment Vehicle or Other Account to the end of its specified term/commitment period; (j) when a pro rata allocation could result in de minimis or "odd lot" allocation; (k) availability of leverage and any requirements or other terms of any existing leverage facilities; (l) the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals dedicated to such Investment Vehicles or such Other Accounts; and (m) other considerations deemed relevant by the Advisor (all of the foregoing referred to as the "**Allocation Considerations**").

Orders could be combined for all or some of the Investment Vehicles and Other Accounts, and if any order is not filled at the same price, they could be allocated on a volume-weighted average price basis. Similarly, if an order on behalf of more than one Investment Vehicle and Other Account cannot be fully executed under prevailing market conditions, securities could be allocated among the different Investments Vehicles and Other Accounts on a basis which the Advisor considers equitable.

In the case of the Private Debt Fund and the Equity Fund, ICG Fund Advisors and ICG Equity Advisors, as applicable, attempts to mitigate these conflicts by not closing a "Similar Fund" (as defined in the applicable Partnership Agreement) until the earlier of (i) the end of the investment period of such Investment Vehicle and (ii) such time as seventy five percent (75%) of the aggregate capital commitments are invested or committed by such Investment Vehicle, other than as could otherwise be permitted under the applicable Partnership Agreement.

ICG Debt Advisors – Manager Series and its affiliates have no affirmative obligation to offer any investment opportunities to any CLO or Other Account or to inform such CLO or Other Account of any investment opportunity before offering those investments to other CLOs or Other Accounts that ICG Debt Advisors – Manager Series or any of its affiliates manage or advise. ICG Debt Advisors – Manager Series and its affiliates could also make investments on their own behalf without offering such investment opportunities to any CLO or client account.

From time to time, an Investment Vehicle and an Other Account could make investments at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities. Such investments give rise to conflicts of interest or perceived conflicts of interest between or among the various classes of securities that could be held by such entities. While these conflicts cannot be eliminated, the Advisor, when practicable, will generally cause an Investment Vehicle and any Other Account investing in the same issuer to hold investments in the same levels of the issuer's capital structure in the same proportion at each level; provided, however, that neither any Investment Vehicle nor any Other Account will be required to hold an investment if holding such investment would result in a violation of the provisions of the organizational documents of such Investment Vehicle or Other Account, as applicable, or constitute a breach of, or default or debt repayment event with respect to, any credit facility or other debt instrument or obligation (each such event, a "**Restrictive Event**"). If a Restrictive Event exists, the Advisor will use reasonable efforts to cause such Investment Vehicle to hold investments in each level of an issuer's capital structure in the same proportion as that held by the Other Accounts but will only do so to the extent permissible by the Restrictive Event. In some circumstances, investments could be made at different levels of an issuer's capital structure or otherwise in different classes of an issuer's securities or on a disproportionate basis, even though no Restrictive Event would result if the Advisor deems in good faith that such investments among an Investment Vehicle and the Other Accounts are appropriate and consistent with the Allocation Considerations. It is possible that certain portfolio companies of the Other Accounts could compete with an Investment Vehicle for one or more investment opportunities. Investors should be aware that conflicts will not necessarily be resolved in favor of an Investment Vehicle's interests.

ICG could, on behalf of itself or Other Accounts, buy, sell, hold, or otherwise deal with securities or other investments that could be purchased, sold, or held by an Investment Vehicle and/or its parallel funds or that are otherwise issued by a portfolio company in which an Investment Vehicle and/or its parallel funds invest, or could give advice to Other Accounts with respect to such investments that could differ from advice provided to an Investment Vehicle and/or its parallel funds. While ICG will seek to manage any resulting conflicts in an appropriate manner, such transactions or advice could have consequences that are adverse to the interests of an Investment Vehicle and/or its parallel funds, such as, for example, adversely affecting the availability, price or other terms of investments that the Advisor seeks to make for such Investment Vehicle and/or its parallel funds.

***Investments in Which the Advisor and/or the ICG Group Have a Different Interest.***

The Advisor and the ICG Group and their clients could invest in a broad range of securities and instruments throughout the corporate capital structure. These investments include (but are not limited to) investments in senior secured loans, subordinated bonds, mezzanine debt securities, debt and equity of structured securities, private equity securities and preferred equity securities and common equity securities. Accordingly, the Advisor, the ICG Group and/or Other Accounts could invest in different parts of the capital structure of a company or other issuer in which the Investment Vehicles, the ICG Group or Other Accounts invest. Further, if any Other Account were to purchase debt or other instruments from a portfolio company senior to an Investment Vehicle's investments, the ICG Group could, in certain instances, face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, such Other Account and such Investment Vehicle (e.g., with respect to the terms of such debt or other instruments, the enforcement of covenants, the terms of recapitalizations, exercise of rights, pursuit of remedies, etc.).

With respect to companies in which an Investment Vehicle has an equity investment, to the extent that one of the Other Accounts is actually or effectively the controlling shareholder, it could be able to determine the outcome of all matters requiring stockholder approval and will be able to cause or prevent a change of control of such company or a change in the composition of its board of directors and could preclude any unsolicited acquisition of that company regardless as to whether the Investment Vehicle agrees with such determination. So long as the Other Account continues to own a significant amount of the voting power of a company in which the Investment Vehicle invests, even if such amount is less than fifty percent (50%), it could continue to influence strongly, or effectively control, that company's decisions. As a result, the Investment Vehicle's interests with respect to the management, investment decisions or operations of those companies could at times be in direct conflict with those of the Other Accounts.

