

Item 1. Cover Page

BSIP SLP GP, LLC

**One Cowboys Way, Suite 190
Frisco, TX 75034**

469-421-8020

**www.bsipgp.com
www.bluestarinnovationpartners.com**

Part 2A of Form ADV: Firm Brochure

March 29, 2024

This brochure provides information about the qualifications and business practices of BSIP SLP GP, LLC. If you have any questions about the contents of this brochure, please contact us at info@bsipgp.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.

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

Item 2. Material Changes

This brochure contains several material changes from the last firm brochure dated as of June 30, 2023, including, but not limited to: (i) updates to Item 5 to reflect new disclosure related to fees and compensation paid by certain investors, new Advisory Client (as defined herein) expenses and updates to disclosure related to actual and/or potential conflicts of interest related to the Adviser's discretion to allocate expenses, (ii) updates to Item 8 to reflect new and updated material risk factors related to the Adviser's investment strategy and, (iii) updates to Item 11 to reflect new disclosure regarding potential and/or actual conflicts of interest faced by the Adviser related to its discretion to allocate co-investment opportunities and secondary transactions, engage in cross-transactions, continuation transactions, and Advisory Client borrowing and form an advisory board. In addition, BSIP SLP GP, LLC routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices.

Item 3. Table of Contents

<u>Item Number</u>	<u>Item</u>	<u>Page</u>
Item 1.	Cover Page	1
Item 2.	Material Changes	2
Item 3.	Table of Contents.....	3
Item 4.	Advisory Business	4
Item 5.	Fees and Compensation	4
Item 6.	Performance-Based Fees and Side-by-Side Management	12
Item 7.	Types of Clients	13
Item 8.	Methods of Analysis, Investment Strategies and Risk of Loss.....	13
Item 9.	Disciplinary Information.....	28
Item 10.	Other Financial Industry Activities and Affiliations	29
Item 11.	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	29
Item 12.	Brokerage Practices	56
Item 13.	Review of Accounts	57
Item 14.	Client Referrals and Other Compensation	58
Item 15.	Custody	58
Item 16.	Investment Discretion	58
Item 17.	Voting Client Securities	58
Item 18.	Financial Information.....	59
Item 19.	Requirements for State-Registered Advisers	59

Item 4. Advisory Business

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

The Adviser provides investment supervisory services to investment vehicles (the “Advisory Clients”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”) and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”). The Advisory Clients make primarily long-term private equity and equity-related investments in software and payments companies. The Adviser’s advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, and negotiating investments on behalf of the Advisory Clients, managing and monitoring the performance of such investments and disposing of such investments.

Investment advice is provided directly to the Advisory Clients and not individually to the investors in the Advisory Clients. Services are provided to the Advisory Clients in accordance with the Management or other similar agreements with an Advisory Client and/or organizational documents of the applicable Advisory Clients (such documents collectively, an Advisory Client’s “Organizational Documents”).

The principal owner of BSIP SLP GP, LLC is Century III, Inc. The Adviser has been in business since 2018. As of December 31, 2023, BSIP SLP GP, LLC has \$767,400,192 of client assets, all of which is managed on a discretionary basis.¹

Item 5. Fees and Compensation

The Adviser or its affiliates generally receive Carried Interest (as defined below) or similar performance-based remuneration from an Advisory Client or an investment held by an Advisory Client (each, an “Investment”). Investments and/or the Advisory Clients also make other payments to the Adviser or its affiliates for services provided to it. The fee structures described herein may be modified from time to time. Details about such fees and expenses are contained in the Organizational Documents of an Advisory Client. Further details about certain common fees and expenses are set forth below.

Management Fees

With respect to certain of the Advisory Clients, the Adviser charges a management fee as compensation for consulting and advisory services rendered to such Advisory Client (each, a

¹ The Adviser’s RAUM is as of 12/31/23 but also includes committed but unfunded capital of BSIP III, L.P. as of March 29, 2024, which held its initial closing on January 31, 2024.

“Management Fee”). The Management Fee is typically calculated based on committed capital or aggregate cost, with respect to such Advisory Client. Management Fees may be reduced during the life of an Advisory Client. The precise amount of, and the manner and calculation of, the Management Fee for each Advisory Client will be established by the Adviser and will be set forth in the Organizational Documents of such Advisory Client. The Management Fees and other fees and distributions described herein are or will be generally subject to modification, waiver or reduction by the Adviser in its sole discretion. Fees differ from one Advisory Client to another, as well as among investors in the same Advisory Client.

Certain investors in the Advisory Clients that are employees, former employees, business associates and other “friends and family” of the Adviser, its affiliates or their personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) (collectively, “Adviser Investors”) will not typically pay Management Fees or Carried Interest in connection with their investment in an Advisory Client. Furthermore, the Adviser has in the past and may, from time to time in the future establish certain investment vehicles through which Adviser Investors or other third parties may invest alongside one or more Advisory Clients in one or more investment opportunities, which do not pay Management Fees or Carried Interest. Notwithstanding that Adviser Investors will generally not pay Management Fees, Adviser Investors will generally pay for their pro rata share of certain Advisory Client expenses, or the pro rata portion of such Adviser Investors’ expenses will be allocated to the Adviser or the general partner of the applicable Advisory Client.

The Adviser from time to time enters into economic and/or other fee-sharing arrangements with respect to one or more Advisory Clients and/or certain limited partners thereof, the rights of which will not generally be offered to other limited partners. Such fee sharing arrangements may be a percentage of the Management Fee or Carried Interest received by the Adviser, or may be other fee-sharing arrangements.

To the extent a Management Fee is charged to an Advisory Client, it is payable quarterly in advance.

Other Fees

In addition to the Management Fee and Carried Interest, the Adviser and its affiliates from time to time receive a variety of other cash, equity and other non-cash fees relating to the investment activities of an Advisory Client and the Investments including advisory fees, transaction fees, break-up fees, directors’ fees, consulting fees and similar fees (including “profits interests” or other equity awards), from, or with respect to, the Investments or prospective Investments (collectively with the other fees described in this section, “Other Fees”). The amount and timing of Other Fees received by the Adviser or its affiliates are generally specified in the agreement or other documentation governing the applicable transaction. Other Fees do not reduce the Management Fees or Carried Interest or otherwise benefit the Advisory Clients or the investors therein.

Other Fees are often substantial and may be paid in cash, in securities of the Investments or prospective Investments or may be paid in the form of a profits interest or similar equity interest in the Investment or prospective Investment. The payment of Other Fees and reimbursements by

Investments and prospective Investments will, in some, but not all, circumstances create a conflict of interest between the Adviser and its affiliates, and the Advisory Clients and their investors, because the amounts of these Other Fees and reimbursements are often substantial and the Advisory Clients and their investors, except for certain affiliated investors as described below, generally do not have a direct interest in these fees and reimbursements. The Adviser determines the amount and timing of these Other Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to the Investments, and/or third-party co-investors in its transactions. Generally, the amount of such fees and reimbursements will not, to the extent permitted by applicable law, be disclosed to certain investors in the Advisory Clients.

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

In addition, the Adviser or its personnel, on behalf of the Adviser, may receive stock of an Investment as an Other Fee due to the service of such personnel on the board of such Investment or as compensation for other services provided to such Investment. In such event, the recipient will generally act in its own interest with respect to the stock received as an Other Fee (including, for instance, determining to sell the distributed securities, or hold on to the distributed securities for such time as such recipient shall determine in its sole discretion). The ability of such recipients to act in their own interest with respect to the stock received as an Other Fee creates a conflict of interest between the Adviser, as an adviser to the Advisory Clients and its personnel, on the one hand, and the Advisory Clients, on the other hand, because the recipient's interests may not be aligned with those of the Advisory Clients and the recipient may determine to sell the stock received at a different time, or on different terms, than the Advisory Client would sell its interest.

The Adviser from time to time enters into economic and/or other fee-sharing arrangements with respect to one or more Advisory Clients and/or certain affiliated investors thereof, the rights of which will generally not be made to other investors.

In addition, certain personnel of the Adviser from time to time receive fees and compensation from outside business activities unrelated to those of an Advisory Client (including consulting fees from other investment advisers). While the Adviser does not expect conflicts of interest to arise as a result of such services, in such circumstances, the individual is entitled to retain any such fees and compensation received and the funds will not reduce the Management Fee or Carried Interest or otherwise benefit the Advisory Clients or the investors therein.

Expense Reimbursements

An Investment will typically reimburse the Adviser for expenses, including without limitation, travel and travel-related expenses, meals and entertainment expenses (including, as applicable, closing dinners and mementos, cars and meals, social and entertainment events with current and prospective Investment management, customers, clients, borrowers, brokers and service providers), expenses relating to training programs, meetings or other events (to the extent such

programs, meetings or events are attended by Investment personnel), expenses for office space and other overhead, expenses relating to hiring Investment personnel (including background checks, recruiting (including expenses incurred for search firms) and relocation expenses), indemnification expenses, certain legal expenses (including legal costs associated with reviewing financing documents and agreements, whether on behalf of an Investment borrower or a lender) and similar out-of-pocket expenses, as well as consulting fees and other cash and non-cash compensation and expenses, incurred by the Adviser in connection with its performance of services for such Investment. Such reimbursed expenses are generally in addition to any Other Fees payable to the Adviser. Because certain expenses are paid for by an Investment or, if incurred by the Adviser, are reimbursed by an Investment, the Adviser may not necessarily seek out the lowest cost options when incurring (or causing an Investment to incur) such expenses, which could result in lower returns to investors. As used throughout this brochure, “travel and travel-related” includes all travel expenses for the use of private aircraft, first class or business class travel, black car ground transportation, accommodations, meals, events and entertainment.

Expenses

Advisory Client Expenses

Consistent with the Organizational Documents of the Advisory Clients, each Advisory Client will bear all other expenses relating to it to the extent not borne by its Investments, including, all expenses arising in connection with the operation of an Advisory Client, and shall include, without limitation: (i) organizational expenses, including expenses reasonable relating to or arising from the organization and formation of each Advisory Client and negotiation of the Organizational Documents and related matters, including but not limited to legal and accounting fees, printing costs, travel, “blue sky” and other regulatory filing fees and expenses and out-of-pocket expenses (which may be subject to a cap in accordance with an Advisory Client’s Organizational Documents) and all expenses in connection with the offer and sale of interests in an Advisory Client, (ii) all fees, costs, expenses, liabilities and obligations attributable to sourcing, evaluating, investigating, discovering, developing, researching, structuring, organizing, acquiring, managing, undergoing diligence, operating, holding, hedging, taking public or private, valuing, winding up, liquidating or dissolving and disposing (including, closing, execution and other transaction costs) of Investments, whether consummated or unconsummated, including the purchase amounts of such Investments (including certain advisory, transaction, consulting and other similar fees paid to the Adviser or the Adviser’s affiliates, and legal expenses incurred in connection with claims or disputes related to unconsummated or proposed investments and including expenses and fees that would have been allocable to co-investment vehicles or other co-investors), (iii) expenses and fees generated in the course of organizing, making, holding, developing, managing, monitoring, refinancing, maintaining, administering, restructuring, structuring, operating and negotiating joint ventures arrangements and platform investments, including with respect to transactions that are not consummated, (iv) legal, internal and external accounting, audit, actuarial, investment banking, reporting, consulting expenses (including, but not limited to, consulting fees incurred by the applicable Advisory Client for the benefit of its Investment and fees of affiliated consultants) and other professional fees, (v) expenses of dissolving, liquidating or terminating an Advisory Client, (vi) organizational expenses of an Advisory Client’s general partner and/or managing member and any expenses of the general partner related to its duties as the “partnership representative” of an Advisory Client, (vii) any Management Fee charged by the Adviser, if applicable, (viii) any sales

or other taxes (other than taxes treated as amounts distributed or loaned by an Advisory Client to an investor), (ix) research and other information (including, but not limited to, research costs allocated by the Adviser's internal research team and third-party groups, and including news, data and information service subscriptions(including pricing and quotation services), related systems and services from data providers (including Bloomberg equipment) and data management software and including any research or other service that may be deemed to be bundled for the benefit of such Advisory Client), as well as the information technology systems used to obtain such research and other information, (x) third-party diligence software and service providers, (xi) subject and industry-matter research and experts, (xii) fees or government charges which may be assessed against an Advisory Client, including any expenses incurred in connection with tax compliance or in connection with the investigation, prosecution or defense of any claims by or against an Advisory Client, including claims by or against a governmental authority, (xiii) brokerage, sale, depository expenses, (xiv) commissions, sales charges, brokerage fees, finders' fees or similar charges incurred in connection with the purchase or sale of securities (including any merger fees payable to third parties and whether or not any such purchase or sale is consummated), (xv) expenses related to custody, hedging, currency conversions, transfer or registration, (xvi) marketing, advertising, printing, wholesaling and other fundraising expenses associated with the admission of an investor and investor-related services and other similar costs and travel and travel-related and entertainment expenses incurred in connection with the Advisory Client's fundraising, (xvii) all expenses relating to litigation and threatened litigation involving an Advisory Client, including indemnification expenses, (xviii) expenses for environmental, social and governance ("ESG") assessment, impact assessment, ESG and impact consultants or compliance with any impact or ESG initiatives or principles, (xix) regulatory and other governmental registration, returns, reports, filing and licensing costs and fees relating to an Advisory Client, the general partners and/or managing members and the Adviser, (xx) expenses associated with an Advisory Client's compliance with applicable laws and regulations, including regulatory filings as they relate to an Advisory Client's activities, including all fees and expenses relating to compliance with tax, securities law or other legal or regulatory requirements applicable to an Advisory Client or its investors (including preparation and filing of Form PF and registration or other compliance obligations related to, or arising as a result of, the offering and sale of interests in an Advisory Client in any jurisdiction, including any such obligations arising under the Alternative Investment Fund Managers Directive or the securities law of any jurisdiction, or from managing compliance with FATCA or similar regimes), (xxi) interest, taxes, fees, duties, penalties and other governmental charges levied against an Advisory Client or payable by an Advisory Client and all expenses incurred in connection with any tax audit, investigation, settlement or review of an Advisory Client, (xxii) fees and expenses paid to third-party valuation agents for valuations, appraisals or pricing services, (xxiii) administration (including maintaining the books and records of an Advisory Client, including any related internal costs that the Adviser may incur to produce any such books and records or external costs for a third-party administrator to maintain and oversee an Advisory Client's books and records), (xxiv) filing and similar fees paid on behalf of an Advisory Client, including reimbursements of any fees and expenses to advisers, service providers and other third parties, (xxv) expenses incurred in connection with tax preparation and filings, (xxvi) expenses relating to the preparing, printing and distributing of investor reports and notices physically or electronically (including software used to electronically distribute such reports and notices), (xxvii) expenses associated with making any capital calls from and distributions to investors, including fees and expenses of information technology used to facilitate all such

