

FORM ADV PART 2A:

FIRM BROCHURE



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This Investment Adviser Brochure (this “Brochure”) provides information about the qualifications and business practices of Garnett Station Partners, LLC (the “Adviser” or “Firm”). If you have any questions about the contents of this Brochure, please contact us at (917) 671-9731. 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 authority.

The Adviser is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information about the Firm is also available on the SEC’s website at www.adviserinfo.sec.gov by using a unique identifying number known as a CRD Number. The Adviser’s CRD number is 300033.

ITEM 1. MATERIAL CHANGES

This Brochure is the Adviser's updated Form ADV Part 2A from its most recent filing made in March 2023, which includes updates related to, among other things, disclosures regarding the Adviser's advisory business, fees and compensation, and risks of investment and conflicts of interest.

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ITEM 3. ADVISORY BUSINESS

The Adviser, a Delaware limited liability company and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to single-purpose investment vehicle structures and investment funds privately offered to qualified investors in the United States and elsewhere. The Adviser was established in April 2016. The Adviser is principally owned and controlled by Alex Sloane and Matt Perelman (the “Principals”). The Chief Compliance Officer (“CCO”) of the Adviser is Robert Espinosa.

The Adviser currently manages various private pooled investment vehicles on a discretionary basis, and expects to provide investment management and other services to additional affiliated and unaffiliated private pooled investment vehicles (each a “Fund” and collectively, the “Funds”) with respect to investments in portfolio companies. The Adviser intends to provide investment advice consistent with the investment objectives, guidelines, and restrictions set forth in the applicable Governing Documents (as defined below) of the Funds.

In general, affiliated special purpose vehicles of the Adviser serve as general partners (each a “General Partner” and together with any future affiliated general partner entities, the “General Partners”) to the Funds and delegate authority to the Adviser to serve as the investment adviser.

Each General Partner is subject to the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with the Adviser.

The Funds are either single-purpose investment vehicle structures or private equity funds, each of which invests through negotiated transactions in operating entities, generally referred to herein as “Portfolio Companies,” or in loans to operating companies. The Adviser’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Where such investments consist of Portfolio Companies, the senior principals or other personnel of the Adviser or its affiliates generally serve on such Portfolio Companies’ respective boards of directors or otherwise act to influence control over management of Portfolio Companies in which the Funds have invested.

The Adviser’s advisory services to the Funds are detailed in the relevant private placement memoranda or other offering documents (each, a “Memorandum”), applicable limited partnership or other operating agreements or governing documents of the Funds (each, a “Partnership Agreement” and, together with any relevant Memorandum, the “Governing Documents”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds (generally referred to herein as “investors” or “limited partners”) participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Partnership Agreements; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between the Adviser and any investor. The Funds or the General Partners have entered into side letters or other similar agreements (“Side Letters”) with certain investors that have the effect of establishing rights under, or altering or supplementing

the terms (including economic or other terms) of, the relevant Partnership Agreement with respect to such investors.

Additionally, as permitted by the relevant Partnership Agreement, the Adviser expects to provide (or agree to provide) investment or co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain current or prospective investors or other persons, including other sponsors, market participants, finders, consultants, lenders and other service providers, Portfolio Company management or personnel, the Adviser's personnel and/or certain other persons associated with the Adviser and/or its affiliates. Such co-investments typically involve investment and disposal of interests in the applicable Portfolio Company at the same time and on the same terms as the Fund making the investment. However, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the Portfolio Company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund's initial purchase. Where appropriate, and in the Adviser's sole discretion, the Adviser reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent any such amounts are not so charged or reimbursed (including charges or reimbursements required pursuant to applicable law), they generally will be borne by the relevant Fund as further described in Item 5.

The Adviser does not participate in wrap fee programs.

As of December 31, 2023, the Adviser managed approximately \$2,317,848,167 in client assets on a discretionary basis.

ITEM 4. FEES AND COMPENSATION

Carried Interest

In general, the Adviser and/or the Principals share in the returns (if any) realized by the Funds alongside investors in such Funds. In certain cases, the Adviser and/or the Principals receive a carried interest ("Carried Interest") in connection with the provision of the Adviser's advisory services to the applicable Fund typically equal to 20% of realized profits over and above the return of the limited partners' original investment, plus a preferred return. The Adviser or an affiliate of the Adviser would be entitled to a 100% "catch-up" of profits equal to 20% of the limited partners' preferred return. Thereafter the Adviser or an affiliate of the Adviser would be entitled to receive 20% of all realized gains. Please see each individual Funds' Partnership Agreement for a more fully described calculation of Carried Interest.

Management Fees

As is generally the case in private equity funds, the Governing Documents provide that a Fund's management fee (the "Management Fee") will be calculated and charged on a basis that generally is not tied to the Fund's then-current net asset value. From the effective date of the relevant Fund until a date specified in the Governing Documents (the "Stepdown Date"), Management Fees generally will be charged based on a formula tied to the amount of the relevant Fund's aggregate commitments. Further, after the Stepdown Date, Management Fees generally will be charged and calculated based on a formula tied to the amount of investment contributions (including, where applicable, a Fund borrowing component) made by the relevant Fund relating to the Fund's aggregate investment(s) in its Portfolio Companies that have not been realized or permanently written-down or written off (such excluded investments, "Impaired Value Investments").

Under the Governing Documents, where the fair market value of an investment exceeds the total amount of investment contributions relating to such investment, post-Stepdown Date Management Fees will not be calculated based upon such appreciated value, and will instead continue to be calculated based on the amount of such investment contributions. Conversely, the Governing Documents do not require Management Fees to be reduced or refunded following the occurrence of a writedown, decrease (including a significant decrease) in fair value or other event not constituting a complete realization, such as a reorganization, roll-over investment in connection with a sale or dividend distribution, except in the case of investments meeting the relevant Impaired Value Investment standard under the Governing Documents.