In addition, where an Investment Vehicle, the ICG Group and/or any Other Account invest in different parts of the capital structure of a portfolio company, their respective interests could diverge significantly in the case of financial distress of such portfolio company. For example, if additional financing is necessary as a result of financial or other difficulties, it could not be in the best interests of an Investment Vehicle to provide such additional financing. If the ICG Group or any Other Account were to lose its respective investments as a result of such difficulties, the ability of the Advisor to recommend actions in the best interests of the Investment Vehicle might be impaired. In addition, it is possible that in a bankruptcy proceeding an Investment Vehicle's interest could be subordinated or otherwise adversely affected by virtue of the Advisor's and/or the ICG Group's or any Other Account's involvement and actions relating to their investment. Moreover, there can be no assurance that the term of or the return on an Investment Vehicle's investment will be equivalent to or better than the term of or the returns obtained by the other affiliates or any Other Account participating in the transaction. This could result in a loss or substantial dilution of such Investment Vehicle's investment, while the ICG Group and/or any Other Account recovers all or part of amounts due to it. Similarly, the Advisor's ability to implement an Investment Vehicle's strategies effectively could be limited to the extent that contractual obligations entered into in

respect of the activities of the ICG Group impose restrictions on such Investment Vehicle engaging in transactions that the Advisor could be interested in otherwise pursuing.

Due to the various conflicts described herein, actions could be taken by the ICG Group and/or on behalf of Other Accounts that are adverse to an Investment Vehicle.

***Co-Investment Opportunities.***

Co-investment opportunities could be offered to Investors, the ICG Group, or other third parties. Any co-investment opportunity will be provided to one or more Investors at the applicable general partner's or investment manager's discretion on such terms and conditions that such general partner or investment manager and the Investors participating therein agree to, which terms could be more favorable than those offered to the Investment Vehicles. In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among potential co-investors, the applicable general partner or investment manager could consider some or all of a wide range of factors, which could include, but are not limited to, the following: (i) the size and financial resources of the potential co-investor and the perception as to such potential co-investor's ability to participate efficiently and expeditiously in the investment opportunity, in particular when the investment opportunity is time-sensitive in nature; (ii) any confidentiality concerns that could arise in connection with providing the potential co-investor with specific information in order to evaluate the investment opportunity; (iii) past experiences and relationships with the potential co-investor, such as its willingness or ability to respond promptly and/or affirmatively to potential investment opportunities previously offered by ICG; (iv) whether the investment opportunity could subject the potential co-investor to legal, regulatory, reporting, public relations, media, or other burdens that make it less likely that the potential co-investors would act upon the investment opportunity if offered; (v) whether the profile or characteristics of the potential co-investor could have an impact on the viability or terms of the proposed investment opportunity and the ability of the Investment Vehicle to take advantage of such opportunity (for example, if the potential co-investor is involved in the same industry or has a similar investment strategy as a target asset, or if the identity of the potential co-investor, or the jurisdiction in which it is based, could affect the likelihood of the Investment Vehicle being able to capitalize on a potential investment opportunity); and (vi) whether such general partner or Advisor believes, in its discretion, that allocating investment opportunities to a potential co-investor will help establish, recognize, strengthen, and/or cultivate relationships that could provide indirectly longer-term benefits to the Investment Vehicle or current or future other accounts. In addition, ICG could, from time to time, form one or more investment vehicles to facilitate co-investment opportunities in transactions alongside certain Investment Vehicles. Such investment vehicles could include, by way of example and without limitation, transaction-specific co-investment vehicles and/or one or more "overflow" funds formed to generally receive an allocation of investment opportunities to the extent that the applicable general partner determines that the amount of such investment opportunity exceeds the amount of the investment required to be made available to, or otherwise deemed appropriate for, such Investment Vehicle and/or one or more other Investment Vehicles. ICG could, for example, exercise its discretion to allocate the right to fund a warehouse or transfer an Investment Vehicle's commitment to fund a warehouse and/or transfer loans to a warehouse held by an Investment Vehicle to such co-investors or other Investment Vehicles and/or Other Accounts, in each case, subsequent to the commencement date of such warehouse. The establishment of any such co-investment vehicles would likely result in fewer co-investment opportunities for Investors who do not participate therein and allocations to such co-investment vehicles are likely to result in such Investment Vehicles investing less than they would have in the related investments. Similarly, a general partner or investment manager could agree with one or more Investors to more favorable rights with respect to co-investment opportunities, and to the extent any such arrangements are entered into, that could result in fewer co-investment opportunities being made available to other Investors. A general partner or investment manager could

present co-investment opportunities to potential co-investors at any time and, with respect to any particular co-investment opportunity, at different times. Thus, one or more potential co-investors could have a longer period of time to evaluate a co-investment opportunity relative to other potential co-investors being offered the same opportunity. The allocation of co-investment opportunities could involve a benefit to the ICG Group including, without limitation, management fees and/or incentive allocations (including a carried interest) from the co-investment opportunity and capital contributions and capital commitments to Investment Vehicles and/or Other Accounts.

ICG Alternative Credit makes certain co-investment opportunities available to third-party advisers who consider such opportunities on behalf of their own clients. Under the relevant agreements, there is no obligation of ICG Alternative Credit or its affiliates to make any co-investments available, and, if ICG Alternative Credit does make available a co-investment, ICG Alternative Credit has sole discretion in determining the amount made available to the co-investor. ICG Alternative Credit does not have any discretionary authority with respect to such co-investors and does not provide investment advice to such co-investors.