activities, (xxviii) expenses of loan servicers and other service providers, (xxix) expenses related to meetings with one or more investors (including prospective investors during fundraising and current Advisory Client investors), (xxx) expenses related to attending, participating in or sponsoring trade association meetings, conferences or similar events or meetings in connection with the identification or evaluation of investment opportunities or business sector opportunities, even if such expenses are not related to a specific transaction (including the evaluation of potential investments, regardless of whether such investment is ultimately consummated), (xxxi) all insurance premiums for any director and officer liability, general partner and/or managing member liability, errors and omissions or other insurance to protect an Advisory Client, the general partners and/or managing members, the Adviser and any of their respective partners, members, stockholders, officers, directors, employees, agents or affiliates in connection with the activities of an Advisory Client and extraordinary administrative or operating expenses, including, without limitation, all litigation, arbitration, settlement and indemnification costs, expenses, judgments and settlements), including insurance of which the Adviser and its affiliates are beneficiaries, (xxxii) risk management assessment expenses, (xxxiii) information technology system expenses (including the costs of acquiring, developing, implementing and maintaining specialty and custom computer software and hardware and other technological systems for the benefit of an Advisory Client, its investors, or an Investment or potential Investment) including those associated with an Advisory Client's recordkeeping, financial statements, tax returns, reports to investors, portfolio management and research, (xxxiv) bridge financing expenses and guarantees (which may be payable to another Advisory Client co-investing in the bridge transaction or to the Adviser or an affiliate, in each case being the entity providing the bridge financing to the applicable Advisory Client), (xxxv) borrowing, financing, commitment, origination and similar fees and expenses (including the costs and expenses incurred in obtaining, negotiating, entering into, effecting, maintaining, varying, refinancing or terminating such borrowings and commitments and interest arising therefrom) including those of lenders and other financing sources, (xxxvi) cyber-security insurance premiums, (xxxvii) fees, costs and expenses related to the organization, establishment, maintenance and administration of any alternative investment vehicles or any intermediary or special purpose entity used to acquire, hold or dispose of an investment or to otherwise facilitate an Advisory Client's investment activities, (xxxviii) out-of-pocket costs and expenses, if any, associated with any third-party examination or audits (including similar services) of an Advisory Client or the Adviser that are attributable to the operation of such Advisory Client or requested by one or more investors in an Advisory Client, (xxxix) expenses incurred in connection with complying with provisions in investor side letter agreements, including "most favored nation" provisions, (xl) the costs associated with any amendments, modification, revisions or restatements to the Organizational Documents of an Advisory Client, (xli) the costs and expenses of hosting annual or special meetings of the Advisory Clients' investors, regardless of whether all investors are invited to participate in or attend such meetings (including set-up costs, speaker fees, honorarium, dining, entertainment, travel and travel-related and other expenses), (xlii) out-of-pocket travel and entertainment expenses, including, without limitation, air travel (which may include chartered or first class air travel), car services, meals and hotels (which may include luxury class accommodations), incurred in holding, developing, identifying, evaluating, diligencing, negotiating, making, structuring, acquiring, monitoring, selling and otherwise disposing of Investments and otherwise in connection with the business and/or investment activities of the Advisory Clients, (xliii) premium meals, social and entertainment events (with Investment management, customers, clients, borrowers, brokers and service providers), (xliv) advisory board

meeting expenses (and including set-up costs, speaker fees, honoraria, dining, entertainment, travel and travel-related expenses) as well as other advisory board expenses (including legal counsel, accountants, auditors, financial advisors or any other advisors or experts retained to assist the advisory board and other expenses incurred in connection with advisory board action) (xlv) expenses associated with an Advisory Client, (xlvi) other similar fees and expenses and all other expenses properly chargeable to the activities of an Advisory Client, and (xlvii) any other fees or expenses incurred by the Adviser or such Advisory Client in connection with such Advisory Client's operations.

Subject to an Advisory Client's Organizational Documents and unless the Adviser determines otherwise in its sole discretion or subject to negotiations with a particular Advisory Client or investor, expenses relating to a proposed but not consummated transaction ("Dead Deal Costs") are generally borne by the Advisory Client or Advisory Clients selected by the Adviser as proposed investors for such proposed transaction, which could result in the Advisory Client bearing more than its pro rata share of Dead Deal Costs. Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses, any travel and travel-related expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment (including commitment fees), any break-up fees, reverse termination fees, topping, termination or other similar fees, costs of negotiating co-investment documentation (including non-disclosure agreements with counterparties), the costs from onboarding (i.e., KYC) investment entities with a financial institution, expenses incurred in connection with any tax audit, investigation, settlement or review of the Advisory Clients, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

Certain Advisory Clients and/or Investments will also bear their allocable portion (as determined by the Adviser in its good faith discretion) of all compensation and expenses of employees of the Adviser, including, but not limited to, all compensation of employees (including, without limitation, salary, bonus, payroll taxes and benefits (including vacation time and sick leave)), expenses and overhead (including, without limitation, rent, property taxes and utilities allocable to the workspaces) attributable to employees of the Adviser and its affiliates and fees and expenses for administrative, clerical and related support services, office space and facilities, utilities, internet and telephone, software and information technology, firm entertainment not related to an Investment, charitable contributions, and training programs, team-building, meetings or other Adviser events (collectively, "Operating Expenses").

It is expected that the services provided by Adviser employees and Operating Expenses incurred in connection therewith will expand and are subject to increase over time. The allocation of Operating Expenses between the Advisory Clients and/or Investments require judgments as to methodology that the Adviser makes in good faith but in its sole discretion. The particular methodology used to allocate such amounts where services are provided are expected to vary depending on the types of services provided and could, in certain circumstances, change from one period to another. Any methodology chosen by the Adviser involves inherent conflicts of interest and could result in a greater expense to the Advisory Clients than would be the case if such services were provided by third parties. Certain Advisory Clients, on a negotiated basis, do not bear some or all of their allocable share of the Operating Expenses which will result in other Advisory Clients bearing more than their pro rata share of such Operating Expenses.

Allocation of Expenses

From time to time the Adviser will be required to decide whether certain fees, costs and expenses should be borne by an Advisory Client, an Investment, and/or a third party (each, an “Allocable Party”) and if so, how such fees costs and expenses should be allocated among the relevant Allocable Parties. Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party, or fees, costs and expenses may be allocated among multiple Allocable Parties. The Adviser allocates fees, costs and expenses in accordance with an Advisory Client’s Organizational Documents. The Adviser will make allocation determinations among Allocable Parties in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in an Advisory Client or Investment. The Adviser will make any corrective allocations and take any mitigating steps if it determines in its sole discretion that such corrections are necessary or advisable to ensure allocations are equitable on an overall basis in its good faith judgment. Notwithstanding the foregoing, the portion of an expense allocated to an Advisory Client for a particular service will not always reflect the relative benefit derived by such Advisory Client from that service in any particular instance and the Adviser will determine an allocation of expenses to be fair and equitable even where an Advisory Client is required to bear more than its proportional share of such fees or expenses relative to other Allocable Parties receiving the same service or participating in the same transaction. In addition, an Advisory Client will bear more or less of a particular expense based on the methodology used, and an Advisory Client will bear more or less of a particular expense based on the number of Allocable Parties the Adviser selects to bear the expense in its initial allocation determination. When making expense allocation determinations, the Adviser generally will allocate an expense to one or more Allocable Parties that are in existence and identified as such at the time the expense allocation determination is made. Accordingly, it can be expected that in certain cases Allocable Parties that were not in existence or otherwise identified as Allocable Parties at the time an expense is allocated will ultimately benefit from a particular expense, without having borne any portion of such expense, and in such cases the Adviser will not re-allocate the expense to each such future Allocable Party, and such future Allocable Part(ies) will benefit at the expense of other Allocable Parties, including the Advisory Clients.

Co-Investment Vehicle Expenses and Expense Allocation

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside the Advisory Client may be formed in connection with

the consummation of a transaction. Consistent with the Organizational Documents of an Advisory Client, in the event a co-investment vehicle is created to invest alongside an Advisory Client, certain expenses (including those related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle, as well as expenses incurred in connection with making and holding an Investment) are generally borne by the investors in such co-investment vehicle. In addition, a co-investment vehicle will also generally bear its pro rata portion of expenses incurred in connection with the making of an investment.

Advisory Clients may incur certain ongoing expenses that benefit a co-investment vehicle or co-investor (for instance, insurance premiums). In such instances these ongoing expenses will be borne solely by the applicable Advisory Client or Advisory Clients and will not be borne by any benefiting co-investment vehicle or co-investor.

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

Carried Interest Payments

Please see Item 6 below regarding Carried Interest that Advisory Clients may pay.

Brokerage Fees

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

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

With respect to each Advisory Client a portion of the profits of each Advisory Client (or related Investment) is distributed to the Adviser or its affiliate as “carried interest” (the “Carried Interest”). Carried Interest paid by an Advisory Client and/or an Investment is directly or indirectly borne by investors in such Advisory Client. It is possible that certain Advisory Clients and investors in such Advisory Clients (including Adviser Investors) may incur lower or no Carried Interest.

To the extent payment of Carried Interest is paid at varying rates, it would create an incentive for the Adviser to disproportionately allocate time, services or functions to Advisory Clients and/or Investments paying Carried Interest at a higher rate. See also Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by the Adviser.

Item 7. Types of Clients

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

Interests in the Advisory Clients are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act.

The Adviser does not have a minimum size for an Advisory Client, but minimum investment commitments may be established for investors in the Advisory Clients. The general partner and/or managing member of each Advisory Client may in its sole discretion permit investments below the minimum amounts set forth in the Organizational Documents of such Advisory Client.

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

Methods of Analysis and Investment Strategies

The Adviser is a growth-focused firm that seeks to make equity investments in privately-held software and/or payments companies. These companies typically, but do not always have:

- Vertical B2B software, payments, and tech-enabled services;
- Core payment technology platforms;
- An established go-to-market strategy with demonstrable ability to grow organically;
- Low customer churn;
- A scalable business model that allows for margin expansion;
- A technology platform that can be leveraged and recapped through additional brands; and
- Founder-owned businesses that are capital efficient.

The Investment Committee (“IC”) reviews and is responsible for approving all investments, monitoring due diligence practices, and providing advice in connection with key commercial and legal terms of potential investments. The IC is comprised of Rob Wechsler, Dan Wechsler (CEO), and various investment professionals or operating partners and generally holds periodic meetings to identify potential investments and determine actionable investment targets. Prospective investments that pass the initial review then proceed to an intensive due diligence review process.

Internal due diligence generally includes extensive analysis of the company's management team, product, go to market, and payments segments as well as review of historical and projected operating results. External diligence generally includes engaging third parties to perform technology and architecture analysis, market analysis, quality of earnings and tax analysis, and legal review. Periodic IC meetings are held to review the investment diligence progress and continue until the deal is approved for execution.

Risks

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

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

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

Control Position. For certain Advisory Clients, the Adviser and its affiliates are expected to have significant influence on the management, operations and strategic direction of an Investment. The exercise of control and/or significant influence over a company imposes additional risks of liability. The exercise of control and/or significant influence over an Investment could expose the assets of an Advisory Client to claims by the Investment's security holders and creditors. While the Adviser intends to manage the Advisory Clients in a way that will minimize exposure to any of these risks, the possibility of successful claims cannot be precluded.

Limited Control. For certain Advisory Clients, most or all of the Advisor Client's interests in Investments will be minority interests in the form of equity or convertible debt securities. Such securities may include basic protective and preferential rights, including protection against decisions by Investments that may adversely affect the interests of equity and debt holders, and minority representation on the boards of directors of the Investments. However, an Advisory Client will not have ultimate control over the management and major decisions of the Investments. Managerial mistakes can be very costly, and an Advisory Client will have a limited ability to prevent these mistakes within the Investments.

Uncertain Exits. For certain Advisory Clients, the Advisory Client's strategy is to invest in Investments with a view in most cases of making an exit by means of a public offering, merger or acquisition. The success of an Advisory Client is largely dependent upon the timing and strategy of these exit events. For certain Advisory Clients, because, control within Investments is largely expected to be limited, an Advisory Client cannot guarantee that an exit will take place in a manner or at a time that is in the best interests of the Advisory Client. Directors, officers, and other stockholders within the Investments whose interests may not be aligned with an Advisory Client will have control over the timing and strategy of an exit event. Generally, the investments made by an Advisory Client will be illiquid and difficult to value, and there will be little or no collateral

to protect an investment once made. At the time of an Advisory Client's investment, an Investment may lack one or more key attributes (e.g., proven technology, marketable product, complete management team, or strategic alliances) necessary for success. In most cases, investments will be long-term in nature and may require many years from the date of initial investment before disposition. There can be no assurance that any Investment will result in a liquidity event via public offering, acquisition, or otherwise.