As a result, the amount of Management Fees generally will not correspond with fluctuations in the net asset value of individual investments or of a Fund, including following the relevant investment period, and will not be reduced in connection with any write downs (whether temporary or permanent), except in the case of Impaired Value Investments.

To the extent specified in a Fund's Governing Documents, the Adviser or another entity will be permitted to receive certain supplemental fees and other amounts ("Supplemental Fees") consisting of: (i) transaction fees, monitoring fees, directors' fees, consulting fees or advisory fees paid with respect to any Fund investment, (ii) break-up fees with respect to Fund transactions not completed, net of certain expenses as set forth in the Partnership Agreement; and (iii) other designated net fee payments received by the Adviser or its partners or personnel from Portfolio Companies or prospective Portfolio Companies. A Fund's Governing Documents generally will provide that Supplemental Fees received by the Adviser and attributable to the Fund's investment in a Portfolio Company will be credited against Management Fees otherwise owed to the Adviser in a specified percentage. The remaining amount of such Supplemental Fees will be retained by the Adviser.

Any fees with respect to an investment or potential investment (including a transaction not consummated) will generally be allocated to each relevant Fund (and offset against the Management Fee) only to the extent of that Fund's relative ownership (or anticipated ownership) of such investment or potential investment on a fully diluted basis, or in such other manner as the General Partner considers fair and equitable to its clients over time and considering the circumstances. Accordingly, a Fund will, in most cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such fee and not the portion:

(i) related to the General Partner or “affiliated partner” commitments; (ii) co-investors or potential co-investors (which could include co-investment vehicles managed by the Adviser, service providers, third parties, current or former Portfolio Company management or personnel, sellers that have rolled their interest or reinvested proceeds in the Portfolio Company and/or others); or (iii) the value of profits, participation or equity interests in or relating to the relevant Portfolio Company, including interests owned by current or former Portfolio Company management, which have the potential to be significant. Supplemental Fees will be offset only to the extent they are paid during the holding period of the relevant Fund, and investors generally will not receive the benefit of Supplemental Fees paid prior to the Fund’s acquisition, or following the Fund’s disposition, of the relevant investment. Similarly, to the extent a former Firm employee becomes a consultant to, or employed by, a Portfolio Company, no compensation earned by such former employee will offset the Management Fee, whether or not such former employee has a remaining interest in the relevant Fund’s General Partner or affiliated entity. Conversely, in the event that the Adviser employs a person that previously received compensation from a Portfolio Company, limited partners will receive the benefit of any applicable offset only beginning as of the relevant start date of the person’s employment with the Adviser, and not with respect to any compensation paid prior to such date, including equity grants made prior to the date of employment that vest thereafter. In certain circumstances, the Adviser expects that co-investors, lenders, consultants, or other parties will negotiate the right to share a portion of such fees from a particular investment, and any Management Fee offset percentage will be applied after excluding any amounts paid to such persons. Each of the foregoing conditions is expected to reduce the amount of Supplemental Fees otherwise available to be offset against Management Fees, resulting in a potential material benefit to the Adviser over the life of the relevant Fund, and the existence of such potential benefit creates an incentive for the Adviser to seek to increase such amounts.

The Adviser, the Principals or other affiliates are also entitled to receive additional compensation in connection with management and other services performed for Portfolio Companies of the Funds, as further described in the Partnership Agreements. Such additional compensation does not offset any Carried Interest or other compensation otherwise payable to the Adviser, the Principals or other affiliates. Investors in a Fund also bear certain expenses. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

Other Information

The Adviser is permitted to exempt certain investors in the Funds from payment of all or a portion of any Carried Interest, other Adviser compensation or Management Fees, including the Adviser, personnel of the Adviser and any other person designated by the Adviser, such as “friends and family” of the Adviser or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. The General Partner reserves the right to make any such exemption from fees and/or Carried Interest by a direct exemption, a rebate by the Adviser and/or its affiliates, or through other Funds which co-invest with a Fund. Additionally, to the extent permitted by the relevant Partnership Agreement, the Adviser has the right to permit investors, affiliated with the Adviser or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or Carried Interest. The Adviser retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor’s capital account(s).

The Funds generally invest on a long-term basis. Accordingly, Management Fees and other fees are expected to be paid, except as otherwise described in the Partnership Agreement, over the term of the relevant Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former personnel of the Adviser generally receive salaries and other compensation derived from, and in certain cases including a portion of, Management Fees, Carried Interest or other compensation received by the Adviser or its affiliates. In addition, the Funds generally bear the cost of compensation paid to certain personnel of the Adviser as further described in the relevant Governing Documents.

The Adviser is permitted to deduct Management Fees or other Adviser compensation from a Fund's account and/or bill the Fund or its affiliates for such fees as further disclosed in the Fund's Partnership Agreement. In addition to the fees described above, the Funds are responsible for certain of its organizational and operating expenses as disclosed in the Partnership Agreements.

Organizational Expenses

Generally, each Fund pays or reimburses the relevant General Partner and its affiliates for all organizational expenses in an aggregate amount not to exceed the amount set forth in each Fund's Governing Documents. "Organizational expenses" means all expenses (including travel, printing, legal, capital raising, accounting, regulatory compliance, and any administrative or other filings) incurred in connection with the organization, funding and start-up of a Fund, its General Partner and any affiliated management company, including the preparation of, and negotiations with respect to, any Side Letters or similar agreements (including the Fund's most-favored-nation process) and any costs related to administering such agreements.