### ***Portfolio Company Relationships.***

An Investment Vehicle's underlying portfolio companies could be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of Other Accounts that, although the ICG Group determines to be consistent with the requirements of such Other Accounts' governing agreements, could not have otherwise been entered into but for the affiliation with ICG Fund Advisors, ICG Equity Advisors and/or the ICG Group, and which could involve fees and/or servicing payments to ICG Fund Advisors, ICG Equity Advisors and/or the ICG Group-affiliated entities which are not subject to the management fee offset provisions described herein. From time to time employees of the ICG Group could serve as directors or advisory board members of certain portfolio companies or other entities. In connection with such services, ICG Fund Advisors, ICG Equity Advisors and/or ICG Group-affiliated entities could receive directors' fees or other similar compensation which will offset management fees as described above. Such amounts have not been, and are not expected to be, material.

### ***Portfolio Company Interests.***

The ICG Group could invest on behalf of itself and/or Other Accounts in a portfolio company that is a competitor of a portfolio company of an Investment Vehicle or that is a service provider, supplier, customer, or other counterparty with respect to a portfolio company of an Investment Vehicle. In providing advice and recommendations to, or with respect to, such portfolio companies, and in dealing in their securities on behalf of itself or such Other Accounts, to the extent permitted by law, the ICG Group will not take into consideration the interests of an Investment Vehicle and its portfolio companies. Accordingly, such advice, recommendations and dealings could result in adverse consequences to an Investment Vehicle or its portfolio companies. Conflicts of interest could also arise with respect to the allocation of the ICG Group's time and resources between the Investment Vehicle and the portfolio companies, and/or among such portfolio companies. In addition, in providing services to such portfolio companies, the ICG Group could come into possession of information that it is prohibited from acting on (including on behalf of an Investment Vehicle) or disclosing as a result of applicable confidentiality requirements or applicable law, even though such action or disclosure could benefit an Investment Vehicle. To the extent not restricted by confidentiality requirements or applicable law, the ICG Group could apply experience and information gained in providing services to portfolio companies of an Investment Vehicle to provide services to competing portfolio companies invested in by the ICG Group or Other Accounts, which could have adverse consequences for an Investment Vehicle.



***Material, Non-Public Information.***

ICG could come into possession of material, non-public information with respect to an issuer. Should this occur, ICG would be restricted from buying or selling securities, derivatives or loans of the issuer on behalf of the Investment Vehicles until such time as the information became public or was no longer deemed material to preclude the Investment Vehicles from participating in an investment. Disclosure of such information to the ICG personnel responsible for the affairs of the particular Investment Vehicle will be on a need-to-know basis only, and the Investment Vehicle could not be free to act upon any such information. Additionally, there could be circumstances in which one or more individuals associated with the Advisor will be precluded from providing services related to an Investment Vehicle's activities because of certain confidential information available to such individuals and the Advisor. Therefore, an Investment Vehicle could not have access to material, non-public information in the possession of the ICG Group which might be relevant to an investment decision to be made by such Investment Vehicle, and such Investment Vehicle could initiate a transaction or sell an investment which, if such information had been known to it, could not have been undertaken. Additionally, due to these restrictions, an Investment Vehicle could not be able to initiate a transaction that it otherwise might have initiated and could not be able to sell an investment that it otherwise might have sold. In addition, the Advisors, in an effort to avoid buying or selling restrictions on behalf of the Investment Vehicles or other clients of the Advisors or their affiliates, may choose to forgo an opportunity to receive (or elect not to receive) information that other market participants or counterparties, including those with the same positions in the issuer as the Investment Vehicles, are eligible to receive or have received, even if possession of such information would be advantageous to the Investment Vehicles.

***Service Providers.***

Certain advisors and other service providers, or their affiliates (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, and investment or commercial banking firms and certain other advisors and agents) to the Investment Vehicles, the ICG Group or their portfolio companies also provide goods or services to or have business, personal, political, financial or other relationships with the ICG Group. Such advisors and service providers could be Investors in an Investment Vehicle, affiliates of the Advisor, sources of investment opportunities or co-investors or counterparties therewith. These service providers and their affiliates could contract or enter into any custodial, financial, banking, advising or brokerage or other arrangement or transaction with an Investment Vehicle, the Advisor or any Investor in an Investment Vehicle or any company or entity any of whose securities are held by or for the account of an Investment Vehicle. These relationships could influence the Advisor in deciding whether to select or recommend such a service provider to perform services for an Investment Vehicle or a portfolio company (the cost of which will generally be borne directly or indirectly by such Investment Vehicle or portfolio company, as applicable). Similarly, these service providers and their affiliates could engage in competitive activities and could earn fees from or receive or provide other consideration from such persons or entities, and could provide different advice or services, take different action, or hold or deal in different loans for any other client or account, including their own accounts, from the advice or services they provide, action they take, or loans they hold or deal for an Investment Vehicle. Notwithstanding the foregoing, investment transactions for an Investment Vehicle that requires the use of a service provider will generally be allocated to service providers on the basis of best execution, the evaluation of which includes, among other considerations, such service provider's provision of certain investment-related services and research that the Advisor believes to be of benefit to such Investment Vehicle. In certain circumstances, advisors and service providers, or their affiliates, could charge different rates or have different arrangements for services provided to the ICG Group, the Advisor or their affiliates as compared to services provided to an Investment Vehicle and the Private Debt Fund's or Equity Fund's portfolio



companies, which could result in more favorable rates or arrangements than those payable by such Investment Vehicle or portfolio companies.