The receptiveness of the public markets to initial public offerings by an Advisory Client's Investments or the private markets to acquisition of an Advisory Client's Investments may vary dramatically from period to period. An otherwise successful Investment may yield poor investment returns if it is unable to consummate an initial public offering or otherwise dispose of its securities through merger, consolidation, or similar transaction at an appropriate time. If an Investment effects a successful public offering, the Investment's securities may be subject to contractual "lock-up," securities law or other restrictions which may, for a material period of time, prevent an Advisory Client or investors from disposing of the Investment's securities. If the Investment's securities are disposed of via merger, consolidation, or similar transaction, any securities received by an Advisory Client in such transaction may be subject to contractual "lock-up," securities law or other restrictions which may, for a material period of time, prevent an Advisory Client or investors from disposing of such securities.

Illiquid and Long-Term Investments. The return of capital and the realization of gains, if any, from an Investment generally will typically occur only upon the partial or complete disposition of such Investment. While an Investment may be sold at any time, it is generally expected that the disposition of most of the Investments will not occur for a number of years. There is no public market for the securities held by the Advisory Clients, and the Advisory Clients generally will not be able to sell its securities publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In addition, in some cases, an Advisory Client may be prohibited or limited by contract or law from selling certain securities at a time it might otherwise desire to do so.

Investment Management Risks. With respect to management at the Investment level, an Investment will typically rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the Investment's performance. Although the Adviser expects to monitor the management of the Investment, management of the Investment will have day-to-day responsibility with respect to the business of the Investment.

Due Diligence Risk. Due diligence may not reveal all material issues relating to a particular Investment. Before making an Investment, the Adviser assesses the factors the Adviser believes are material to the performance of the Investment. In making the assessment and otherwise conducting customary due diligence, the Adviser relies on the resources available and, in some cases, an investigation by or information from third parties. This process may be more subjective with respect to newly organized or private entities because there may be little or no information publicly available about the entity. Even if extensive due diligence on a particular Investment is conducted, this diligence may not uncover all material issues relating to such Investment, or that factors outside of the Adviser's control will not later arise. If due diligence fails to identify issues specific to an Investment, an Advisory Client may be forced to write-down or write-off assets. Charges of this nature could negatively impact an Advisory Client's performance.

Data Source Risk. The Adviser uses a variety of data in connection with managing an Advisory Client and evaluating Investments, and the quality of the resulting analysis or implementation depends on a number of factors, including the accuracy and timeliness of data inputs. When such data is incorrect or incomplete, an Advisory Client can be negatively impacted, such as when incorrect data is entered into an otherwise accurate investment process or system, or when the Adviser's analysis is affected by incorrect information. The Adviser cannot guarantee that third-party data is accurate.

Competition. An Advisory Client's assets may be invested in companies focused upon highly competitive and rapidly changing industries. An Advisory Client will be adversely affected if its Investments are not able to compete successfully in these industries. Many of the present and potential competitors may have greater financial, technical, marketing, and other resources than those of an Advisory Client's Investments. Such competitors may be better able to adapt to the challenges presented by continuing rapid and major scientific, regulatory and technological changes. Additionally, an Advisory Client's Investments may be at a disadvantage in responding to the offerings of their competitors, technological changes or changes in client requirements. Also, an Advisory Client's Investments may be at a competitive disadvantage because many of their competitors have greater name recognition, more extensive client bases and a broader range of product offerings. An Advisory Client's Investments may also compete against one another in some circumstances.

Products and Services. An Advisory Client may invest in companies with business strategies that are highly dependent upon the successful launch and commercialization of an innovative technology, device, process, service, system, etc. Despite an Advisory Client's efforts to review the research and development underlying the innovation or creation of such technologies, devices, processes, or services before an Advisory Client deploys capital to an Investment, there can be no assurance that the research or product development efforts of the Investments or those of their collaborative partners will be successfully completed, that specific products or services can be manufactured or provided in adequate quantities at an acceptable cost and with appropriate quality, or that such products or services can be successfully marketed or achieve customer acceptance. In those situations, it is likely that an Advisory Client will incur a partial or total loss of the capital which it invested in such Investment.

Changing Marketplaces. If an Advisory Client's Investments fail to adapt to changes in technology and customer demands, they may not become or remain profitable. There is no assurance that the products and services of an Advisory Client's Investments will achieve or maintain market penetration or commercial success, or that the businesses of an Advisory Client's Investments will be successful.

Generally, technology-related marketplaces are characterized by rapid changes, evolving industry standards, the frequent introduction of new products and services, shifting distribution channels, evolving governmental regulation, frequently changing intellectual property landscapes, and changing customer demands. An Advisory Client's success will depend on each underlying portfolio company's ability to adapt to these influences, which are difficult to predict. They may not be able to adequately or economically adapt their products and services, develop new products and services, or establish and maintain effective products and services. If an Advisory Client's Investments are unable to offer competitive products and services, they will sell fewer products

and services and forego potential revenue, possibly causing them to lose money. In addition, an Advisory Client's Investments may not be able to respond to these influences in an economically efficient manner, and the Investments may become or remain unprofitable.

Rapid Growth. Some of an Advisory Client's Investments may grow rapidly. Rapid growth often places considerable operational, managerial and financial strain on a business. To successfully manage rapid growth, the Investments must, among other things: improve, upgrade, and expand their business infrastructures; scale up operations; develop appropriate financial reporting controls; attract and maintain qualified personnel; and maintain appropriate levels of liquidity. If the Investments are unable to manage their growth successfully, their ability to respond effectively to competition and to achieve or maintain profitability will be adversely affected.

Small-Capitalization Companies. Small-capitalization companies in which an Advisory Client may invest may be more vulnerable to adverse business or economic events than larger, more established companies. In particular, small-capitalized companies may pose additional risks, including liquidity risk, because these companies tend to have limited product lines, markets and financial resources, and may depend upon a relatively small management group. Therefore, investments in small-capitalized companies may be more volatile than those of larger companies.

Additional Capital Requirements. Some or all of an Advisory Client's Investments will need to raise additional capital to fund their operations at any given time. An Advisory Client may not be able to fund some or all of such amounts and such amounts may not be available from third parties on acceptable terms, if at all. The Adviser cannot be certain that the Investments will be able to obtain additional financing on favorable or acceptable terms. Because an Advisory Client's resources and its ability to raise capital are not unlimited, an Advisory Client may not be able to provide Investments with sufficient capital resources to enable them to reach a cash-flow positive position. General economic disruptions and downturns may also negatively affect the ability of some of the Investments to fund their operations from other capital sources. An Advisory Client also may fail to accurately project the capital needs of Investments. If Investments need, but are not able, to raise capital from an Advisory Client or other outside sources, then they may need to cease or scale back operations. In such event, an Advisory Client's interest in any such Investment will lose some or all of its value.

Foreign Investments. Investments in foreign securities and companies involve certain factors not typically associated with investing in U.S. securities or companies, such as risks relating to (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various foreign currencies in which an Advisory Client's Investments will be denominated and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and foreign securities markets, including the absence of uniform accounting, auditing and financial reporting standards and practices and disclosure requirements, and less government supervision and regulation; (iii) political, social or economic instability; (iv) imposition of foreign income, withholding or other taxes; and (v) the extension of credit, especially in the case of sovereign debt.

Emerging Market Securities. An Advisory Client may invest in securities of companies located in emerging market countries. The value of emerging market securities may be drastically affected

by political developments in the country of the company's location. In addition, the existing governments in the relevant countries could take actions that could have a negative impact on an Advisory Client, including nationalization, expropriation, imposition of confiscatory taxation or regulation or imposition of withholding taxes on distributions.

Economic and Political Risks. A portion of an Advisory Client's assets may be invested in countries where the market economy is relatively less developed. Although the recent general trend in such countries has been towards more open markets and the promotion of private business initiatives, no assurance can be given that the governments of these countries will continue to pursue such policies or that such policies may not be altered significantly. Political instability, economic distress, the difficulties of adjustment to a market economy, social instability, organized crime or other factors beyond the Adviser's control could have a material adverse effect on the performance of an Advisory Client.

International Trade. The economies of many emerging markets are heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade.

Emerging Market Inflation. Emerging market countries tend to have periods of high inflation and high interest rates, as well as substantial volatility in interest rates. The value of emerging market securities can be expected to be extremely sensitive to changes in interest rates worldwide and, in particular, in the country of the relevant security.

Expedited Transactions. Investment analyses and decisions by the Adviser may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the Adviser at the time an investment decision is made may be limited, and the Adviser may not have access to detailed information regarding an Investment. Therefore, no assurance can be made that the Adviser will have knowledge of all circumstances that may adversely affect such Investment.

Leveraged Investment. An Investment may be leveraged. While an investment in a leveraged Investment offers the opportunity for increased capital appreciation, and although the Adviser will seek to use leverage in a manner it believes is appropriate under the then-circumstances, such an investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of the Investment, and the Investment may be subject to restrictive financial and operating covenants. This leverage may result in more serious adverse consequences to the Investment (including its overall profitability or solvency) in the event these factors or events occur than would be the case for less leveraged companies. This could impair the Investment's ability to finance its future operations and capital needs and result in restrictive financial and operating covenants. As a result, the Investment's flexibility to respond to changing business and economic conditions may be limited. If the Investment is unable to generate sufficient cash flow to meet principal and/or interest payments on its indebtedness or make regular dividend payments, the Investment may default on its loan agreements or be forced into bankruptcy, resulting in a restructuring of the Investment's

capital structure or liquidation, in which case the value of an Advisory Client's investment in an Investment could be significantly reduced or even eliminated.

Further, an adverse economic change could result in some lenders imposing more stringent restrictions on the terms of credit or a general reduction in the amount of credit available in the markets in which an Advisory Client will seek to invest. Any negative impact from tightening of, or adverse changes in, the credit markets may result in: (a) an inability to finance the acquisition of the investment on favorable terms, if at all; (b) increased financing costs; or (c) financing with increasingly restrictive covenants. Such changes in turn may negatively impact the performance of an Advisory Client's investment in an Investment. To the extent there is a lack of readily available and reasonably priced debt financing available to potential purchasers at the time an Advisory Client is ready to dispose of an investment, such circumstances could materially and negatively affect the number of potential purchasers and the prices purchasers are willing to pay the Advisory Client.

Litigation. Litigation can and does occur in the ordinary course of the management of an investment portfolio of securities. An Advisory Client may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where an Advisory Client exercises control or significant influence over an Investment's direction, including as a result of board participation. Such litigation can arise as a result of issuer defaults, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against an Advisory Client, a general partner and/or managing member, the Adviser and/or their respective principals and affiliates alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against an Advisory Client by third parties and paying any amounts pursuant to settlements or judgments would, to the extent that (a) an Advisory Client has not been able to protect itself through indemnification or other rights against an Investment, (b) an Advisory Client is not entitled to such protections or (c) an Investment is not solvent, be borne by the Advisory Client pursuant to indemnification obligations and reduce net assets. The Adviser, the applicable general partner and/or managing member and others may be indemnified by an Advisory Client in connection with such litigation, subject to certain conditions.

Regulation Impacting Investments. The industries targeted for investment by the Advisory Clients may be, in certain instances, highly regulated by governmental agencies. Any such regulations may impact an Advisory Client's ability to make an acquisition or disposition of an Investment and how an Investment is operated.

Third-Party Advice. The Advisory Clients, the general partners and/or managing members and the Adviser may utilize the services of attorneys, accountants, custodians, fund administrators and other consultants in their operations. The Advisory Clients, the general partners and/or managing members and the Adviser generally rely upon such service providers for their professional judgment with respect to legal, tax, accounting, operational, regulatory and other matters. Nevertheless, there exists a risk that such service providers may provide incorrect advice from time to time or may otherwise make errors when providing services. None of the Advisory Clients, the general partners and/or managing members or the Advisers will generally have any liability to investors for any reliance upon such advice or services. Service providers will be selected by the applicable general partner and/or managing member or the Adviser on behalf of an Advisory Client

with due care and consistent with their obligations under applicable law. Notwithstanding the foregoing, an Advisory Client may bear the risk of any errors or omissions by such service providers. Additionally, subject to certain limitations in the Organizational Documents, an Advisory Client may be required to exculpate and indemnify such service providers for any losses incurred.

Cybersecurity Risk. The Adviser, the Advisory Clients' service providers and other market participants depend on complex and often interconnected information technology and communications systems to conduct business functions. These systems are subject to a number of different threats and other risks that could adversely affect the Advisory Clients and their investors, despite the efforts of Adviser and service providers to adopt technologies, processes and procedures intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Advisory Clients and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of or prevent access to these systems of the Adviser, the Advisory Clients' service providers, counterparties or data within these systems, including investor information. The Adviser and the Advisory Clients' service providers may be subject to ransomware or other attacks that could cause a substantial business disruption or loss of availability of data that could prevent the Advisory Clients and Adviser from executing their investment strategy or accessing an account, which could lead to financial losses. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of the Adviser's systems to disclose sensitive information in order to gain access to the Adviser's data or that of the Advisory Clients' investors or to transfer funds to unauthorized third parties. A successful penetration or circumvention of the security of the Adviser's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause an Advisory Client, the Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs, increased insurance premiums or financial loss.