Operating Expenses

Each Fund or its affiliates pays or reimburses the relevant General Partner, the Adviser or any affiliates for operating expenses. "Operating expenses" means all fees, costs, expenses, liabilities and obligations relating to each Fund's and/or its subsidiaries' activities, investments and business (to the extent not borne or reimbursed by the underlying Portfolio Company), including all fees, costs, expenses, liabilities and obligations attributable to:

1. activities with respect to structuring, organizing, acquiring, financing, refinancing, holding, managing, operating, valuing, dissolving, winding up, liquidating, restructuring, taking public or private, selling or otherwise disposing of, as applicable, the Portfolio Company and the Fund's actual and potential investments or in seeking to do any of the foregoing, whether or not any contemplated transaction or project is consummated and whether or not such activities are successful, all costs associated with negotiating, forming, and operating a feeder fund, which invests all or substantially all of its assets in the Fund, including all expenses associated with its management, operation, winding-up, liquidating, and dissolution and with preparing and distributing such feeder fund's financial statements, tax returns, and feeder fund investor reports, but not including any

income based or similar taxes, fees, or other governmental charges levied against such feeder fund;

2. indebtedness of, or guarantees made by, the Fund, the Adviser, the General Partner or any affiliates on behalf of the Fund, including interest with respect thereto or of seeking to put in place any such indebtedness or guarantee;
3. broker, dealer, underwriting, investment banker, finder and similar services;
4. brokerage, custodial, depository, account and similar services;
5. legal, accounting, auditing, administration, appraisal, capital raising, valuation, consulting (including consulting and retainer fees paid to consultants performing investment initiatives and other similar consultants), investor due diligence, tax and other professional services, including any third-party experts, independent appraisers or ESG experts engaged by the General Partner in connection with the Fund considering, making, holding, or disposing of, directly or indirectly, an investment in the same entity as one or more investment vehicles (other than the Fund) sponsored, managed, or controlled by the General Partner or any of its affiliates;
6. reverse break-up, termination and other similar fees;
7. financing, commitment, origination and similar fees and expenses;
8. directors and officers, errors and omissions liability and other insurance;
9. filing, title, transfer, registration and similar fees and expenses;
10. printing, communications, mailing, courier, marketing, and publicity;
11. the preparation, distribution or filing of the Fund's financial statements or other reports, tax returns, tax estimates, Schedules K-1, or similar forms, administrative, compliance or regulatory filings or reports (including Form PF and any Fund-related filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation as implemented in any relevant jurisdiction), or other information (including an allocable portion of any licensing, maintenance, upgrade and/or implementation fees, expenses and costs of any investor administrative tools (including software and extranet tools) related to the foregoing);
12. developing, licensing, implementing, maintaining, or upgrading any web portal, website, extranet tools, computer software (including accounting, investor tracking, investor reporting, ledger systems, financial management and cybersecurity), or any other administrative or reporting tools (including subscription-based services);
13. any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information, including any costs and

expenses incurred in connection with compliance with the General Data Protection Regulation (EU 2016/679) (as amended) and the U.S. Freedom of information Act;

14. any activities or proceedings of an advisory committee of a Fund (including any costs incurred by representatives of the General Partner, the advisory committee members, permitted observers, and other persons in attending or otherwise participating in meetings of the advisory committee);
15. indemnification, except to the extent the Fund's payment of such cost, expense, liability or obligation is otherwise prohibited by each Fund's Partnership Agreement;
16. extraordinary expenses (including actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement entered into in connection therewith);
17. any taxes, fees and other governmental charges levied against the Fund;
18. the annual investor meeting and any other conference or meeting with any investor(s);
19. attendance of any member, manager, shareholder, partner, director, officer, personnel, or affiliate of the General Partner or the Adviser, at any trade show or conference, including any applicable registration fees and exhibition, sponsorship, or other presentation costs, hosting or attending training programs, meetings, or other events for Portfolio Companies and/or their personnel;
20. any compliance or regulatory matters related to the Fund;
21. any travel (including, where appropriate as determined by the General Partner, the cost of using private aircraft or other private air travel (including the use of a private aircraft owned, partially owned or leased by the Adviser, any of its affiliates or any of their respective owners, members, managers, shareholders, partners, directors, officers, personnel, agents, advisors, assigns, representatives or affiliates), car or ride sharing services and other modes of transportation) and lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; and
22. any other cost, liabilities, or obligations as provided in the Governing Documents.

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. Except where the relevant Governing Documents or Side Letter(s) expressly provide to the contrary, broken deal expenses and other expenses relating to the diligence or evaluation of a prospective investment generally are allocated among investors within a Fund regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from

participating in the investment. In certain cases, these or similar expenses (and/or Supplemental Fees) are expected to be charged to Portfolio Companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the Portfolio Company. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses.

In certain circumstances, one Fund is expected to pay an expense or obligation common to multiple Funds and/or co-investors (including without limitation legal expenses for a transaction in which all such Funds and/or co-investors participate, or other fees or expenses in connection with services the benefit of which are received by other Funds and/or co-investors over time), and be reimbursed by the other Funds by their share of such expenses or obligations, without interest. To the extent the paying Fund makes use of a credit facility to pay such expense, it generally will not be reimbursed separately by other Funds for the costs of establishing, negotiating or maintaining the facility as a whole. While the Adviser believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, the Adviser, the relevant General Partner or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in Portfolio Companies alongside one or more Funds, subject to the Adviser's related policies and practices and the Partnership Agreements and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all broken deal expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. To the extent that such co-investors have already executed definitive documentation to invest in such transaction, such co-investor is expected to bear its *pro rata* share of such broken deal expenses. The Adviser's practice of allocating broken deal expenses among investing Funds is discussed under "Conflicts of Interest" below. To the extent a Fund makes use of a credit facility to invest in a Portfolio Company or pay related expenses, it generally will not be reimbursed separately by co-investors for the costs of establishing, negotiating or maintaining the facility as a whole. In situations where more than one Fund or existing co-investment vehicle would have participated in a potential transaction, any broken deal expenses resulting from such potential transaction will be allocated *pro rata* among such Fund and/or co-investment vehicles based on total capital committed.