***Other Affiliate Transactions.***

The Advisors or the Investment Vehicles could engage in transactions with their affiliates by co-investing with ICG, Other Accounts and/or co-investment vehicles in portfolio companies of the Investment Vehicles, and the Investment Vehicles could invest (directly or indirectly) in entities in which any of them holds a material investment (or vice versa). The Investment Vehicles could make investments where ICG or the Investment Vehicles have entered into a definitive agreement or an agreement in principle with a potential portfolio company and could make investments from time to time in transactions where an affiliate of ICG that could be a regulated broker-dealer is acting as agent, broker, principal, arranger or syndicate manager or member on the other side of the transaction or for other parties in the transaction, only to the extent that the Advisors believe in good faith that the terms of such transactions, taken as a whole, are appropriate for the relevant Investment Vehicle. The failure of the Advisor to obtain any necessary Investment Vehicle's Limited Partner advisory committee or other consents required under the Partnership Agreement of such Investment Vehicle or applicable law would prevent the Investment Vehicle from consummating such investments and therefore could adversely affect the Investment Vehicle.

The Advisors could cause an Investment Vehicle to engage in transactions with an Advisor or its affiliates by purchasing investments from, or selling investments to, the Advisor or an affiliate as principal ("Principal Transactions"). Principal Transactions present a conflict of interest because the Advisor or affiliate and the client Investment Vehicle each have an interest in the transaction proceeding on the terms most favorable to it. Any Principal Transactions will be effected in accordance with the requirements of the Advisers Act, including applicable requirements to provide disclosure to and obtain consent from the relevant Investment Vehicle. To the extent consistent with the relevant governing documents, consent to Principal Transactions could be provided on behalf of an Investment Vehicle by the Investment Vehicle's Limited Partner advisory committee or board of directors, or by another body or party or in such other manner as could be permitted the relevant governing documents. The failure of a Limited Partner advisory committee, board, or other body or party to grant consent would prevent the relevant Investment Vehicle from consummating a proposed Principal Transaction.

The Private Debt Fund and the Equity Fund have each previously purchased from the ICG Group investments that were made by the ICG Group and within the Private Debt Fund's or the Equity Fund's (as applicable) investment objectives. The subscription agreements of each Investor in the Private Debt Fund and the Equity Fund contained a consent to the transfer of the relevant investments.

ICG Debt Advisors – Manager Series could cause a CLO to engage in transactions with another CLO that are considered Principal Transactions for purposes of the Advisers Act by virtue of the Advisor's or an affiliate's ownership of equity in either or both of the CLOs. In such a circumstance, the Advisor will seek the consent (through the board of directors) of each CLO that is deemed to be buying to or selling from the Advisor as principal. In addition, the purchase price will be determined in a manner described in disclosure furnished to the relevant CLO board of directors and will generally be based on market quotes for the relevant investments received from one or more independent dealer(s) and/or pricing service(s). Investors should be aware that such quotes could not accurately reflect the fair market value of each such investment.

In addition, as further described in Item 12 below, ICG could from time to time cause an Investment Vehicle to engage in a "cross trade" with another Investment Vehicle or Other Account when ICG deems such transactions to be in the best interest of the Investment Vehicle. Cross trades involve conflicts of interest, because the seller and the purchaser have conflicting interests, and both are advisory clients of

ICG or its affiliates. In addition, in certain cross trades, an Investment Vehicle's Advisor could have an incentive to favor one party over the other, for example because the Advisor or an affiliate owns an interest in the selling or purchasing vehicle or account or because the pricing or terms of the transaction affect the management fee, performance allocation or other fees from the client vehicles or accounts.

Subject to the applicable organizational documents, all or any portion of an investment by an Investment Vehicle could be allocated or syndicated to one or more Other Accounts, which could have different terms (including fees and carried interest) or could be structurally different than such Investment Vehicle in material aspects, and ICG could give advice, which advice could differ, to both the Investment Vehicle and such Other Account. Investors could or could not be offered the opportunity to invest in any such Other Accounts, or to invest on similar terms to their respective investments in the Investment Vehicles.

### ***Other Trading and Investing Activities.***

Certain Investment Vehicles and Other Accounts could invest in securities of publicly traded companies which are actual or potential Investment Vehicle or Other Account portfolio companies. The trading activities of those vehicles could differ from or be inconsistent with activities which are undertaken for the account of the Investment Vehicle or Other Account in such securities or related securities. In addition, the Investment Vehicle or Other Account could not be able to pursue an investment in a portfolio company as a result of such trading activities by Investment Vehicles and Other Accounts.

ICG Group has separate investment teams for different strategies that are managed by different portfolio managers or traders. Pursuant to the different strategies pursued on behalf of different clients, ICG Group could, for example, make competing or opposing purchases or sales of the same security or loan on behalf of different clients at the same time, or could make a purchase or sale for one client following a purchase or sale of the same asset for another client. These competing or opposing trades could cause a client to pay a higher purchase price or receive a lower sale price than it otherwise would have paid or received.