Risks of Artificial Intelligence ("AI"). The Adviser's ability to use, manage and aggregate data may be limited by the effectiveness of its policies, systems and practices that govern how data is acquired, validated, used, stored, protected, processed and shared. Failure to manage data effectively and to aggregate data in an accurate and timely manner may limit the Adviser's ability to manage current and emerging risks, as well as to manage changing business needs and to adapt to the use of new tools, including AI. While the Adviser may restrict certain uses of third-party and open source AI tools, such as ChatGPT, the Adviser's employees and consultants and an Advisory Client's portfolio companies may use these tools, which poses additional risks relating to the protection of the Adviser's and such portfolio companies' proprietary data, including the potential exposure of the Adviser's or such portfolio companies' confidential information to unauthorized recipients and the misuse of the Adviser's or third-party intellectual property, which could adversely affect the Adviser, an Advisory Client or its portfolio companies. Use of AI tools may result in allegations or claims against the Adviser, an Advisory Client or its portfolio companies related to violation of third-party intellectual property rights, unauthorized access to or use of proprietary information and failure to comply with open-source software requirements. Additionally, AI tools may produce inaccurate, misleading or incomplete responses that could lead

to errors in the Adviser's and its employees' and consultants' decision-making, portfolio management or other business activities, which could have a negative impact on the Adviser or on the performance of an Advisory Client and its portfolio companies. Such AI tools could also be used against the Adviser, an Advisory Client or its portfolio companies in criminal or negligent ways. As the use and availability of AI tools has grown, the U.S. Congress and a number of U.S. federal and state agencies have been examining the AI tools and their use in a variety of industries, including financial services. These agencies have issued proposed or adopted a variety of rules and other guidance regarding the use of AI. AI similarly faces an uncertain regulatory landscape in many foreign jurisdictions. Ongoing and future regulatory actions with respect to AI generally or AI's use in any industry in particular may alter, perhaps to a materially adverse extent, the ability of the Adviser, an Advisory Client or its portfolio companies to utilize AI in the manner it has to-date, and may have an adverse impact on the ability of the Adviser, an Advisory Client or its portfolio companies to continue to operate as intended.

General Economic Conditions. Changes in general economic conditions may affect the Advisory Clients' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value of the investment made by the Advisory Clients or considered for prospective investment. Material changes and fluctuations in the economic environment, particularly of the type experienced since 2008 that caused significant dislocations, illiquidity and volatility in the wider global economy, may affect the Advisory Clients' ability to make the investment and the value of the investment held by the Advisory Clients or the Advisory Clients' ability to dispose of the investment. The short- term and the longer-term impact of these events are uncertain, but they could continue to have a material effect on general economic conditions, consumer and business confidence and market liquidity. Any economic downturn resulting from a recurrence of such marketplace events and/or continued volatility in the financial markets could adversely affect the financial resources of Investments. The investment can be expected to be sensitive to the performance of the overall economy. Additionally, a serious pandemic, natural disaster, armed conflict, threats of terrorism, terrorist attacks and the impact of military or other action could severely disrupt global, national and/or regional economies. A resulting negative impact on economic fundamentals and consumer and business confidence may negatively impact market value, increase market volatility and reduce liquidity, all of which could have an adverse effect on the performance of the investment, the Advisory Clients' returns and the Advisory Clients' ability to make and/or dispose of the investment.

No assurance can be given as to the effect of these events on the Advisory Clients' investments or investment objectives.

Public Health Risk. The Advisory Clients may be adversely affected by the effects of widespread outbreak of contagious diseases, such as the recent outbreak of COVID-19. Public health crises can develop rapidly and unpredictably, which may prevent governments, asset managers, companies or others (including the general partner and/or managing member, the Adviser, the Advisory Clients and Investments) from taking timely or effective steps to mitigate or reduce any adverse impacts to the Advisory Clients and/or Investments. The extent and duration of any such impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time.

Any outbreak of contagious diseases and other adverse public health developments, together with any resulting disruptions or restrictions on travel, social distancing policies and/or quarantines imposed or recommended by the governments of the jurisdictions where the Adviser, the Advisory Clients and/or Investments are based (together, the “Isolation Measures”), could have a material and adverse effect on the Advisory Clients and Investments, including by disrupting or otherwise adversely affecting the human capital, business operations or financial resources of the general partner and/or managing member, the Adviser, Investments, the Advisory Clients or the fund administrator or other service providers to the Advisory Clients (which could, in turn, adversely impact the ability of such service providers to fully support the administration and operations of the Advisory Clients). Such disruptions and adverse effects are particularly acute with respect to the travel and hospitality industries.

In addition, a significant outbreak of contagious diseases in the human population, and any containment or other remedial measures imposed (including the Isolation Measures), may result in a widespread health crisis that could severely disrupt global, national and/or regional economies and financial markets and cause an economic downturn that could adversely affect the performance of the Advisory Clients and Investments. For example, the risks associated with the spread of COVID-19 has led to significant uncertainty and extreme volatility in the financial markets, including those leading to the automatic suspension of trading on U.S. stock exchanges. The extent of any impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time, including new information which may emerge concerning the severity of COVID-19 and containment efforts by the U.S. or other governments.

In addition, the risks associated with a widespread outbreak of a contagious disease, such as COVID-19, may make it more likely that an investor fails to fund its subscription obligation or make required capital contributions or other payments when due, in which case an Advisory Client’s ability to complete its investment strategy, satisfy credit facility borrowing covenants or obligations (if any) or otherwise continue operations may be impaired. A default by an investor could leave an Advisory Client with insufficient capital to meet its funding obligations, and would likely reduce returns to the Advisory Client.

Governmental Intervention. Since 2008, the global financial markets underwent disruptions including recently, further disruptions as a consequence of the spread of COVID-19, that led to certain governmental intervention. Such intervention in certain cases was implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, these interventions were typically unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. If governmental intervention programs are unwound, there could likewise be uncertainty and adverse effects on the markets. It is impossible to predict what interim or permanent governmental restrictions (or easing of restrictions) may be imposed on the markets or the effect of such restrictions on the Advisory Clients’ strategies.

Military Conflicts and Geopolitical Tensions. Any actual or potential military conflicts (such as Russia’s invasion of Ukraine in 2022, the recent attacks in Israel by Hamas and other terrorist organizations from the Gaza Strip and Israel’s war against them, and the escalating tensions

between China, Taiwan and the United States) could have significant adverse effects on the performance of an Advisory Client. The ramifications of hostilities and any resulting sanctions may negatively impact regional and global economic markets and industries, companies operating in such markets or industries, and markets for securities and commodities globally, such as oil and natural gas and precious metals. Certain sectors of the economy may be particularly affected, including but not limited to, financials, energy, metals and mining, engineering and defense and defense-related materials sectors. Accordingly, the potential for conflict could increase financial market volatility and have severe negative consequences for regional and global markets, industries and companies in which the Advisory Clients invest. A military conflict could disrupt supply chains, hamper trade relations and have adverse effects on global markets, which in turn could negatively impact the Advisory Clients' performance. Moreover, the extent and duration of any actual or potential military conflict, the future escalation of such hostilities and the extent and impact of market disruptions and volatility cannot be predicted.

Terrorist Activities. Recent terrorist attacks of unprecedented scope have caused instability in the world financial markets and may generate global economic instability. The continued threat of terrorism and the impact of military or other action may lead to increased volatility in financial markets and could affect the financial results of the Investments. Any such problems could adversely affect an Investment.

Supply Chain Disruptions. An Advisory Client may invest in the securities of companies that rely on their suppliers and their supply chains to meet their quality and production standards and specifications in a timely and safe manner. There are many factors that could cause shortages or interruptions in the supply chain of these operating companies, including adverse weather, environmental factors, natural disasters, unanticipated demand, labor or distribution problems, public health crises, such as pandemics and epidemics, changes in law or policy, and the financial health of suppliers and their supply chains. Failure to take adequate steps to mitigate the likelihood or potential effect of such events, or to effectively manage such events if they occur, could materially adversely affect the performance of these companies, particularly in circumstances where a company relies on a product sourced from a single supplier or location, which in turn could materially adversely affect an Advisor Client's investment in such company.

In addition, unexpected delays in deliveries from suppliers that ship directly to these underlying companies or increases in transportation costs, including through increased fuel costs, could materially adversely affect the financial condition and operating results of these companies (and, by extension, the performance of an Advisory Client). Labor shortages or work stoppages in the transportation industry, long-term disruptions to the national transportation infrastructure, reduction in capacity and industry-specific regulations such as hours-of-service rules that lead to delays or interruptions of deliveries, whether as a result of the COVID-19 pandemic or otherwise, could also materially adversely affect the financial condition and operating results of these companies.

Investment Controls. Restrictions or controls may at times limit or preclude foreign investment in certain emerging markets and increase the costs and expenses of an Advisory Client. Certain emerging markets require governmental approval prior to investments by foreign persons, limit the amount of investment by foreign persons in a particular issuer, limit the investment by foreign persons only to a specific class of securities of an issuer that may have less advantageous rights

than the classes available for purchase by domiciliaries of the countries and/or impose additional taxes on foreign investors. Certain emerging markets may also restrict investment opportunities in issuers in industries deemed important to national interests.

Investments in emerging markets may require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. In addition, if a deterioration occurs in an emerging market's balance of payments, the country could impose temporary restrictions on foreign capital remittances. An Advisory Client could be adversely affected by delays in, or a refusal to grant, any required governmental approval for repatriation of capital, as well as by the application to an Advisory Client of any restrictions on investments. Investing in emerging markets may require an Advisory Client to adopt special procedures, seek local government approvals or take other actions, each of which may involve additional costs to the Advisory Client.

Inflation; Rising Interest Rates. Economies tend to have periods of high inflation and high interest rates, as well as substantial volatility in interest rates. The financial condition and operating results of many of the Advisory Clients' Investments will be adversely affected by recent increases in inflation and interest rates. Rising inflation and elevated U.S. budget deficits and overall debt levels, including as a result of federal pandemic relief and stimulus legislation and/or economic or market and supply chain conditions, has put upward pressure on interest rates and could be among the factors that could lead to higher interest rates in the future. In 2022, the U.S. Federal Reserve raised interest rates for the first time in several years and indicated that it expected to continue raising interest rates in an effort to control inflation. Higher interest rates could adversely affect the overall business, income and ability of these portfolio companies (and, by extension, an Advisory Client) to make distributions, including by reducing the fair value of many of the goods and services provided and consumed by these portfolio companies and adversely affecting their ability to obtain financing on favorable terms or at all.

Increased inflation could also have an adverse impact on an Advisory Client's general and administrative expenses, as these costs could increase at a rate higher than the Advisory Client's returns. Additionally, if an Advisory Client incurs variable rate debt, increases in interest rates would, to the extent not effectively hedged by the Advisory Client, increase the Advisory Client's interest costs, which could negatively impact the Advisory Client's returns. In addition, if an Advisory Client needs to repay existing debt during periods of rising interest rates, it could be required to liquidate one or more Investments at times that may not permit realization of the maximum return on such Investment(s).

Fraud. Of paramount concern in purchasing securities and other assets is the possibility of material misrepresentation or omission on the part of a counterparty. Such inaccuracy or incompleteness may adversely affect the valuation of the Investments. The Advisory Clients rely upon the accuracy and completeness of representations made by counterparties to the extent reasonable and appropriate, but cannot guarantee that such representations are accurate or complete.

Potential Implications of Brexit. The United Kingdom (the "UK") left the European Union (the "EU") on January 31, 2020 under the terms of a withdrawal agreement (which established an implementation period within which aspects of EU law would continue to apply in the UK until December 31, 2020). The terms of the withdrawal agreement did not include a deal regarding the

trade of goods and services between the UK and the EU, however, the UK reached a separate agreement with the EU regarding such matters on December 24, 2020 (the “Brexit Deal”).

Nonetheless, the Brexit Deal is limited for financial services and therefore the future application of EU- based legislation to the private fund industry in the UK and the EU will ultimately depend on whether, and if so how, the UK renegotiates its relationship with the EU. It is difficult to predict how any renegotiated terms (if at all) will be implemented and what the economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry, the broader European and global financial markets generally and for private funds such as the Advisory Clients and its investments. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on the Advisory Clients and their investments, including the ability of the Advisory Clients to achieve their investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for investors, and/or the Advisory Clients, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Advisory Clients.

The referendum and the subsequent exit of the UK from the EU has led to political and economic instability, volatility in the financial markets of the UK and more broadly across the EU. The uncertainty as to future arrangements between the UK and the EU may have an adverse effect on the economy generally and on the ability of the Advisory Clients and their investments to execute their respective strategies and to receive attractive returns. In particular, currency volatility may mean that the returns of the Advisory Clients and their investments are adversely affected by market movements and may make it more difficult, or more expensive, for the Advisory Clients to execute prudent currency hedging policies. Potential decline in the value of the British Pound and/or the Euro against other currencies, along with the potential downgrading of the UK’s sovereign credit rating, may also have an impact on the performance of Investments located in the UK or Europe. In addition to broader economic and market concerns, the exit by the UK of the EU will have implications on the UK and European legal, tax and regulatory regimes. For example: (a) most UK financial services legislation is derived from EU law and certain aspects may be replaced with less or more restrictive provisions; and (b) certain EU directives and rules applying in the field of taxation may cease to apply which may lead to higher tax and/or tax compliance costs being incurred by an Advisory Client when making investments in the UK than would otherwise have been the case. In light of the above, no definitive assessment can currently be made regarding the impact that Brexit will have on the Advisory Clients, their investments or their organization more generally.

As a result of the above, the longer term economic, legal, political and social framework is unclear at this stage and is likely to lead to ongoing political and economic uncertainty and periods of exacerbated volatility in both the UK and in wider European markets for some time. In particular, the decision made in the UK referendum may lead to a call for similar referendums in other European jurisdictions, which may cause increased economic volatility in the European and global markets. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held by the Advisory Clients.

Valuation of Assets. There is no actively traded market for most of the securities owned by the Advisory Clients. When estimating fair value, the Adviser will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that Investments are fairly valued is an important focus of the Adviser. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and differs from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of an Advisory Client's assets. With respect to the Advisory Clients, the exercise of discretion in valuation by the Adviser gives rise to conflicts of interest, valuations (including, for instance, determination of when an investment should be written down or written off) impact the Adviser's track record and the performance allocation in certain Advisory Clients is calculated based, in part, on these valuations, and such valuations affect the amount and timing of performance fees and calculation of Management Fees.