Each Fund also generally will bear the costs of implementing, reporting (as applicable) monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in Side Letters relating thereto, and (where applicable) environmental, social, governance (ESG) and other standards to which the relevant General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Governing Documents, a Fund typically will

bear the cost of facilitating transfers for certain investors, even though such transfers will likely only benefit certain investors, as well as certain unreimbursed expenses of Portfolio Companies and intermediate holding vehicles through which the Fund invests.

The Adviser and/or its affiliates generally have discretion over whether to charge fees to a Portfolio Company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a Portfolio Company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of fees generally will give rise to potential conflicts of interest between the Funds, on the one hand, and the Adviser and/or its affiliates on the other hand.

Since the Adviser is permitted to retain certain Supplemental Fees in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, Supplemental Fees are based on enterprise value or other metrics relating to a Portfolio Company, but also have the potential to be charged on a flat-fee basis or based on another metric, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed or tangible work product generated on behalf of the Portfolio Company. Additionally, the Adviser, its personnel, affiliates, or others designated by the Adviser, including service providers, expect to receive compensation in the form of Portfolio Company securities. To the extent any such securities are received, after any applicable offset provisions in the applicable governing agreement are applied, the Adviser and/or such other recipients will be permitted to retain such securities, and in doing so will be subject to conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the Portfolio Company and/or the Adviser) or retain such securities for a period consistent with their own financial and investment objectives, which is likely to differ from those of the relevant Fund. In addition, because Portfolio Company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund's relative ownership of the Portfolio Company awarding such compensation.

Generally, each Fund is expected to pay Management Fees or other Adviser compensation as further disclosed in the Partnership Agreement. In the unlikely event that the Adviser does not provide services for a full period, or if accounts are terminated according to the terms set out in the applicable Partnership Agreement, before the end of the relevant period, for any fees paid in advance, a pro-rated fee will be returned to the Fund.

Operations Group

Additionally, as further described herein and in the Governing Documents, it is the Adviser's practice to use or retain certain non-investment professionals and other consultants (including entities formed for the benefit of such persons and/or to facilitate the provision of their services) (collectively, the "Operations Group") to provide services to (or with respect to) one or more Funds or certain current or prospective Portfolio Companies in which one or more Funds invest, which could include "operating executives", "operating partners", "strategic partners," "executive partners," "senior advisors" or similarly named professionals or consultants. Such members of the Operations Group generally provide services in relation to the identification, acquisition, holding,

improvement and disposition of Portfolio Companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for Portfolio Companies. Members of the Operations Group are permitted to receive compensation, including, but not limited to cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), transaction fees, a profits, participation or equity interest in a Portfolio Company or holding company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from the Adviser and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Operations Group members, a percentage of the value of the Portfolio Company, the invested capital exposed to such Portfolio Company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Compensation in the form of profits or equity interests in a Portfolio Company or intermediate holding company generally has a dilutive impact on the Fund's investment, and has the potential to result in economic effects greater than the original amount of compensation, and the relevant Fund typically will bear the costs of all Operations Group compensation as well as fees, costs and expenses of structuring Operations Group arrangements. Members of the Operations Group also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset or reduce any management fees. The use of the Operations Group subjects the Advisers to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

ITEM 5. PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

The Adviser or its affiliates receive performance-based fees in the form of Carried Interest from the Funds. The Adviser is entitled to receive Carried Interest distributions from each Fund based on realized gains from investments described in the relevant Partnership Agreement.

The Adviser seeks to address the potential for conflicts of interest in these matters with allocation policies and/or practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Partnership Agreement, as well as other factors that do not include the amount of performance-based compensation received by the Adviser or any personnel.

Carried Interest distributions have the potential to create an incentive for the Firm to operate the Funds in a riskier, more speculative or other manner that is less favorable to investors than it would otherwise under a different fee arrangement, although the Firm generally considers performance-based compensation to better align its interests with those of its investors, particularly in instances where the Governing Documents include terms requiring clawback or giveback of performance-based compensation amounts at the end of the relevant Fund's life or at certain interim intervals. The Firm is committed to fulfilling its fiduciary duty to the Funds and to act at all times in the best interest of the Funds.

Carried Interest is allocated in accordance with Rule 205-3 of the Advisers Act, whereby each investor that is charged a performance fee must be a "Qualified Client." To be considered a

Qualified Client, an individual must have a net worth of \$2.1 million (excluding their primary residence) or have at least \$1 million of assets under management with the Adviser. Pursuant to the exemptions from the compensation prohibition of section 205(a)(1) of the Advisers Act, certain investors who do not meet the definition of Qualified Client and entered into advisory contracts prior to required SEC registration will be charged Carried Interest.

ITEM 6. TYPES OF CLIENTS

As further described in Item 4 of this Brochure, the Firm currently provides investment advice solely to the Funds, and references throughout this Brochure to “clients” and to the Adviser’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include private pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended. The investors participating in the Funds generally include individuals, other investment entities, family offices, trusts, estates or charitable organizations or other corporations or business entities and often include, directly or indirectly, principals or other personnel of the Adviser and its affiliates and members of their families, members of the Operations Group or other service providers retained by the Adviser or a Fund. Investors generally will be limited to individuals and entities that are “accredited investors” as such term is defined in Regulation D promulgated under the Securities Act of 1933, as amended.

Prospective investors should refer to the relevant Partnership Agreement for complete information on minimum investment requirements for participation. The Adviser expects to require a minimum capital commitment and/or investment for each pooled investment vehicle; although, the Firm maintains discretion to individually waive, increase or reduce the minimum investment required.

The relevant General Partner also generally is permitted to establish Funds that are alternative investment vehicles in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

ITEM 7. METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

The Adviser is a private investment firm that partners with entrepreneurs and experienced business owners to seek to build and grow enduring, profitable companies. The Firm is highly collaborative and consists of team players who believe that a culture of partnership, shared ownership and incentive compensation motivates long-term success.