### ***Diverse Investor Group.***

The Investors of each Investment Vehicle are expected to be based in a wide variety of jurisdictions and take a wide variety of forms. Accordingly, they could have conflicting regulatory, legal, investment, tax and other interests with respect to their investments in the respective Investment Vehicle and with respect to the interests of Investors in other investment vehicles managed or advised by the Advisor that could participate in the same investments as such Investment Vehicle. The conflicting interests of individual Investors with respect to other Investors and relative to Investors in other investment vehicles could relate to or arise from, among other things, the nature of investments made by such Investment Vehicle and such other partnerships, the structuring or the acquisition of investments and the timing of disposition of investments, internal investment policies of such Investors and their target risk/return profiles. As a consequence, conflicts of interest could arise in connection with the decisions made by the Advisor, including with respect to the nature or structuring of investments that could be more beneficial for one Investor than for another Investor, especially with respect to Investors' individual tax situations. In addition, an Investment Vehicle could make investments which could have a negative impact on related investments made by its Investors in separate and unrelated transactions. In selecting and structuring investments appropriate for an Investment Vehicle, the Advisor will consider the investment and tax objectives of such Investment Vehicle and its Investors (and those of Investors in other Investment Vehicles managed or advised by the Advisor) as a whole, not the investment, tax or other objectives of any Investor individually. As a consequence of the foregoing, the Advisor could elect to exclude certain Investors in an Investment Vehicle from particular investments for legal or regulatory reasons applicable to any such investment, in which case non-excluded Investors shall be allocated a greater proportionate interest in such investment.

Since the ICG Group will, through an Investment Vehicle's General Partner or otherwise, make a substantial capital commitment to such Investment Vehicle, conflicts could arise between its own interests and those of the Investment Vehicle's Limited Partners in relation to such decisions. The ICG Group has made and could in the future make substantial investments in securities of certain CLOs managed by ICG Debt Advisors – Manager Series (including in CLOs intended to comply with risk retention requirements of the European Union and the United Kingdom). In those situations, there can be no assurance that the interests of the ICG Group will be aligned with the holders of any particular class of CLO securities and conflicts could arise. Except in limited situations (such as removal of the manager for cause), the CLO securities held by the ICG Group will be able to vote on all matters.

***Possible Future Activities.***

The ICG Group could expand the range of services that it provides over time. Except as provided herein, the ICG Group will not be restricted in the scope of its business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. The ICG Group has, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with clients who could hold or could have held investments similar to those intended to be made by an Investment Vehicle. These clients could themselves represent appropriate investment opportunities for an Investment Vehicle or could compete with an Investment Vehicle for investment opportunities.

***Additional Potential Conflicts.***

The officers, directors, members, managers, employees, affiliates of the employees, and relatives of the employees of the Advisor could trade in securities for their own accounts, subject to pre-clearance restrictions and reporting requirements as could be required by law or the ICG Group's policies, or otherwise determined from time to time by the Advisor, as applicable. The ICG Group could conduct any other business, including any business within the securities industry, whether or not such business is in competition with an Investment Vehicle. Without limiting the generality of the foregoing, the ICG Group could act as the investment adviser or investment manager for others, could manage funds or capital for others, could have, make and maintain investments in their own name or through other entities, and could serve as officers, directors, consultants, partners or stockholders of one or more investment funds, partnerships, securities firms, advisory firms or management firms.

***Side Letters.***

Investment Vehicles and/or ICG have in the past and in the future could enter into a side letter or other similar agreement with a particular Investor without the approval or vote of any other Investor. This could provide a particular Investor with terms that are more favorable than those offered to other Investors. Side letter agreements could also permit such Investors to take actions on the basis of information not available to other Investors that do not have the benefit of such agreements. Any rights established, or any terms altered or supplemented in a side letter or other similar agreement will govern solely with respect to such Investor notwithstanding any other provision of the applicable governing documents or agreements of the relevant Investment Vehicle or any subscription agreement.

***Use of Leverage.***

As described in and subject to the limitations of the Partnership Agreements, the Advisors could cause the Investment Vehicles to borrow money from any person, to guarantee loans or provide other credit support, on a joint, several, joint and several or cross-collateralized basis or otherwise, including for the

purpose of financing any investment-related activities of the Investment Vehicle, hedging and to provide interim financing to consummate the purchase of Investments prior to the receipt of permanent financing or capital contributions or distributions (as applicable) or incur any other obligation (including other extensions of credit) for any proper purpose relating to the activities of the Investment Vehicles including, without limitation, to cover Investment Vehicle expenses, to make, hold or dispose of Investments or otherwise in connection with the Investment Vehicle's investment activities, to provide financing or refinancing, to provide funds for the payment of amounts to withdrawing Investor, or to provide collateral to secure outstanding letters of credit. The Investment Vehicles and/or the Advisors could enter into one or more credit facilities or guarantees (or provide other credit support), and in connection therewith, could pledge the assets of the Investment Vehicle and could make a collateral assignment to any lender or other credit party of the Investment Vehicle of the Advisors' and the Investment Vehicles' rights to issue drawdown notices and other related rights, titles, interests, remedies, powers, privileges of the Investment Vehicles and/or the Advisors with respect to the capital commitments and rights to the capital contributions of the Investors, including any accounts of the Investment Vehicles in which capital contributions could be deposited. In connection with such borrowings or other such obligations, Investors could be required to acknowledge and consent to the assignment of such rights and could be subject to certain requirements or restrictions and limitations, such as the requirement to provide certain information pertaining to such Investors. Investors could also be required to subordinate their right to distributions to the right of a lender with respect to such borrowings or other such obligations.