Tax Reform Risks. Tax law is subject to change and various historic and current legislative proposals could affect the Advisory Clients and the investors. Under current law, capital gains in respect of a general partner's and/or managing member's right to Carried Interest will be subject to a three-year "holding period" in order to be classified as "long term capital gains," while the corresponding holding period requirement with respect to capital gains that Advisory Client investors are allocated is one year. This Carried Interest holding period requirement could affect investment decisions, including the timing and structure of dispositions and other realization events, and it could adversely impact returns for investors. For example, the holding period requirement may incentivize the general partner and/or managing member to cause an Advisory Client to hold an investment for longer than three years in order for the general partner and/or managing member to obtain a preferential tax rate on Carried Interest, even if there are attractive realization opportunities prior to that time. Further, there are currently administrative and legislative proposals to further change the tax treatment of "carried interest" in ways that may be adverse to partners in the general partner and/or managing member. A general partner and/or managing member and the Adviser may take these potential adverse consequences into account in their management and operation of the Advisory Clients and in addressing these adverse consequences, the interests of the general partner and/or managing member and the Adviser, on the one hand, may diverge from the interests of the investors, on the other hand.

Climate Change. The Advisory Clients may acquire investments that are located in, or have operations in, areas that are subject to climate change. Any investments located in coastal regions may be affected by any future increases in sea levels or in the frequency or severity of hurricanes and tropical storms, whether such increases are caused by global climate changes or other factors. There may be significant physical effects of climate change that have the potential to have a material effect on the Advisory Clients' business and operations. Physical impacts of climate change may include increased storm intensity and severity of weather (e.g., floods or hurricanes), sea level rise, fires, and extreme and changing temperatures. As a result of these impacts from climate-related events, the Advisory Clients may be vulnerable to the following: risks of property damage to the Advisory Clients' investments; indirect financial and operational impacts from disruptions to the operations of the Advisory Clients' investments from severe weather; increased insurance premiums and deductibles or a decrease in the availability of coverage for investments

in areas subject to severe weather; decreased net migration to areas in which investments are located, resulting in lower than expected demand for both investments and the products and services of the Advisory Clients' investments; increased insurance claims and liabilities; increase in energy costs impacting operational returns; changes in the availability or quality of water, food or other natural resources on which the Advisory Clients' business depends; decreased consumer demand for consumer products or services resulting from physical changes associated with climate change (e.g., warmer temperature or decreasing shoreline could reduce demand for residential and commercial properties previously viewed as desirable); incorrect long-term valuation of an equity investment due to changing conditions not previously anticipated at the time of the investment; and economic distributions arising from the foregoing.

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

Custody and Banking Risks. The Advisory Clients will maintain funds with one or more banks or other depository institutions ("banking institutions"), which may include US and non-US banking institutions, and may enter into credit facilities or have other financial relationships with banking institutions. The distress, impairment or failure of one or more banking institutions with whom the Advisory Clients, their Investment, the general partners and/or managing members and/or the Adviser transact may inhibit the ability of the Advisory Clients or their Investments to access depository accounts or lines of credit at all or in a timely manner. In such cases, the Advisory Clients may be forced to delay or forgo investments resulting in lower performance for the Advisory Clients. In the event of such a failure of a banking institution where an Advisory Client or one or more of its Investments holds depository accounts access to such accounts could be restricted and U.S. Federal Deposit Insurance Corporation ("FDIC") protection may not be available for balances in excess of amounts insured by the FDIC (and similar considerations may apply to banking institutions in other jurisdictions not subject to FDIC protection). In such instances, the Advisory Clients and their affected Investments may not recover such excess, uninsured amounts and instead, would only have an unsecured claim against the banking institution and participate pro rata with other unsecured creditors in the residual value of the banking institution's assets. The loss of amounts maintained with a banking institution or the inability to access such amounts for a period of time, even if ultimately recovered, could be materially adverse to the Advisory Clients or their Investments. Further, an Advisory Client's general partner and/or managing member may not be able to identify all potential solvency or

stress concerns with respect to a banking institution or to transfer assets from one bank to another in a timely manner in the event a banking institution comes under stress or fails.

Recent Regulatory Developments for Private Funds and their Advisers. In recent years, the SEC has proposed and adopted, and continues to adopt, various changes to the rules relating to private funds and their advisers. On August 23, 2023, the SEC adopted previously proposed new rules and amendments to existing rules (collectively, the “Private Funds Rules”) under the Advisers Act specifically related to advisers of private funds.

The Private Funds Rules will impose new and substantial requirements on advisers and the funds they advise, including with respect to quarterly reporting, restricted activities, preferential treatment of investors, audit requirements, adviser-led secondaries and annual compliance reviews. The Private Funds Rules, in addition to any other new rules adopted by the SEC, are expected to significantly impact the business of the Adviser and its affiliates, an Advisory Client and/or its investments. As a result of the new rules, the Adviser will under certain circumstances be restricted or refrain from providing information regarding an Advisory Client in response to investor requests. The Adviser will be required to circulate to all investors the material terms of any preferential treatment agreed in connection with investments in an Advisory Client (i.e., all side letter terms), without regard to any most favored nation provision. This may ultimately impact the Adviser’s decisions with respect to agreeing to certain preferential rights. The Private Funds Rules include certain audit requirements, which may require the Adviser to select a different auditor or obtain an additional audit, even if the Adviser does not believe it is in the best interest of an Advisory Client or its investors to do so. Further, many provisions of the Private Funds Rules require the Adviser to make a variety of subjective determinations as to whether and how such rules apply to an Advisory Client and the Adviser’s related obligations. The Adviser will face conflicts of interest in making such determinations, including for example with respect to whether certain fees and expenses may be charged to an Advisory Client, whether certain provisions may have a material negative impact on certain investors and whether certain allocations are fair and equitable. The Adviser’s and an Advisory Client’s compliance burdens and associated costs including, without limitation, insurance expenses, are also expected to increase. The Adviser also will be subject to increased risk of exposure to additional regulatory scrutiny, litigation, censure and penalties for noncompliance or perceived noncompliance as a result of the Private Funds Rules, and any noncompliance or perceived noncompliance with such rules may negatively impact an Advisory Client’s reputation as well as its investment activities, thereby materially reducing returns to investors.

Several trade groups representing private fund managers have filed a legal challenge to the Private Funds Rules and other legal challenges to the Private Funds Rules may be forthcoming. Regardless of the outcome of these lawsuits, the implementation of these new rules is expected to create additional burdens for advisers to private funds.

Item 9. Disciplinary Information

Item 9 is not applicable to the Adviser.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

Various entities and individuals serve as general partners and/or managing members of the Advisory Clients, and are related persons of the Adviser. For a description of material conflicts of interest created by the relationship among the Adviser and the general partners and/or managing members, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

Code of Ethics

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

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

A copy of the Code of Ethics is available to any client or prospective client upon written request to: info@bsipgp.com.

Participation or Interest in Client Transactions

Certain employees and affiliates of the Adviser may invest in the Advisory Clients. An Advisory Client or its general partner and/or managing member, as applicable, may reduce all or a portion of the Carried Interest related to investments held by such persons.

Due in part to the fact that potential investors in an Advisory Client may ask different questions and request different information, the Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Conflicts of Interest

The Adviser and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other Advisory Clients, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of an Advisory Client will, from time to time, conflict with the interests of the Adviser, other Advisory Clients or their respective affiliates. Certain of these conflicts of interest, as well as a description of how the Adviser addresses such conflicts of interest, can be found below.

The material conflicts of interest encountered by an Advisory Client include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by an Advisory Client. Other conflicts may be disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

Resolution of Conflicts

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

- (1) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the Organizational Documents for the Advisory Clients;
- (2) Where the Adviser deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price;
- (3) Certain of the Advisory Clients established an advisory board, consisting of representatives of investors not affiliated with the Adviser. The advisory board meet as required to consult with the Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, the Adviser will be guided by its good faith discretion;
- (4) The Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest; and
- (5) Prior to subscribing for interests in an Advisory Client, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Advisory Client.

While the Adviser endeavors to resolve all conflicts in a fair and impartial manner, there can be no assurance that its own interests will not influence its conduct and decisions. There can be no

assurance that the Adviser will identify or resolve all conflicts in a manner that is favorable to the Advisory Clients and the Advisory Clients' investors are not entitled to receive notice or disclosure of the actual occurrence of conflicts or have any right to consent to them as they arise.

Allocation of Investment Opportunities Among Clients

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

- The Advisory Clients;
- Any co-investors or co-investment vehicles that have been formed to invest side-by-side with one or more Advisory Clients in all or particular transactions entered into by such Advisory Client(s);
- Employees, business associates and other "friends and family" of the Adviser, its affiliates or their personnel (including any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles) and/or third parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Advisory Clients in particular transactions entered into by such Advisory Client(s); and
- Third parties acting as "co-sponsors" with the Adviser with respect to a particular transaction.

The Adviser makes allocation determinations consistent with the Advisory Clients' Organizational Documents and in accordance with its written policies and procedures.

The Adviser must first determine which Advisory Clients and/or other parties are eligible to participate in an investment opportunity. The Adviser assesses whether an investment opportunity is appropriate for a particular Advisory Client(s), based on the Advisory Client's investment objectives, strategies and structure, which are typically reflected in such Advisory Client's Organizational Documents.

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

- Each Advisory Client's investment objectives and investment focus;
- Transaction sourcing (and with respect to an investment opportunity originated by a third party, the relationship of a particular Advisory Client to or with such third party);

- Each Advisory Client’s liquidity and reserves (including whether an Advisory Client is able to commit to invest all capital required to consummate a particular investment opportunity);
- Each Advisory Client’s diversification (including the actual, relative or potential exposure of an Advisory Client to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Any “ramp-up” period of a newly established Advisory Client;
- Amount of capital available for investment by each Advisory Client as well as each Advisory Client’s projected future capacity for investment (including whether an Advisory Client is able to invest all capital required to consummate a particular investment opportunity) and anticipated co-investment (if any);
- The size, liquidity and duration of the investment;
- Stage of development of the prospective Investment or other investment and anticipated holding period of the Investment;
- The suitability as a follow-on investment for a current Investment of an Advisory Client or to upsize an existing investment;
- Timing expected necessary to execute an investment;
- The use of leverage in the proposed capital structure;
- The availability of other suitable investments for each Advisory Client;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- The seniority of an investment and other capital structuring criteria;
- Minimum and maximum investment size requirements;
- Tax and accounting implications;
- Whether an investment opportunity requires additional consents or authorizations from the Advisory Client, investors or third parties;
- Legal, contractual or regulatory constraints; and

- Any other relevant limitations imposed by or conditions set forth in the Organizational Documents of each Advisory Client.

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

From time to time certain investment opportunities involve interests in Investments of one or more Advisory Clients that are part of a restructuring or similar transaction. In such instances, investors in the Advisory Clients involved in such a transaction are typically given priority rights to roll over their existing interests or otherwise reinvest in such investment opportunities (for instance, through a newly formed "continuation fund"). As a result, other Advisory Clients may not be allocated all or any portion of such an investment opportunity, even if such opportunity falls within an Advisory Client's investment objectives or strategy.

Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. For example, in allocating an investment opportunity among Advisory Clients with differing fee, expense and compensation structures, the Adviser has an incentive to allocate investment opportunities to the Advisory Clients from which the Adviser or its related persons derive, directly or indirectly, higher fees, compensation or other benefits. Notwithstanding the foregoing, the Adviser will not allocate investment opportunities among the Advisory Clients based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Advisory Client or (ii) the profitability of any Advisory Client. While the Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that an Advisory Client's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which the Adviser is subject, discussed herein, did not exist.

In addition, employees of the Advisers invest indirectly in and are permitted to invest directly in Advisory Clients and therefore participate indirectly in investments made by the Advisory Clients in which they invest. Such interests will vary Advisory Client by Advisory Client and may create an incentive to allocate particularly attractive investment opportunities to the Advisory Client in which such personnel hold a greater interest. The existence of these varying circumstances presents conflicts of interest in determining how much, if any, of certain investment opportunities to offer to an Advisory Client.

A conflict also arises in allocating an investment opportunity if the potential investment target could be acquired by either an Advisory Client or an Investment of another Advisory Client. In making such an allocation determination, the Adviser will consider some one or more of the factors set forth above and will make a determination in its good faith discretion.

Allocation of Co-Investment Opportunities and Secondary Transactions

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

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

Subject to any investment allocation requirements or other specific agreements with an investor, in general, (i) no investor in an Advisory Client has a right to participate in any co-investment opportunity and investing in an Advisory Client does not give an investor any rights, entitlements or priority to co-investment opportunities, (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of the Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not other investors in the Advisory Clients, in the sole discretion of the Adviser or its related persons, investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Advisory Client, with the same, larger or smaller capital commitments to such Advisory Client, and (iv) certain persons other than investors in the Advisory Clients (e.g., other Advisory Clients managed by the Adviser, consultants, joint venture partners, Adviser Investors, persons associated with an Investment and other Third Parties, including persons who the Adviser believes will provide a benefit to an Advisory Client and/or one or more Investments or who provide a strategic sourcing or similar benefit to the Adviser, an Advisory Client, and/or an Investment and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), rather than one or more investors in an Advisory Client, will, from time to time be offered co-investment opportunities, in the sole discretion of the Adviser or its related persons, and (v) co-investors may purchase their interests in a portfolio company at the same time as the Advisory Clients or may purchase their interests from the applicable Advisory Clients after such Advisory Clients have consummated their investment in the portfolio company (also known as a post-closing sell down or transfer). Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding

acknowledgements of interest in co-investment opportunities are not investment allocation requirements and do not require the Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Adviser from time to time agrees to give particular investors, Advisory Clients, or other third parties priority access to co-investment opportunities. The existence of such priority or other contractual co-investment access rights could affect the Adviser's decision to offer certain opportunities for co-investment and could limit the ability of Advisory Clients or their investors to be offered certain co-investment opportunities.