The Adviser’s investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly in non-public companies although investments in public companies are permitted.

The Adviser’s investment strategy for each Fund generally focuses on the acquisition of controlling interests in middle-market, consumer-facing companies that the Adviser believes have

strong market positions or franchise value but that are capital constrained and have significant opportunities for growth/expansion, or have addressable operating deficiencies, inadequate or incomplete management or are in out-of-favor industries. As a result of the above factors, the Adviser aims to purchase for each Fund good quality businesses at valuations the Adviser believes to be low relative to underlying potential. Additionally, the Adviser seeks to identify and invest in highly leveraged and distressed debt opportunities with attractive risk/reward profiles.

Once an investment opportunity has been identified, the Adviser seeks to implement an effective operating strategy to improve the performance of the acquired company by (i) developing operating plans, (ii) building the management team and (iii) providing significant resources to Portfolio Companies.

There can be no assurance that the Adviser will achieve the investment objectives of any Fund and a loss of investment is possible.

Investment and Operating Strategy:

The Adviser seeks to: (i) provide patient, long-term capital, (ii) assemble management teams that the Adviser believes are fit to achieve goals of particular investments and (iii) incentivize team members beyond market value to seek to achieve above-market performance.

Deal Sourcing and Due Diligence. The Adviser markets its investment criteria to its deal source network with frequent mailings, telephone calls, public relations, conference attendance and in-person meetings. Once a potential investment is identified, the Adviser develops an investment thesis and, through a detailed due diligence process, seeks to verify such thesis and investigate the major business risks. As part of its diligence process, the Adviser completes a detailed analysis of an industry including contacting a target company's customers and vendors, trade organizations, the Adviser's contact network and, in certain instances, industry consultants.

Develop an Operating Plan. Senior members of the Adviser work with management to develop an operating plan prior to the close of each transaction focusing on the target's strengths, weaknesses, competitive position, industry trends and other relevant factors.

Build Management Team. The Adviser could supplement or replace the management team at a new Portfolio Company or advise the existing management team on ways to improve performance. In certain instances, staff of the Adviser or its affiliates expect to fill key management roles on an interim basis as needed.

Maintain Active Involvement in Portfolio Companies. The Adviser aims to act decisively with respect to newly acquired Portfolio Companies and typically implements growth and operating strategies within the first three months after acquisition. Thereafter, the Adviser stays actively involved in the management of the Portfolio Companies and schedules frequent meetings with the senior staff to focus on operations, competition, new products and personnel.

Internal Growth and Add-on Acquisitions. Once the above strategies have been implemented, the Adviser will often seek to utilize the Portfolio Company's cash flow, equity value and borrowing capacity to accelerate growth through new product and market opportunities and add-on acquisitions.

Exit Strategy. Once the Portfolio Company has attained a track record of sales growth and consistent profitability, the Adviser will consider appropriate exit strategies, including the sale to a strategic or financial buyer, an initial or secondary public offering or a recapitalization. Factors considered include the company size, company growth rate, industry and competitive dynamics, banking market conditions and capital market conditions.

Listed below are some of the risks associated with an investment in the Funds. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in the Funds' investment strategies.

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by non-public middle-market performing and under-performing companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk which can result in substantial losses.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, regardless of the extent to which the commitments of the limited partners are invested (or drawn down to be invested), the limited partners will be required to bear Management Fees through such Fund during the investment period based on the entire amount of the limited partners' commitments to such Fund and other expenses as set forth in the Governing Documents.

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for a Fund through the investment strategy and methods described herein, the relevant General Partner is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Documents. A General Partner is permitted to pursue investments outside of the industries and sectors in which the Adviser has previously made investments or has internal operational experience.

Risk of Private Equity Investments. While private equity investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies with limited operating history, companies that do not prepare annual audited or reviewed financial statements, companies operating at a loss or with substantial variations in operating results from period to period, companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position, companies with limited internal and financial controls, and companies that rely on a key individual or small group of managers to operate the business. There is generally little or no publicly available information regarding the status and prospects of these companies. Such companies often face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Dependence on Key Personnel. The success of the Funds will depend significantly upon the services of Adviser's investment professionals. The loss of the services of any of these persons for any reason could have a significant adverse impact upon the business and results of the Funds' operations. Moreover, except as specifically provided in the Partnership Agreements, the owners, officers and personnel of the Firm will not be required to devote their time and attention exclusively to the Funds. Except as specifically provided in the Partnership Agreements, the Adviser will have the exclusive right and power to manage the Funds' business and affairs.

The Firm is permitted to enter into consulting arrangements with members of the Operations Group or appoint or admit certain persons to advisory or other committees or boards intended to assist the Firm by providing advice, industry contacts, deal flow, technical expertise or other benefits. Under most circumstances, such persons will have no contractual or other obligation to continue as Operations Group members or members of such committees or boards or to provide any particular benefits. Prospective investors should not depend upon any specific benefits accruing to the Firm or the Funds in respect of any such Operations Group members.

Concentration of Investments. Each Fund will participate in one or a limited number of investments (and could seek to make several investments in one industry or one industry segment or within a short period of time) and, as a consequence, the aggregate return of a Fund could be materially affected by the performance of a single investment or a single industry segment.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments could be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment can be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund could exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded commitments.

No Assurance of Profit or Distributions. There is no assurance that the Funds' investments will be profitable or that any distributions will be made to the limited partners. Any return on investment to the limited partners will depend upon profitable investments being made and disposed of by the Funds. The marketability and value of any such investment will depend upon many factors beyond the control of the Funds. The Funds may not have sufficient cash available to make any distributions, including tax distributions, to the partners. The expenses of a Fund could exceed its income and the limited partners could lose the entire amount of their contributed capital.