If the Advisors cause the Investment Vehicles to borrow funds, any corresponding borrowed but not repaid amount will increase the Management Fee payable to the Advisors following the step-down date, and any repayment obligations and interest expense associated with such leverage or borrowing will not reduce the Management Fee. The Advisors will therefore be incentivized to increase such borrowing to increase the Management Fee.

Although borrowings by the Investment Vehicles have the potential to enhance overall returns that exceed the Investment Vehicles' cost of funds, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the Investment Vehicles' cost of funds. If the Investment Vehicles default on secured indebtedness, the lender could foreclose, and the Investment Vehicles could lose its entire investment in the security for such loan. In addition, in the event that the lenders require investors whose capital commitments have been pledged to fund their capital commitment to repay indebtedness, the failure of certain of those investors to honor their capital commitments could result in the remaining investors' repayment obligations exceeding their *pro rata* share of the indebtedness. A credit facility at the fund level could place restrictions on payments to equity holders, including prohibitions on payments in the event of any default (or continuance thereof) under the credit facility. It is possible that the Investment Vehicles could decide to repay any leverage with funds drawn from the commitments of the limited partners of the Investment Vehicles or to make future investments with little or no corresponding leverage, which could adversely affect the Investment Vehicles' returns. Conversely, the ability of the Investment Vehicle to attain its investment objectives depends in part on its ability to borrow money on favorable terms. To the extent the Investment Vehicle does not employ leverage or borrows on less favorable terms, the Investment Vehicle's investment returns could be lower than those that could have been achieved using leverage on favorable terms and there are risks that the Investment Vehicle will not be able to maintain a leverage facility on favorable terms, or at all.

The Advisors or their affiliates could utilize leverage in connection with investments, including through investment holding and/or acquisition vehicles or other Investment Vehicle subsidiaries. Sue leverage could be secured, directly or indirectly, against the Investment Vehicle interests in the assets of one or more portfolio companies of such Investment Vehicle, thereby subjecting multiple investments (and the Investment Vehicle) to the risk of loss, and such borrowing will not be subject to the limitations described

in such Investment Vehicle's Partnership Agreement. While borrowings have the potential to enhance the returns from an investment, they will further diminish returns (or increase losses on capital) to the extent overall returns are less than the borrower's cost of funds and, as a general matter, the presence of leverage can accelerate losses. In addition, there is a risk that outstanding debt could not be able to be refinanced as it matures or that the terms of any refinancing could not be as favorable as the terms of an existing loan agreement. If prevailing interest rates or other factors at the time of refinancing result in higher interest rates, then the interest expense relating to that refinanced indebtedness would increase. Furthermore, there can be no assurance that any borrower will have sufficient cash flow to meet its debt service obligations. Any investment that is financed with leverage will be inherently more sensitive to declines in revenues, competitive pressures, increases in expenses and interest rates and other factors. These risks could adversely affect the financial condition, cash flows and the returns of Investments.

## **Item 12: Brokerage Practices**

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ICG Fund Advisors, ICG Strategic Equity Advisors and Intermediate Capital Group Inc. do not generally make investments in securities listed on national exchanges as an advisor to their respective funds. If there were a situation where ICG Fund Advisors or ICG Equity Advisors would place a trade(s) through a broker, "best execution" would be sought in light of the circumstances involved in the transaction. ICG Debt Advisors and ICG Alternative Credit seek to achieve best execution when placing trades with brokers, as required by the SEC. "Best execution" means obtaining for an Investment Vehicle the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), subject to a number of factors the Advisor would consider in selecting a broker for any transaction, including, for example, the broker's reputation, net price or spread, financial strength and stability, market access, efficiency of execution and error resolution, and the size of the transaction. ICG is not obligated to obtain the lowest commission or best net price for an Investment Vehicle on any particular transaction.

ICG does not participate in any "soft dollar" arrangements. Nevertheless, certain Advisors could receive, without cost, a broad range of research services from brokers, including information on the economy, industries, securities and individual companies, statistical information, market data, pricing and appraisal services, credit analysis, risk measurement analysis, performance analysis and other information that has the ability to affect the economy and/or security prices. Subject to best execution requirements, ICG Debt Advisors – Manager Series and ICG Alternative Credit could from time-to-time allocate securities transactions to these brokerage firms. ICG Debt Advisors – Manager Series and ICG Alternative Credit could have an incentive to select a broker based on their interest in receiving research and other products or services; however, ICG Debt Advisors – Manager Series and ICG Alternative Credit will seek best execution when trading with such brokers. The research, information and services furnished by these brokers are useful in varying degrees and could be used in servicing any account. In receiving these items, ICG Debt Advisors – Manager Series and ICG Alternative Credit could receive a benefit to the extent the items are useful, as these entities do not need to produce or pay for these items. Some of these services could be used by the ICG Group in connection with accounts that paid no commissions to the broker providing such services. No formula has been established for the allocation of business to such brokers. ICG is authorized to engage in transactions in which it acts as an adviser or a representative for an Investment Vehicle or Other Account and for another person on the other side of the transaction, including another Investment Vehicle or Other Account advised or represented by ICG or any of its affiliates, including any CLO advised by ICG or an affiliate. In addition, ICG is authorized to engage in transactions between an Investment Vehicle or Other Account for which it acts as an adviser or representative of an Investment Vehicle on one side of such transactions and a Co-Investment entity on the other side of such transactions. ICG could, from time to time, cause an Investment Vehicle to engage in cross trades with another Investment Vehicle or Other Account when ICG deems such transactions to be in the best interest of the Investment Vehicle. ICG and its affiliates will not be compensated for any

such transactions, other than the receipt of the management fee, performance allocation and similar fees from the Investment Vehicles and Other Accounts. Cross Trades involve conflicts of interest, as described in Item 11 above. When ICG causes an Investment Vehicle to engage in a cross trade with another Investment Vehicle or Other Account, ICG could engage the broker community as an intermediary or trade at fair market value pursuant to the relevant Investment Vehicle's valuation procedures.