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

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

- The extent to which a potential co-investment party has been provided a greater amount of co-investment opportunities relative to others;
- Whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to the Adviser and assume a passive role in governing an Investment);
- Any interests a potential co-investment party has in any competitors of the Investment;
- The ability of a potential co-investment party to hold investments for longer periods of time (or indefinitely);
- The Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- The Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of an Investment post-closing;
- The Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Advisory Clients to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which an Advisory Client wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of an Advisory Client being able to capitalize on a potential investment opportunity);
- Whether the potential co-investment party will make commitments to invest in other Advisory Clients, (including concurrently with the applicable co-investment) as well as commitments to future Advisory Clients raised by the Adviser;
- Whether the co-investment opportunity is being provided in connection with a potential investment in or acquisition of interests through a secondary transfer of the Advisory Clients (i.e., a stapled co-investment opportunity); and
- Whether the Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Advisory Clients and/or the Adviser and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Advisory Clients and/or the Adviser.

The factors above are not listed in order of importance or priority and the Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. The Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Advisory Clients, potential co-investors, Adviser Investors and third parties, and in the manner discussed above, often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons. For example, the Adviser may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the Adviser and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional Management Fees and/or Carried Interest based on the availability of co-investment opportunities offered to such parties). The Adviser expects that these factors will lead the Adviser to favor some potential co-investors over others with respect to the frequency with which the Adviser offers them co-investment opportunities. The Adviser also expects to allocate certain co-investors a greater proportion of an investment opportunity than others as a result of these factors.

In the event the Adviser determines to offer an investment opportunity to co-investors, there can be no assurance that the Adviser will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Advisory Client or that expenses incurred by the Advisory Client with respect to the syndication of the co-investment will not be substantial, and the Advisory Clients bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of an Advisory Client and as a result, may take a different view from the Adviser as to appropriate strategy for an investment or may be in a position to take a contrary action to an Advisory Client's investment objective. In the event that the Adviser is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Advisory Client may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended and would bear the entire portion of any fees, costs and expenses related to such investment, which could make the Advisory Client more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce an Advisory Client's overall investment returns. Therefore, it is possible that an Advisory Client that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks.

The Adviser or its affiliates may establish dedicated co-investment vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside an Advisory Client which may have more favorable rights and/or terms than the Advisory Clients and/or other co-investors. Any such vehicle will be established at the Adviser or its affiliates' sole discretion and the Adviser and its affiliates have no obligation to offer a similar opportunity to any other investor.

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

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

Conflicts Related to Purchases and Sales

From time to time the Adviser will, in its discretion, enter into transactions with investors in an Advisory Client, Adviser personnel or third parties to dispose of, or "sell down," all or a portion of certain Investments. In exercising its discretion to select the purchaser(s) of such Investments, the Adviser will comply with the requirements set forth in the Organizational Documents of the applicable Advisory Client(s). The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser, and the Adviser is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, which means the Adviser may not obtain the highest price for the transaction. Furthermore, the Adviser may charge (or may decide not to charge) a purchasing party interest costs for the time period between the closing of the applicable Advisory Client's investment in an Investment to the date of the transfer of interests in such Investment to the applicable purchasing party. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Advisory Client(s).

The Advisory Clients, from time to time, co-invest with third parties (including roll-over investors and management teams of the relevant Investment) through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks and conflicts that would not otherwise be present in investments where a third party is not involved. Such risks include,

among other things, the possibility that the third party may have differing economic or business goals than those of the Advisory Client, or that the third party may be in a position to take actions that are inconsistent with the investment objectives of the Advisory Clients. There may also be instances where the Advisory Clients will be liable for the actions of such third-party co-investors. There can be no assurance that the return of an Advisory Client participating in a transaction with a third party would be equal to and not less than another Advisory Client participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Cross-Transactions

In certain cases, the Adviser will, from time to time cause an Advisory Client to purchase Investments from another Advisory Client, or it will cause an Advisory Client to sell Investments to another Advisory Client. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, an Advisory Client may not receive the best price otherwise possible, or the Adviser might have an incentive to improve the performance of one Advisory Client by selling underperforming assets to another Advisory Client in order, for example, to earn fees. Additionally, in connection with such transactions, the Adviser, its affiliates and/or their professionals (i) will, from time to time, have significant investments, or intentions to invest, in the Advisory Client that is selling and/or purchasing such an Investment or (ii) otherwise have a direct or indirect interest in the Investment (such as through certain other participations in the investment). With respect to certain Advisory Clients, the Adviser and its affiliates receives Management Fees or other fees in connection with their management of the relevant Advisory Clients involved in such a transaction, and generally are entitled to share in the investment profits of the relevant Advisory Client.

Depending on the transaction structure, these transactions may disproportionately benefit the purchasing, selling, or merging Advisory Client (or the Adviser as a result of its interests in a particular Advisory Client), and one Advisory Client may incur expenses or forego gains that would have been obtained had it not entered into such transaction. Determining the valuation or other terms of such transactions may also create a conflict of interest due to the Adviser's consideration of the particular terms (including the fee terms) of the Advisory Clients and the Adviser's interest in such Advisory Clients. Such acquisition or merger may result in the acquiring entity purchasing an Advisory Client's investment at a valuation that is: (a) not the highest price than could have been obtained in the market had there been a robust sales process with multiple third party bidders or (b) higher than the value of the Investment resulting in an overvaluation.

Under certain circumstances, the Adviser may wish to reduce the investment of one or more Advisory Clients in an Investment and increase the investment of other Advisory Client(s) in such investment, and may, therefore, effect such transactions by directing the transfer of such investment between such Advisory Clients or through any other transaction structure (for example, distribution of an investment interests from one Advisory Client and contribution of such interests to another Advisory Client). Any costs and expenses associated with any such transaction will be borne by such Advisory Clients in accordance with such Advisory Clients' Organizational Documents and to the extent not addressed in the applicable Organizational Documents, on an allocation that the Adviser deems in good faith to be fair and reasonable.

To address these conflicts of interest, in connection with effecting such transactions, the Adviser will follow the investment allocation requirements of the relevant Advisory Clients. To the extent such matters are not addressed in the investment allocation requirements, the Adviser will confirm that it (i) considers its respective duties to each Advisory Client, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's-length transaction with a third party on commercially reasonable terms (which may or may not involve a valuation agent or a third party bid), and (iii) obtains any required approvals of the transaction's terms and conditions. There can be no assurance that any such conflicts can be resolved in a manner that is beneficial to each Advisory Client or investment nor is there any assurance that such transaction will be equally or similarly profitable or advantageous to each participating Advisory Client.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), the adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. While not currently anticipated, in connection with the Adviser's management of the Advisory Clients, the Adviser and its affiliates may engage in principal transactions. The Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Advisory Client(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received.

Continuation Transactions

From time to time the Adviser may determine that it is in the best interest of an Advisory Client holding an Investment (the "selling Advisory Client") to transact with another Advisory Client (the "purchasing Advisory Client") in order to provide the selling Advisory Client's investors with an option to either: (1) receive cash proceeds from the selling Advisory Client's sale or transfer of such Investment and/or (2) "roll" (i.e., retain) their interest in such Investment. These types of transactions are often referred to as "continuation transactions." In connection with such continuation transactions, Adviser may require the investors in the purchasing Advisory Client to make an additional investment in an Advisory Client or commit to invest in a future Advisory Client. In addition to those conflicts of interest described above under "*Cross Transactions*", conflicts of interest arise in these continuation transactions because (i) the Adviser and its affiliates are charging investors in the purchasing Advisory Client a Management Fee and Carried Interest (which economics are likely to be different than the selling Advisory Client) and the transactions have the potential to result in the receipt of additional Management Fees and Carried Interest by the Adviser and its affiliates; (ii) the Adviser and Adviser Personnel are expected to have the ability to make material investments in the purchasing Advisory Client, which may cause them to take actions that benefits the purchasing Advisory Client; (iii) the Adviser is actively involved in negotiating the terms of the sale on behalf of the selling Advisory Client, on the one hand, and the purchasing Advisory Client, on the other hand (including allocation of expenses incurred in the

transaction); and/or (iv) of the requirement for an investor in the purchasing Advisory Client to make an investment in an Advisory Client or a commitment to invest in a future Advisory Client, which (a) incentivizes the Adviser to favor such investors because of the potential for the Adviser and its affiliates to earn additional Management Fees with respect to any such investment or commitment to invest, and (b) could affect the price such investors offer to purchase the asset from the selling Advisory Client. Additionally, conflicts of interest arise in continuation transactions as a result of the allocation of fees and expenses, because fees and expenses will be incurred in connection with the transaction, and the Adviser might determine to allocate bankers' fees and certain other fees and expenses solely to selling investors and not to the "rolling investors" or "new investors" in the purchasing Advisory Client or vice versa.

To the extent not addressed in an Advisory Client's Organizational Documents, the Adviser will address conflicts of interest that arise in connection with continuation transactions as set forth above under "*Cross-Transactions*."

Management of the Advisory Clients

The Adviser manages a number of Advisory Clients that may have investment objectives similar to each other. The Adviser expects that it or its personnel will in the future establish one or more additional investment funds with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current Advisory Clients. The Adviser may give advice or take actions with respect to the investments of one or more Advisory Client that may not be given or taken with respect to other Advisory Clients with similar investment programs, objectives or strategies. As a result, Advisory Clients with similar strategies will not hold the same securities or achieve the same performance. In addition, an Advisory Client generally may not be able to invest through the same investment vehicles, or have access to similar credit or utilize similar investment strategies as another Advisory Client. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

In addition, it is expected that Adviser Personnel responsible for managing a particular Advisory Client will have responsibilities with respect to other Advisory Clients managed by the Adviser, including Advisory Clients raised in the future or to proprietary investments made by the Adviser and/or its principals of the type made by an Advisory Client. Conflicts of interest arise in allocating time, services or functions of these Adviser Personnel. Adviser Personnel have an incentive to allocate more time, services or functions to Advisory Clients from which such personnel derive a higher economic benefit and/or better-performing Advisory Clients.

In addition, the Adviser receives and generates various kinds of Investment-related data and other information, including related to or created in connection with financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors, ESG and other metrics, financial information, commercial and transactional information, user data, cost data and related data or information, some of which is sometimes referred to as "big data." This information may, in certain instances, include confidential and/or sensitive information received or generated in connection with efforts on behalf of one Advisory Client's investment (or prospective investment) in an Investment. As a result, the Adviser is better able to anticipate macroeconomic and other trends and financial opportunities, enhance and improve operations of Investments and otherwise develop investment strategies or identify specific investment or business opportunities. The

Adviser also intends to utilize such data for purposes of identifying new investments opportunities for the Advisory Clients. Information from one Investment owned by an Advisory Client may enable the Adviser to better understand a particular industry and develop and execute investment strategies in reliance on that understanding for the Adviser and other Advisory Clients that do not own an interest in such Investment, without compensation or benefit to such Advisory Client or its Investments. Further, data is expected to be aggregated across the Advisory Clients and their respective Investments and, in connection therewith, the Adviser is expected to serve as the repository for such data, including with ownership, use and distribution rights therein. The Adviser may also share data from an Investment of one Advisory Client with an Investment of an other Advisory Client, which may increase a competitive disadvantage for, and indirectly harm, such Investment. Investments may incur incremental expenses in collecting and organizing information requested or required to be furnished to the Adviser (which expenses are indirectly borne by the Advisory Clients). The Adviser has in the past entered into and is likely in the future to enter into information sharing and confidentiality arrangements with Investments and other sources of information that may limit the internal distribution and use of such data. The Adviser has already used and is likely in the future in certain instances to use this information in a manner that may provide a material benefit to the Adviser, its affiliates, or to certain other Advisory Clients without compensating or otherwise benefitting the Advisory Client or Advisory Clients from which such information was obtained. In addition, the Adviser may have an incentive to pursue investments in Investments based on the data and information expected to be received or generated. Furthermore, except for (a) contractual obligations to third parties to maintain confidentiality of certain information or otherwise limit the scope and purpose of its use or distribution, (b) policies, practices and procedures designed to ensure confidentiality of trade secrets and (c) compliance with applicable data privacy laws, laws prohibiting insider trading, anti-competition laws and laws protecting national security interests, the Adviser is generally free to use data and information from an Advisory Client's activities in its sole discretion for the benefit of the Adviser and other Advisory Clients.

Conflicts Relating to the General Partner and/or Managing Member and the Adviser

Adviser Personnel and other related persons of the Adviser and its affiliates have made and may make capital investments in or alongside certain Advisory Clients. These investments may be at different times or in non-pro rata amounts, or in different classes or levels of the capital structure. Such persons therefore have additional conflicting interests in connection with these investments.

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

In addition, Advisory Clients from time to time invest in securities of companies in which Adviser Personnel and other related persons of the Adviser and its affiliates have previously invested for their own accounts. Furthermore, Adviser Personnel and other related persons of the Advisers and its affiliates from time to time invest for their own accounts in securities of companies in which the Advisory Clients have previously invested. While the significant interests of the Adviser

Personnel generally align the interest of such persons with the Advisory Clients, such persons may have differing interests from the Advisory Client with respect to such investments (for example, with respect to the availability and timing of liquidity), creating conflicts of interest. There can be no assurance that the return of an Advisory Client participating in a transaction would be equal to and not less than another Advisory Client participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

The Adviser, its affiliates, and members, officers, principals and employees of the Adviser and its affiliates may buy or sell securities or other instruments that the Adviser has recommended to Advisory Clients. Adviser Personnel may also buy securities in transactions offered to but rejected by Advisory Clients. A conflict of interest may arise because such investing Adviser personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by the Adviser on behalf of the Advisory Client. In such circumstances, the investing Adviser personnel will not share or reimburse the relevant Advisory Client(s) and/or the Adviser for any expenses incurred in connection with the investment opportunity.