Effect of Fees and Expenses on Returns. The Funds will bear the expenses related to the Funds' operations. Such fees will reduce the actual returns to the limited partners. The expenses will be paid regardless of whether the Funds produce positive investment returns. If the Funds do not produce significant positive investment returns, these fees and expenses could reduce the amount of the investment recovered by a limited partner to an amount less than the amount invested in the Funds by such limited partner.

Past Performance Is Not Necessarily Indicative of Fund's Returns. There can be no assurance that investments by the Funds will yield comparable results to those previously made by the Adviser. Prior experience and performance that the Firm, or its owners, officers or personnel have had in making investments of the type to be made by the Funds was obtained under different market conditions and there can be no assurance that comparable returns will be achieved by the Funds' investments individually or in the aggregate.

Long-Term Investments. The Funds' investments are illiquid and long-term. In many cases investments require several years from the date of initial investment before disposition. It is possible that the Funds will still hold some illiquid securities at the end of the Funds' term, with the result that such securities may need to be distributed in-kind or sold for a price that reflects their illiquid nature. There can be no assurance that the Funds will ultimately be able to sell such investments at attractive prices or otherwise be able to affect a successful realization or exit strategy. Illiquidity often results from the absence of an established market for investment securities as well as from legal or contractual restrictions on the resale of such securities by the Funds.

Secondaries and other General Partner-Led Transactions. There continues to be a significant market for secondary sales, continuation funds, successor fund investments and other transactions, and the Adviser reserves the right to dispose of (or seek additional capital for) Fund investments through such means. Many of these transactions involve an auction process run by an investment bank and a buyer (or buyer group) that agrees to purchase all or a portion of one or more investments that will be managed by the Adviser following the transaction. Such transactions are permitted to be undertaken for various reasons, including, for example, to balance competing interests between offering liquidity to existing limited partners and maintaining exposure to an asset where the Adviser believes there is the potential for additional value generation. Existing limited partners typically are offered certain options relating to receiving liquidity from the transaction or continuing to maintain exposure to the asset, assets or a new portfolio of assets (including a portfolio that combines assets from multiple Funds sponsored by the Adviser and its affiliates) often on different terms than their original investment in the Fund. However, certain of such transactions are expected to involve: a limited partner investing (or being required to invest) additional capital in the existing Fund and/or other investment vehicles; a greater exposure to one or more particular Portfolio Companies; and/or a delay in the full liquidation of the Fund's investment. In other circumstances, even limited partners that elect to continue to hold a direct or indirect interest in the relevant Portfolio Company will have their interest adjusted as if distributed (*i.e.*, a portion of such interest will be allocated to the relevant General Partner to the extent of its right to receive Carried Interest, if any), effectively diluting their interests.

Each of these transactions has the potential for conflicts between the interests of a Fund or limited partner and those of the Adviser or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where the Adviser or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction (potentially in addition to performance-based compensation earned by the relevant General Partner on the sale of an asset from an existing Fund in such transaction), their incentives are expected to diverge from those of limited partners who elect to sell their interests. Similarly, there are conflicts of interest among the selling Fund, the Adviser, the relevant General Partner and any buyer group relating to the valuation and

consideration offered for the subject investment(s). To the extent the Adviser requires existing limited partners and/or new buyers to commit capital to a continuation fund or another Fund managed by the Adviser in addition to the purchase amount paid in a transaction (including commitments to the relevant Fund in specified ratios to the purchase price), such requirement is expected to have a dilutive effect on the purchase price for the selling Fund and its limited partners. There can be no assurance that any such transaction will accurately reflect the fair market value of the investment(s) being sold. Further, the relevant General Partner is expected to be incentivized, including through the possibility of receiving additional compensation, to make investments in Portfolio Companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as limited partners in the relevant Fund, and in such circumstances the Adviser reserves the right to compel co-investors to receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain limited partners will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant conflicts of interest are disclosed to limited partners and/or the relevant advisory committee prior to the closing of the transaction, there can be no assurance that the Adviser will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of Fund or any individual limited partner or group of limited partners. However, the Adviser reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant governing documents. The Adviser is permitted to seek the consent of the relevant Fund advisory committee(s) to approve conflicts associated with such transactions and accordingly not all limited partners will necessarily be able to approve or disapprove of such transactions. Similar to any prospective sale or disposition of Fund investments, to the extent such transactions are not consummated, the relevant Fund is expected to bear all of the related costs in the absence of an agreement with other parties to bear a portion of such costs.

Social Media and Publicity Risk. The use of social networks, message boards, internet channels and other platforms has become widespread within the United States and globally. As a result, individuals now have the ability to rapidly and broadly disseminate information or misinformation, without independent or authoritative verification. Any such information or misinformation regarding the Adviser, the Funds or one or more Portfolio Companies could have a material and adverse effect on the value of the Funds.

Inflation. High rates of inflation and rapid increases in the rate of inflation are expected to have a significant impact (often a negative or adverse impact) on financial markets and the broader economy. In an attempt to stabilize inflation, governments could impose wage and price controls or otherwise intervene in a country's economy. Governmental efforts to curb inflation, including by increasing interest rates or reducing fiscal or monetary stimuli, often have corresponding impacts (often negative) on the level of economic activity and also potentially result in market or financial sector uncertainty as a result of unintended consequences. Certain countries, including the U.S., have recently seen increased levels of inflation, and persistently high levels of inflation could have a material and adverse impact on the Fund's investments and aggregate returns. For example, if a company were unable to increase its revenue while business expenses were increasing, the company's profitability would likely suffer. Likewise, to the extent a company has

revenue streams that are slow or unable to adjust to changes in inflation, including by contractual arrangements or otherwise, the company could increase revenue by less than its expenses increase. Conversely, as inflation declines, a company's competitors could costs stabilize sooner or more rapidly than its own.

As inflation increase, the likelihood that a fund will surpass its nominal hurdle also increases. Moreover, as inflation increases, the real value of the interests in the Funds and distributions therefrom can decline.