### **Allocation and Aggregation**

Aside from the CLOs and the Credit Fund, the Investment Vehicles primarily invest in private securities purchased directly from the issuer, and therefore the Advisor will generally not be able to aggregate securities transactions for clients. However, to the extent that ICG enters into a transaction on behalf of an Investment Vehicle and any parallel vehicle or alternative investment vehicle, the transaction is "aggregated" in that each entity participates in the transaction pro rata with its interest. Additionally, in the event that two Investment Vehicles (with overlapping investment criteria) are in their "investment" phase at the same time, they will generally invest alongside each other, pro rata (taking appropriate account of capital allocated, set aside, or reserved for other purposes). During the transition period from a predecessor Investment Vehicle to a successor Investment Vehicle, investment opportunities could be allocated among the two vehicles (in addition to parallel or companion vehicles) pursuant to guidelines and restrictions of the relevant governing documents and/or as approved by the relevant limited partner advisory committees, and allocations of investments and fees and expenses associated with such investments could be appropriately adjusted based on such governing documents and/or approvals.

### **Item 13: Review of Accounts**

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#### **Review of Accounts**

ICG's investment professionals, including Managing Directors, Partners, Directors, Associate Directors and others, review the Investment Vehicles on an ongoing basis. This analysis includes, but is not limited to, a review of:

- Compliance with the investment strategy and restrictions provided in the specific offering documents;
- Potential conflicts;
- Market conditions; and
- Performance.

These reviews take place by the analysts and at investment committee meetings where investment ideas and strategies are discussed and adherence to investment strategy is monitored. A variety of internal and external resources could be reviewed during the course of such meetings. In addition to these formal meetings, which take place weekly or as needed, investment professionals could meet and discuss the review of an Investment Vehicle on a more frequent, informal basis. The investment committees also conduct regular credit reviews based on monitoring and analysis performed by the portfolio managers and investment analysts.

#### **Reporting**

For the Private Debt Fund, the SSO Fund, the Alternative Credit Fund, and the Equity Vehicles, ICG typically provides to Investors unaudited performance reports on a quarterly basis, as specified in the organizational and offering documents of the relevant Investment Vehicle audited financial statements annually. The Advisor will distribute an audited financial report for the Private Debt Fund, the SSO Fund,



and Alternative Credit Fund to their respective Investors generally within one hundred and twenty (120) days of their respective fiscal year-ends, respectively, and for the Equity Vehicles, the LP Secondaries and the ICG LP Secondaries Co-Investment Vehicles to their respective Investors generally within one hundred and eighty (180) days of their respective fiscal year-ends. Additionally, Investors in such Investment Vehicles will typically receive quarterly letters that will include certain unaudited financial information within sixty (60) days after the end of each fiscal quarter (in each case, subject to reasonable delays in the event of late receipt of any necessary financial information from any person in which investments are made). For the CLOs, trustee of each CLO will distribute financial reports to the Investors in the CLO on a monthly basis. The written reports described above are generally distributed by the Advisor or trustee in electronic format.

The Advisor of an Investment Vehicle could provide Investors with information on a more frequent and detailed basis if agreed to by the Advisor. Investors in the Investment Vehicles could also request information relating to their respective Investment Vehicle, which the Advisor will endeavor to provide to the extent such information is reasonable and appropriate, and is readily available or could be obtained without unreasonable effort or expense. The Advisor does not publish Investor questions and answers and generally do not otherwise disseminate such answers to all Investors of the relevant Investment Vehicle. Investors that request and receive such information could consequently possess information regarding the business and affairs of an Investment Vehicle that could not be known to other Investors. As a result, certain Investors could be able to take actions on the basis of such information which, in the absence of such information, other Investors do not take.

In addition, the Private Debt Fund General Partner, the LP Secondaries General Partner, and the Equity Vehicle General Partners will conduct an annual informational meeting for all Investors in the applicable Investment Vehicle(s).

#### **Item 14: Client Referrals and Other Compensation**

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ICG has engaged third-party marketers to assist in prospective investor referrals. While they could initially be paid by the relevant Investment Vehicle, generally such expenses are not ultimately borne by the Investment Vehicles.

However, to the extent the Private Debt Fund, the LP Secondaries Fund or the Equity Fund incurs placement fees with respect to a particular Investor, such Investor could be allocated such placement fees (including any out-of-pocket expenses borne by any placement agent or financial advisor to such Investment Vehicle or any costs relating to the indemnification of any placement agent) and the Management Fee in respect of such Investor will be reduced on a dollar-for-dollar basis.