In addition, Adviser Personnel also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, venture capital funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Advisory Clients and/or which may invest in similar industries and sectors as the Advisory Clients (including investments for purposes of sourcing future investment opportunities). Such Adviser Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same Investments as the Advisory Clients, and there may be situations in which such investment vehicle purchases securities from, or sells securities to, an Advisory Client. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Advisory Clients. In the event Adviser Personnel make an investment with the intent to source future investments for the Advisory Clients, there is a greater likelihood that the Advisory Clients will make investments in the same Investments in which Adviser Personnel hold an interest as described above. Such personnel may be incentivized to cause an Advisory Client to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles.

The transactions described above are subject to the policies and procedures set forth in the Adviser's Code of Ethics, and investors will not benefit from any such investments.

Adviser Personnel have family members that are actively involved in industries and sectors in which the Advisory Clients invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Advisory Clients or other counterparties of the Advisory Clients and the Investments. Moreover, in certain instances, the Advisory Clients or the Investments may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. The fees for services provided by such service providers may or may not be at the same rate charged by other third party service providers and the Adviser is not required to select service providers who may

have lower rates (or to engage in any benchmarking of such fees). In most such circumstances, the Advisory Clients' Organizational Documents will not preclude Advisory Clients from undertaking any of these investment activities or transactions.

From time to time, Adviser Personnel may invest in funds or other entities managed by limited partners of an Advisory Client, which could incentivize such Adviser Personnel to afford the limited partner preferential or favored treatment, such as, for example, increased access to co-investment opportunities, and could create conflicts of interest to the extent such other funds compete with an Advisory Client for investment opportunities or invest in competing Investments.

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

Fee Structure

Where applicable with respect to an Advisory Client, the Management Fee is payable through liquidation of the Advisory Client. In addition, because there is a fixed investment period after which capital from investors in the Advisory Client will only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of the Advisory Clients, based upon capital invested by the Advisory Clients, this fee structure creates an incentive to defer the realization of investments and/or deploy capital when the Adviser would not otherwise have done so.

Additionally, as discussed above in Item 6, the general partners and/or managing members of the Advisory Clients are entitled to Carried Interest. Such general partners and/or managing members are affiliates of the Adviser. The general partner and/or managing member is incentivized to hold on to investments that have poor prospects for improvement in order to receive potentially, a more likely or larger Carried Interest distribution if such asset's value appreciates in the future. This incentive is increased by the presence of the clawback obligation of the general partner and/or managing member.

Pursuant to the Organizational Documents, the general partner and/or managing member may be required to return excess amounts of Carried Interest as a "clawback." This clawback obligation may create an incentive for the general partner and/or managing member to defer disposition of one or more investments or delay the liquidation of an Advisory Client if the disposition and/or liquidation would result in a realized loss to the Advisory Client or would otherwise result in a clawback situation for the general partner and/or managing member.

The Organizational Documents of certain Advisory Clients permit the general partner and/or managing member of each such Advisory Client to cause such Advisory Client to distribute such general partner's and/or managing member's share of securities resulting from an investment disposition by such Advisory Client to such general partner and/or managing member or their affiliates (including Adviser Personnel) in kind, while disposing of limited partners' share of such securities and distributing the net cash proceeds of such sale of securities to the limited partners. This ability creates conflicts of interest between the general partners and/or managing members and the limited partners of the applicable Advisory Client. The general partners and/or managing members are particularly incentivized to receive distributions in-kind of securities that it expects to increase in value, and in cases where the increase occurs, if the limited partners received cash distributions instead of in-kind distributions, the limited partners will be denied the benefits of that increase had the Advisory Client retained the securities, and the general partner and/or managing member will receive more value from the securities than it would have had its Carried Interest been paid in cash. In the event the general partner and/or managing member, or their affiliates, receive such a distribution, the general partner and/or managing member will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which the investor sells its distributed securities), or hold on to the distributed securities for such time as the general partner and/or managing member shall determine. The ability of the general partner and/or managing member to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner and/or managing member or affiliate, as an adviser to the Advisory Client, and the Advisory Client. These conflicts may be exacerbated due to the enhanced knowledge and information the general partner and/or managing member has relative to the limited partners with respect to such securities.

Pursuant to the Organizational Documents, the general partner and/or managing member may elect to receive its Carried Interest in the form of an in-kind distribution of securities of an Investment, including for purposes of permitting one or more general partner and/or managing member personnel to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such personnel). Any tax efficiencies to such general partner and/or managing member personnel associated with this form of charitable giving may have the effect of reinforcing or enhancing the general partner's and/or managing member's incentives otherwise resulting from the existence of its Carried Interest and therefore, the general partner and/or managing member may have a conflict of interest in making decisions on behalf of the Advisory Clients (including, for instance, the timing of disposition of investments).

Advisory Client Level Borrowing

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

In addition, credit facilities for certain Advisory Clients are available to provide borrowed funds directly to the Investments of such Advisory Clients, in which case such borrowed funds would be guaranteed by such Advisory Clients. In such instances the Advisory Clients would bear the sole liability for the borrowed funds in the event of a default, and as a result, such Investment and any of its other investors (including direct investments by the general partner and any co-investor, including co-investment vehicles) benefit from the credit risk taken by the Advisory Client's guarantee.

To the extent the Advisory Client uses borrowed funds in advance or in lieu of capital contributions, the Advisory Client's investors generally make correspondingly later capital contributions, but the Advisory Client will bear the expense of interest on such borrowed funds. As a result, the Advisory Client's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than they otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. It is expected that the interest will accrue on any such outstanding borrowings at a lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Advisory Client. Thus, while the Advisory Client will bear the expense of borrowed funds, such borrowings can also increase the Carried Interest received by the Advisory Client's general partner or will result in the Advisory Client's general partner receiving Carried Interest earlier than it would otherwise have by decreasing the amount of distributions from the Advisory Client that are required to be made to Advisory Client investors in satisfaction of any preferred return. The general partner therefore has a conflict of interest in deciding whether to borrow funds because the general partner may receive disproportionate benefits from such borrowings. Furthermore, the use of Advisory Client-level borrowing for investment purposes are treated as investment capital for purposes of calculating the relevant Advisory Client's Management Fee. Therefore, investors pay Management Fees on borrowed amounts used to fund an investment even though such amounts would not accrue a preferred return as described above.

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

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

The use of Advisory Client-level borrowings will differ based on available credit facility capacity and contractual terms applicable to each Advisory Client and each such credit facility. Therefore, as the subscription credit facilities utilized by the Advisory Clients may have different terms, while the Advisory Clients may be invested in the same investment, and while the valuation of such investment would be consistently determined pursuant to the relevant Organizational Documents, the investment return can, in certain circumstances, differ among the Advisory Clients as a result.

Diverse Membership

The investors in the Advisory Clients often have conflicting investment, tax and other interests with respect to their investments in an Advisory Client. The conflicting interests among the investors generally relate to or arise from, among other things, the nature of investments made by an Advisory Client, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by the Adviser or its affiliates, including with respect to the nature or structuring of investments, that are more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for an Advisory Client, the Adviser and its affiliates will consider the investment and tax objectives of the applicable Advisory Client, not the investment, tax or other objectives of any investor individually.

Business with and among Investments and Investors and Prospective Investors

Given the collaborative nature of the Adviser's business and the Investments, there are often situations where the Adviser is in the position of recommending the services of one Investment to other Investments, which may involve fees, commissions, servicing payments and/or discounts to the Adviser, an affiliate, or the Investment. The Adviser will generally have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective Investments for the Advisory Clients, while the products or services recommended may not necessarily be the best available to the Investments held by the Advisory Clients. The benefits received by an Investment providing a service may be greater than those received by the Advisory Client(s) and its Investments receiving the service.

Investments controlled by an Advisory Client have in the past, and may, from time to time in the future provide services to the Adviser, certain Advisory Client investors or prospective investors. This creates a conflict of interest, as the Adviser has an incentive to cause the Investment to favor itself, or those investors or prospective investors relative to other Investment clients or customers in terms of pricing or otherwise, which could adversely affect the Investment's profitability to the Advisory Client. Additionally, the Investment could recommend to its clients or customers that they invest in an Advisory Client.

Current and former officers and executives of an Investment may also invest in an Advisory Client. While the Adviser believes this aligns Investment management teams with the best interests of the Advisory Client, the Adviser may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to an Investment in order to maintain the goodwill with such Investment management team investor.

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

In addition, certain Investments controlled by an Advisory Client may engage in activities that could adversely affect another Advisory Client and/or its Investment, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity that has incurred the liability. This may result in the assets of an Advisory Client and/or an Investment being used to satisfy the obligations or liabilities of another Advisory Client or its Investment.

The Adviser and/or its affiliates may engage in business opportunities arising from an Advisory Client's investment in an Investment (for example, without limitation, entering into a joint venture with an Investment or making a proprietary investment in an Investment). This creates a conflict of interest, as such interests are a benefit arising from the Advisory Client's investment and may vary from the applicable Advisory Client's interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Advisory Client). In addition, the Adviser may cause an Advisory Client to transact with an Investment of the Advisory Clients, including purchasing an asset from, or selling an asset to, an Investment. This creates a conflict of interest as the interests of the purchasing or selling Advisory Client differ from those of the counterparty Investment.

In addition, the Adviser may cause an Advisory Client to transact with an Investment of another Advisory Client, including purchasing an asset from, or selling an asset to, an Investment. This creates a conflict of interest as the interests of the purchasing or selling Advisory Client differ from those of the counterparty Investment.

An Investment of an Advisory Client may be a counterparty or participant in an agreement, transaction or other arrangement with Investments of other Advisory Clients managed by the Adviser that, although the Adviser determines to be consistent with the requirements of such Advisory Clients' Organizational Documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which may provide economic or other benefits to affiliates of

the Adviser. For example, the Adviser has in the past and may in the future cause Investments to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple Investment and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple Investments and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to the Adviser, its affiliates or an Investment, including related to a portion of the savings achieved by the Investment. While the Adviser may have a conflict of interest because its economic benefit may incentivize the Adviser to maintain such arrangements, the Adviser believes that such agreements benefit the Investments due to increased access to quality products and services at beneficial pricing, and the Adviser's benefits from such arrangements are reduced because the Adviser only benefits at the same rate as the Investments. However, it should not be assumed that a company related to, or otherwise affiliated with the Adviser will only take actions that are beneficial to, or not opposed to, the interests of an Advisory Client and its Investments. The Adviser and its affiliates have in the past and may, from time to time, hire part-time or full-time employees (including interns) who are relatives of, or are otherwise associated with an investor, Investment, former Investment, investment target, or service provider. Although the Adviser uses reasonable care to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee the Adviser can control all such conflicts of interest, and there may be a continuing appearance of a conflict of interest (including, for instance, preferential hiring practices).

Service Providers

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

The Adviser and/or its affiliates engage certain service providers to provide services to the Adviser, the Advisory Clients and/or the Investments, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in an Advisory Client or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor's admission to an Advisory Client, or during the term of such investor's investment in the Advisory Client. This creates a conflict of interest, as the Adviser may give such investor preferred economics or other terms with respect to its investment in an Advisory Client, enhanced information or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. In addition, the Adviser will have a conflict of interest in recommending the retention or continuation of a service provider to the Advisory Clients or an Investment if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Advisory Clients or will provide the Adviser information about markets and industries in which the Adviser operates, will provide other services that are beneficial to the Adviser and/or will provide financial sponsorship of events held by the Adviser (such as transaction closing dinners or outings, or informational summits or training events for the Adviser or Investment personnel). The Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors in the Advisory Clients to the Advisory Clients or their Investments for use or purchase, even though the products or services recommended may not necessarily be the best available to the Advisory Clients or the Investments.

With respect to certain Advisory Client arrangements, Adviser employee compensation may in the future be paid by the Adviser. In such situations, while such persons are employed by the Adviser, the cost of compensation, benefits and attributable overhead provided to these individuals are paid by the Adviser unless the Organizational Documents of such Advisory Clients permit certain allocations of internal expenses to such Advisory Client. In such a situation, if a former Adviser employee becomes an employee or consultant of a third party that also provides services to that account, the cost of such former employee working on the Advisory Client will be borne entirely by the Advisory Client instead of by the Adviser.

The Adviser generally may, in its discretion, contract directly with, or recommend to an Advisory Client or to an Investment thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with, a related person of the Adviser or an affiliate (including but not limited to an Investment). When making such a recommendation, the Adviser, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Additionally, Adviser Personnel, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence the Adviser in determining whether to select or recommend such service provider to perform services for an Advisory Client or an Investment. Although the Adviser selects service providers that it believes will enhance Investment performance (and, in turn, the performance of the relevant Advisory Client(s)), there is a possibility that the Adviser, because of financial,

business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

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

The Adviser, its personnel, the Advisory Clients and the Investments will, from time to time, engage common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to the Adviser, its personnel, the Advisory Clients, and/or the Investments. As a result, the Adviser or its personnel from time to time receives a more favorable rate on services provided to it by such a common service provider than the rates payable by the Advisory Clients and/or the Investment, or from time to time receives a discount on services even though the Advisory Clients and/or the Investments receive a lesser, or no, discount. This creates a conflict of interest between the Adviser and its personnel, on the one hand, and the Advisory Clients and/or Investments, on the other hand, in determining whether to engage such service providers, including the possibility that the Adviser will favor the engagement or continued engagement of such persons if it, or its personnel, receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Advisory Clients and/or the Investments. Neither the Advisory Clients nor investors in the Advisory Clients will receive the benefit of any such favorable rate or discount provided to the Adviser, its personnel or its affiliates, and the Management Fee paid by any Advisory Client will not be reduced in connection with such favorable rate or discount.