Leveraged Investments. A Fund is permitted to make use of leverage by incurring or having a Portfolio Company or intermediate entity incur debt to finance all or a portion of certain investments, whether on a temporary or long-term basis. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and potentially will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of Portfolio Companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged Portfolio Companies in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a Portfolio Company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. In the event any Portfolio Company cannot generate adequate cash flow to meet its debt service, a Fund could suffer a partial or total loss of capital invested in the Portfolio Company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a Portfolio Company, the Fund often will not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant Governing Documents, a Fund will not be obligated to borrow on behalf of a Portfolio Company, even in circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the Portfolio Company.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a Portfolio Company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that are not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be subject to limitations set forth in the Governing Documents and interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage remains outstanding. A Fund is generally permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by the Adviser or any of its affiliates, including

through Fund subsidiaries and other intermediate entities, and could have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors and/or third-party co-investors) will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by commitments made by such Fund's investors and such investors' contributions could be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate Portfolio Company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the Governing Documents, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which exclude bridge financing investments.

Additionally, the leveraged capital structure of Portfolio Companies or intermediate entities will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse value of a Fund's investments in the leveraged Portfolio Companies in a down market. These risks generally increase as interest rates rise, including in circumstances where a Portfolio Company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. Except where otherwise required by the relevant governing documents, a Fund will not be obligated to, and generally will not borrow on behalf of a Portfolio Company.

Subscription Lines. A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations, including the acquisition, financing or refinancing of the Fund's investments, as well as to consolidate or make less frequent capital calls to limited partners. Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners could be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in additional partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Partnership Agreements, it could be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's

reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, or results in short-term gains to a Fund, which in certain circumstances enhances the relevant Fund's return calculations and thereby benefits the marketing efforts of the General Partner and its affiliates and increases the likelihood that any hurdle or preferred return component in the Fund's Carried Interest arrangements will be met. A Portfolio Company financing from a subscription line, rather than from a Fund-level equity commitment, has the potential to increase such returns, particularly in instances where the relevant amount has been drawn for an extended period of time. In other circumstances, the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. Because Management Fees are incurred whether an investment is financed through capital calls or borrowings, and a Fund's preferred return typically does not accrue on outstanding borrowings, the relevant General Partner has an incentive to cause the Fund to make investments and/or pay such amounts using a subscription line rather than making capital calls. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Governing Documents. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds) as, to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in the Fund or impose concentration or other limits on the Fund's investments and/or financial or other covenants, that could affect the implementation of the Fund's investment strategy. In addition, in order to secure a subscription line, the relevant General Partner reserves the right to request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and will, in certain cases, agree to terms that are not the most favorable to one or more limited partners. In certain circumstances, due to the separate evaluations of creditworthiness by lenders or facility providers, a Portfolio Company or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Fund, resulting in a potential net benefit to the Fund, or additional potential liquidity constraints or other burdens on the relevant Portfolio Company or Fund subsidiary.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows a General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner

called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Adviser for expenses incurred on behalf of the Fund, which can result in a conflict of interest.

A Fund is also permitted to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

If an investment appreciates in value and is disposed of prior to repayment, the relevant Fund generally would apply disposition proceeds to repay the borrowing and related interest and expenses, the absence of invested capital funded by investors potentially will result in a distribution of net proceeds without a preferred return accrual on the amount invested. Accordingly, borrowings have the potential to support the distribution of proceeds to investors and increase the potential Carried Interest for the relevant General Partner, as reduced by the interest incurred by the relevant Fund. Subject to any limitations in the governing documents, this scenario potentially incentivizes the relevant General Partner to permanently fund the acquisition and ongoing capital needs of a Fund's investments and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings is required only at the time of the disposition of an investment (or never, if principal and interest on such borrowings are always repaid out of disposition proceeds).

Investment- and Intermediate Entity-Level Borrowing. Under the Governing Documents, each Fund is authorized to incur indebtedness that is secured by any assets of the Fund (e.g., asset-based borrowing, as well as "back leverage" and net asset value (NAV) facilities), and is permitted directly or indirectly through one or more intermediate entities (e.g., special purpose vehicles) to incur indebtedness, including to borrow money from any person, to make guarantees or provide other credit support to any person or to incur any other obligation (including other extensions of credit). Indebtedness is permitted to be incurred for any purpose relating to the activities of the Fund, including without limitation to: finance any investment-related activities of the Fund; increase the buying power of the Fund; provide interim financing to the extent necessary to consummate the purchase of investments prior to the receipt of permanent financing or capital contributions or distributions (as applicable); pay for Fund expenses or fund the payment of Management Fees; make, hold or dispose of investments; provide financing or refinancing; fund the payment of amounts to withdrawing limited partners; fund distributions to the partners; and/or provide collateral to secure outstanding letters of credit or to create reserves, in each case in accordance with the Governing Documents. Additionally, a Fund is expected to enter into letters of credit in support of one or more of its investments, including for the purpose of such Fund agreeing to fund additional equity financing or capital expenditures into a Portfolio Company (regardless of who the beneficiary to such letter of credit may be) at a certain time or upon the occurrence of a certain event. Although in many cases the Governing Documents impose limits on

borrowings at the Fund level, portfolio investments and intermediate entities generally do not have such limits on their ability to engage in borrowings or incur leverage with respect to all or a portion of the relevant investments.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments could be distributed in kind to the partners of a Fund and it will, in certain cases, be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities can be sold by such partners could be lower than the value of such securities determined pursuant to the Partnership Agreement, including the value used to determine the amount of Carried Interest available to the Adviser with respect to such investment.