Additionally, the Alternative Credit Fund General Partner and SSO Fund General Partner could select one or more placement agents for the Alternative Credit Fund and SSO Fund from time to time and determine fees or compensation to such agents as appropriate. The Alternative Credit Special Limited Partner or ICG Alternative Credit could pay or re-allocate (as appropriate) a portion or all of the Management Fee or performance fee it receives from the Alternative Credit Fund's or the SSO Fund (as applicable) to a placement agent, its affiliates or its registered representatives.

For details regarding economic benefits provided to the Advisor and its related persons by non-clients, please see "Item 5: Fees and Compensation", above.

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**Item 15: Custody**

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ICG is deemed to have custody of the assets of the Investment Vehicles (other than CLOs) for purposes of Rule 206(4)-2 promulgated under the Advisers Act (the “**Custody Rule**”) due to ICG’s position as General Partner.

Currently, the Advisors are not deemed to have custody of the assets in the CLOs.

In accordance with the Custody Rule, ICG maintains Investment Vehicle assets of which it is deemed to have custody with a well-established qualified custodian. Under the “audit exception” under the Custody Rule, advisers to pooled investment vehicles are not subject to the account statement delivery requirement of the rule as long as the pooled investment vehicle: (i) is audited at least annually by an auditor that is subject to inspection by the PCAOB (Public Company Accounting Oversight Board); and (ii) distributes its audited financial statements prepared in accordance with U.S. generally accepted accounting principles to all limited partners (or other beneficial owners) within 120 days of the end of its fiscal year (within 180 days of the end of its fiscal year for pooled investment vehicles that invest in other pooled investment vehicles).

The audit exception requirements will be met as ICG intends to deliver to Investors of the Private Debt Fund, the SSO Fund, and the Alternative Credit Fund audited financial statements within one hundred and twenty (120) days of their respective fiscal year ends, respectively, as stated above in Item 13.

Each of the Equity Vehicles, the LP Secondaries Fund, and the ICG LP Secondaries Co-Investment Vehicles is deemed to be a pooled investment vehicle that invests in other pooled investment vehicles, and as such, ICG intends to meet the audit exception under the Custody Rule with respect to such Investment Vehicles by delivering audited financial statements to its Investors within one hundred and eighty (180) days of such Investment Vehicle’s fiscal year-end.

Investors are urged to continue to review any account statements received from ICG.

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**Item 16: Investment Discretion**

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Subject to any investment restrictions set forth in the offering memorandum or governing documents of an Investment Vehicle (typically a private investment fund), ICG has discretionary authority to make the following determinations without obtaining the consent of any Investor before the transactions are effected:

- the securities that are to be bought or sold;
- the total amount of the securities to be bought or sold;
- the brokers, investment banks or placement agents through which securities are to be bought or sold; and
- the commissions, fees or other rates at which securities transactions for an Investment Vehicle are transacted.

Our discretionary authority is derived from our authority as the Advisor of each Investment Vehicle and pursuant to the investment management agreement or other governing documents of the Investment Vehicle.

**Item 17: Voting Client Securities**

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Although it is expected to happen very infrequently, when necessary, the Advisors could vote proxies/corporate actions with respect to listed and traded public equities held in Investment Vehicles. The respective investment committee will determine whether and how to vote on a case-by-case basis and will apply the following guidelines, as applicable:

- consider all aspects of the vote that could affect the value of the issuer or that of the Investment Vehicle.
- vote in a manner that it believes is consistent with the Investment Vehicle's stated objectives.
- generally vote in accordance with the recommendation of the issuing company's management on routine and administrative matters, unless it has a particular reason to vote to the contrary.

Prior to voting, a determination will be made as to what vote is in the best interest of an Investment Vehicle. The Investment Vehicles and Investors generally will not be able to direct the Advisors to vote in any particular proxy or corporate action. A written record of each vote cast will be maintained.

To the extent that the Advisors have authority to deal with class action claims on behalf of an Investment Vehicle, it will do so on a case-by-case basis and in furtherance of the Investment Vehicle's best interests. The Advisors could submit proof of claims in connection with class actions; however, the Advisors generally will not instruct or give advice to Investment Vehicles on whether or not to participate as a member of a class action lawsuit.

ICG will endeavor not to put its own interests ahead of those of any Investment Vehicle and will attempt to resolve any possible conflicts between its interests and those of the Investment Vehicle in favor of the Investment Vehicle. In the event that a conflict of interest arises on a voting matter, ICG will vote on a case-by-case basis and undertake the following analysis.

A conflict of interest will be considered material to the extent that it is determined that the conflict has the potential to influence ICG's decision making in voting the proxy. If such a material conflict is deemed to exist, ICG will refrain completely from exercising its discretion with respect to voting the proxy and will instead refer that vote to an outside service for its independent consideration. If it is determined that any such conflict or potential conflict is not material, ICG could vote the proxy.

For the CLOs and other Investment Vehicles that pursue credit strategies, the Advisor will generally act on the Investment Vehicle's behalf in response to requests for lender consents to waivers or amendments to credit agreements or similar actions, subject to the provisions of the CLO governing documents and the policies described in the relevant disclosure documents.

Requests for a copy of ICG's proxy voting policies and procedures and/or a record of all proxy votes cast by the relevant Investment Vehicle for the past 6 years can be made by contacting the U.S. Chief Compliance Officer, Nathaniel Kiernan at 1-646-970-1270.

**Item 18: Financial Information**

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ICG has never filed for bankruptcy and is not aware of any financial condition that is reasonably likely to impair its ability to meet its contractual obligations to its clients. ICG does not require or solicit payment of fees six or more months in advance.