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

The Adviser or its affiliates engage certain service providers (including law firms) on behalf of the Advisory Clients and personnel of such service provider may in the future be seconded to the Adviser or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. The Adviser is, from time to time, a beneficiary of these arrangements as well. Such personnel may in the future provide services in respect of multiple matters, including in respect of matters related to the Adviser, its affiliates and/or Investments and in any such circumstance, the benefits or costs of any such personnel will be allocated in the Adviser's discretion taking into consideration the usage of such personnel. In such circumstances, a conflict of interest exists because the Adviser or its affiliates have an incentive to select one service provider over another on the basis that the Adviser or its affiliates may receive

the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not the Adviser or its affiliates.

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

The Adviser from time to time may cause the Advisory Clients to bear the full cost and expense of engaging certain third-party service providers on behalf of an Investment. In the event an Advisory Client is not the sole shareholder of the Investment, other shareholders will benefit from the costs incurred by such Advisory Client and will not reimburse the Advisory Client for their pro rata portion of the cost of any such service provider.

Operations Support Providers

The Adviser, the Advisory Clients and/or Investments will from time to time retain other companies and individuals (“Operations Support Providers”), which includes employees and former employees of the Adviser, affiliates of the Adviser, employees of such affiliates, Investments of the Advisory Clients, third party consultants (including specialized consultants, advisers, industry specialists, external executives, industry advisory roundtable members, and similar professionals), “operating partners” or “senior advisors.”

The Operations Support Providers are engaged to provide operational support, due diligence, research, specialized operations and consulting services and similar or related services to the Advisory Clients, or in connection with, one or more Investments or prospective Investments (such services collectively, “Operations Support Services”). These services may be high-level insight or extensive day-to-day roles, and may include support to the general partner on behalf of the Advisory Clients, or Investments regarding, among other things, the Investment’s management (including serving in management positions, director or participating in determining corporate strategy), the company’s supply chain, revenue and margin management (including determining sales/marketing strategy and retail strategy), data intelligence, finance (including generating metrics and reporting and business restructuring), human capital management (including recruiting personnel and determining executive/incentive compensation), information technology, corporate communications, customer service, sustainability (including, strategy, policy and reporting development), real estate matters and similar operational matters. It is expected that the services provided by the Operations Support Providers will expand over time.

The nature of the relationship with each such Operations Support Provider and the time devotion requirements of each such Operations Support Provider vary significantly. Certain Operations Support Providers may be subject to contractual obligations to exclusively provide certain services to the Advisory Clients and/or Investments. These arrangements are in certain circumstances

memorialized in a formal written agreement and are negotiated individually, depending upon the anticipated Operations Support Services to be provided. In certain cases, Operations Support Providers have attributes of Adviser Personnel (for instance, they may have dedicated office space, receive Adviser administrative support services, participate in general meetings or events for Adviser personnel, have Adviser e-mail address or business cards), even though they are not employees, affiliates or personnel of the Adviser. Operations Support Providers may be offered the opportunity directly by the Investment to invest in the company, including in investments in which such Operations Support Provider is involved or participates in the management thereof.

Pursuant to the Organizational Documents of the Advisory Clients, fees, compensation, expenses and any attributable overhead associated with Operations Support Services are paid and/or reimbursed by the Adviser, Investments and/or the Advisory Clients. In addition, any compensation (included equity or profits interest in an Investment) paid to an unaffiliated Operations Support Provider (including, for instance, for services as a director of such Investment) is retained by such Operations Support Provider.

Positions with Investments

Adviser Personnel serve as directors of, or observers on boards with respect to, certain Investments. While conflicts of interest may arise in the event that such Adviser Personnel's fiduciary duties as a director conflict with those of the Advisory Client, it is expected that generally the interests will be aligned. For instance, such positions could impair the ability of an Advisory Client to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Advisory Client. Furthermore, an Adviser Personnel serving as a director to an Investment owes a fiduciary duty to the Investment, on the one hand, and the relevant Advisory Client, on the other hand, and such Adviser Personnel may be in a position where they must make a decision that is either not in the best interest of the Advisory Client, or is not in the best interest of the Investment. Adviser Personnel serving as directors may make decisions for an Investment that negatively impact returns received by an Advisory Client investing in the Investment. In addition, to the extent an Adviser Personnel serves as a director on the board of more than one Investment, such Adviser Personnel's fiduciary duties among the two Investments may create a conflict of interest. Certain decisions made by a director may subject the Adviser, its affiliate or an Advisory Client to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, the Advisory Clients will indemnify the Adviser and Adviser Personnel from such claims. In addition, Adviser Personnel have in the past, and may in the future, on occasion leave the employment of the Adviser, or its affiliates and become an officer or employee of an Investment in which case one hundred percent of such person's compensation will be borne by the Investment (and indirectly, the Advisory Client).

Certain personnel of the Adviser or its affiliates have in the past or may from time to time in the future also be temporarily seconded to or otherwise engaged by certain Investments on either a full-time or a part-time basis to provide services to such Investments. In such instances, the Investments may pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse the Adviser or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. The Adviser may also advance compensation

to seconded employees and be subsequently reimbursed by the applicable Investments. Any compensation customarily paid directly by the Adviser or its affiliates to such persons will typically be reduced to reflect amounts paid directly or indirectly by the Investments, if applicable. All or a portion of any such compensation and incentives will be borne by the Advisory Client, directly or indirectly, via its ownership interest in such Investment. In certain instances, whether an individual who provides services to an Investment should be categorized as an external consultant, an employee of the Adviser, a former employee of the Adviser or a seconded employee may not be clear. In such cases, the Adviser will make a determination in good faith based on an evaluation of the facts and circumstances.

Side Letter Agreements; Advisory Board Rights

The Adviser may in the future enter into certain side letter arrangements with certain investors in an Advisory Client which are expected to provide such investors with different or preferential rights or terms, including but not limited to (to the extent permitted by applicable law) different fee structures and other preferential economic rights, information and reporting rights, excuse or exclusion rights, waiver of certain confidentiality obligations, co-investment rights, certain rights or terms necessary in light of particular legal, regulatory or policy requirements of a particular investor, additional obligations and restrictions with respect to structuring particular investments in light of the legal and regulatory considerations applicable to a particular investor, modification of representations, indemnification and/or liability and other obligations, veto rights and liquidity or transfer rights. Except as otherwise agreed with an investor and to the extent permitted by applicable law, the Adviser (or applicable general partner and/or managing member) is not required to disclose the terms of side letter arrangements with other investors in the same Advisory Client. Also, investors will have no recourse against an Advisory Client, the applicable Advisory Client's general partner and/or managing member, the Adviser or their respective affiliates in the event that certain investors receive additional or different rights or terms pursuant to such side letters, some of which rights may impact the rights and/or increase the obligations of other investors. In addition, side letter arrangements with certain investors of the Advisory Clients impose additional restrictions on investing in certain types of assets, geographies or industries in order to meet certain legal, tax, regulatory, internal policy or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable Advisory Client.

Certain of the Advisory Clients have established an advisory board, consisting of representatives of investors. A conflict of interest may exist when some, but not all limited partners are permitted to designate a member to the advisory board because those designating limited partners will, for instance, have greater information rights. The advisory board may also have the ability to approve conflicts of interests with respect to the Adviser and the applicable Advisory Client, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory board. Representatives of the advisory board may have various business and other relationships with the Adviser, Adviser Personnel and its affiliates. These relationships may influence the decisions made by such members of the advisory board.

In addition, members of one Advisory Client's advisory board may also be a member of another Advisory Client's advisory board. In such instances, a conflict of interest exists because the Advisory Clients on which such overlapping advisory board members may have conflicting

interests and such advisory board members may be asked to provide their consent with respect to such conflicts of interest and will not recuse themselves from any such vote.

Other Potential Conflicts

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

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

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

The Adviser has in the past and may, from time to time in the future, cause one or more Advisory Clients to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Advisory Clients, the applicable general partner and/or managing member, the Adviser and/or Adviser Personnel and their respective agents, representatives, members of the advisory board and other indemnified parties, against liability in connection with the activities of the Advisory Clients. This may include a portion of any premiums, fees, costs and expenses for one or more "umbrella" or other insurance policies maintained by the Adviser that cover one or more Advisory Clients and/or the Adviser

(including Adviser Personnel and their respective agents, representatives, members of the advisory board and other indemnified parties). The Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Advisory Clients, and/or the Adviser on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in an Advisory Client bearing less (or more) premiums, fees, costs and expenses for insurance policies.

The Adviser may, from time to time, require, cause or invite the Advisory Clients and/or an Investment to make contributions to charitable initiatives, or other non-profit organizations that the Adviser believes could, directly or indirectly, enhance the value of the Advisory Clients’ investments, assist in completing an acquisition of an Investment or other transaction (whether or not documented at the time of such acquisition or transaction) or otherwise serve a business purpose for, or be beneficial to, the Advisory Clients or their Investment. Such contributions could be designed to benefit employees of an Investment, the community in which an Investment operates or a charitable cause essential to, or consistent with, the business purpose of an Investment. In certain instances, such charitable initiatives could be sponsored by, affiliated with or related to current or former employees of the Adviser, Investment management teams, advisors, service providers, vendors, joint venture partners, and/or other persons or organizations associated with the Adviser, the Advisory Clients or the Investments. These relationships could influence the Adviser’s decision whether to require, cause or invite the Advisory Clients or the Investments to make charitable contributions. Further, from time to time, such charitable contributions by the Advisory Clients or the Investments could supplement or replace charitable contributions that the Adviser would have otherwise made. Also, in certain instances, the Adviser may, from time to time, select a service provider or other counterparty to the Advisory Clients or their investments based, in part, on the charitable initiatives of such person where the Adviser believes such charitable initiatives could, directly or indirectly, enhance the value of the Advisory Clients’ investments or otherwise be beneficial to the Investments.

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

Item 12. Brokerage Practices

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

Selection of Brokers and Dealers

For each of the Advisory Clients, the Adviser has, subject to the direction of such Advisory Client’s general partner and/or managing member, if applicable, sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used

to effect transactions. In placing each transaction for an Advisory Client involving a broker-dealer, the Adviser will seek “best execution” of the transaction. “Best execution” means obtaining for an Advisory Client account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of the best available commission rate.

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

In order to monitor best execution, the Adviser’s Investment Committee will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of the Adviser and each Advisory Client.

The Adviser does not receive “soft dollars” in connection with its use of broker-dealers.

Aggregation of Trades

While expected to be uncommon, the Adviser and its affiliates may from time to time in the future aggregate (or bunch) the orders of more than one Advisory Client for the purchase or sale of the same publicly traded security. In such a circumstance, the Adviser would employ this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. The Adviser and its affiliates may combine orders on behalf of an Advisory Client with orders for other Advisory Clients for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, the Adviser and its affiliates generally aggregate trade orders for publicly traded securities so that each participating Advisory Client will receive the average price for each execution of a transaction.

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

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Advisory Clients are generally private, illiquid and long-term in nature, and accordingly, the Adviser’s review of them is not directed toward a short-term decision to dispose of securities. However, the Adviser closely monitors the Investments of the Advisory

Clients and generally maintains an ongoing oversight position in such Investments. The portfolios are reviewed by a team of investment professionals on an on-going basis. The team generally includes management and investment professionals of the Adviser. Moreover, the Adviser has an internal group designated to monitor Investment performance. This group provides a second level of review of each Investment on a periodic basis.

Reporting

Investors in the Advisory Clients typically receive, among other things, a copy of audited financial statements of the relevant Advisory Client after the fiscal year end of such Advisory Client. The Adviser and the applicable general partner and/or managing member, if any, will from time to time, in their sole discretion, provide additional information relating to such Advisory Client to one or more investors in such Advisory Client as they deem appropriate.

Item 14. Client Referrals and Other Compensation

For details regarding economic benefits provided to the Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, the Adviser and its related persons may, in certain instances, receive discounts on products and services provided by Investments of Advisory Clients and/or the customers or suppliers of such Investments.

Item 15. Custody

Item 15 is not applicable to the Adviser.

Item 16. Investment Discretion

Investment advice is provided directly to the Advisory Clients, subject to the direction and control of the general partner and/or managing member of each Advisory Client and not individually to the investors in the Advisory Clients. Services are provided to the Advisory Clients in accordance with the Advisory Agreements with the Advisory Clients and/or Organizational Documents of the applicable Advisory Client.

Item 17. Voting Client Securities

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

It is the Adviser’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, the Adviser reserves the right to abstain on any particular Vote or otherwise

withhold its vote or consent on any matter if, in the judgment of the Adviser's Investment Committee or the relevant Adviser investment professional, the costs associated with voting such Vote outweigh the benefits to the relevant Advisory Client or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Advisory Clients.

Advisory Clients generally cannot direct the Adviser's Vote.

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

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

Where the Adviser's Investment Committee deems appropriate in their sole discretion, unaffiliated third parties may be used to help resolve conflicts or to otherwise assist the Adviser in fulfilling all or part of its voting obligations. In this regard, the Adviser can retain independent fiduciaries, consultants, or professionals to assist with Voting decisions and/or to which Voting and/or consent powers may be delegated in accordance with its proxy voting policies and procedures.

Copies of relevant proxy logs, identifying how proxies were voted in connection with an Advisory Client and copies of proxy voting policies are available to any client or prospective client upon written request to: info@bsipgp.com

Item 18. Financial Information

Item 18 is not applicable to the Adviser.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to the Adviser.