Distressed Investments. A Fund is permitted to invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that the Adviser will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a Portfolio Company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, a Fund could lose some or all of its investment or be required to accept illiquid securities with rights that are materially different than the original securities in which such Fund invested.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence is often adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence could lead to or extend a localized or global economic downturn. A climate of uncertainty will, in certain cases, reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn could have an adverse effect on the economy generally and on the ability of a Fund and its Portfolio Companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This could slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn could have an adverse effect upon such Fund's Portfolio Companies.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu,

Ebola and COVID-19, have resulted in historic market disruptions, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which could result in significant losses to the Funds.

The ultimate impact of any such health emergency on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds' and their Portfolio Companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact could include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors could limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds' ability to fulfill their investment objectives. They could also impair the ability of Portfolio Companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their Portfolio Companies, the General Partner and the Adviser could be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures could also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

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

Need for Follow-On Investments. Following its initial investment in a given Portfolio Company, the Adviser is permitted to provide additional funds to such Portfolio Company or consider the opportunity to increase its investment in a Portfolio Company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There is no assurance that any Fund will make add-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments could have a substantial negative impact on a Portfolio Company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) or result in a lost

opportunity for such Fund to increase its participation in a successful operation or the dilution of the relevant Fund's ownership in a Portfolio Company if a third party or co-investor is permitted to invest. Additionally, certain Fund investors will likely be afforded the opportunity to participate in follow on investments as a co-investment and such form of co-investment could be invested in securities of the Portfolio Company that have different priorities from that of the Fund investors.

Co-Investments. The Funds are permitted to acquire interests in certain Portfolio Companies in cooperation with others through co-investment arrangements. The Funds' ability to exercise significant influence over management in these cooperative efforts will depend upon the nature of the co-investment arrangement. Such investments, under certain circumstances, involve risks not otherwise present, including the possibility that the Funds' co-investor is not be able to satisfy its financial obligations, that such co-investor might at any time have economic or business interests or goals that are inconsistent with those of the Funds, and that such co-investor is in a position to take action contrary to the instructions or requests of the Funds or contrary to the Funds' policies or objectives. In addition, such arrangements are likely to involve additional restrictions on the resale of the Funds' interest in the Portfolio Company.

Investment in Junior Securities. A Fund is generally permitted to invest in securities that are among the most junior in a Portfolio Company's capital structure, and thus subject to the greatest risk of loss. Generally, there will be no collateral to protect an investment once made.

Public Company Holdings. A Fund's investment portfolio can contain debt and/or equity securities issued by publicly held companies. Such investments subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Adviser's principals, and increased costs associated with each of the aforementioned risks.

Lack of Unilateral Control. Even if a Fund is the majority investor or controlling shareholder, as applicable, of a Portfolio Company, in certain circumstances it might not have unilateral control of the Portfolio Company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, the relevant Portfolio Companies could be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Funds or their investors. Such third parties could be in a position to take action contrary to a Fund's business, tax or other interests, and the Fund will not necessarily be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such Portfolio Companies in a manner that maximizes or protects value.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or the Adviser generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and

its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of the Adviser's control. Decisions by the Adviser or its affiliates to withhold information will, in certain circumstances, have adverse consequences for limited partners. For example, a limited partner that seeks to transfer its interest in a Fund could have difficulty in determining an appropriate price for such interest. Decisions to withhold information also make it difficult for a limited partner to monitor the Adviser and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory committee generally, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and the Adviser reserves the right to withhold certain information from investors subject to such laws for reasons relating to the Adviser's public reputation, business strategy or other reasons.

Credit Risks of Investments in Debt Securities. The Funds are expected to invest directly or indirectly in any loan, debt, credit and/or similar securities or instruments. Investments in debt securities are subject to credit risk, which is the likelihood that a company will default in the payment of principal and/or interest on its obligations, among other covenants and requirements. Financial strength and solvency of a company are key factors influencing credit risk. Companies often face intense competition, changing business and economic conditions or other developments that adversely affect their performance and increase credit risk. In addition, subordination, lack of or inadequacy of collateral or credit enhancement for a Debt Security affects its credit risk. Credit risk will likely change over the life of the Fund's investment. In addition, companies could contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations. If any of the above occurs, the Fund's ability to make anticipated distributions to limited partners could be delayed or otherwise adversely affected.

Volatility of Leveraged Loan and Credit Markets. Significant risks for the Funds exist as a result of disruptions in the credit markets. These risks include, among others, (i) the likelihood that a Fund finds it more difficult to sell any of its investments in the secondary market, thus rendering it more difficult to dispose of such investments if and when it desires to sell them, (ii) the possibility that the price at which investments can be sold by a Fund will have deteriorated from the cost of such investment to a Fund, (iii) the possibility of accelerated prepayments of attractively priced (*i.e.*, the all-in yield), structured or performing investments as a result of increased liquidity and competition in the middle-market private debt asset class driven by economic conditions, relative performance, monetary policy or other governmental action or other factors and (iv) the impact of adverse economic conditions on the obligors of a Fund's investments.

Credit Risk and Interest Rate Risk. Credit investments are subject to interest rate risks; changes in the prevailing market interest rates could negatively affect the value of certain of the credit investments in a Fund. The ability of companies or businesses in which a Fund invests to refinance debt securities or repay debt obligations (including making payments to a Fund as a creditor with respect thereto) could depend on their ability to obtain financing, including by selling new

securities or instruments in the high yield debt or bank financing markets, which at certain points have been extraordinarily difficult to access at favorable rates. Volatility and instability in the credit or securities markets also increases the risks inherent in a Fund's investments. "Credit risk" refers to the likelihood that an obligor will default on the payment of principal and/or interest on a debt investment. Financial strength and solvency of an obligor are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt investment affects its credit risk. Credit risk will likely change over the life of an investment. Debt securities that are rated by rating agencies (potentially including any investments acquired by a Fund through syndicated debt markets) are often reviewed and could be subject to downgrade, which generally results in a decline in the market value of such investment. "Interest rate risk" refers to the risks associated with market changes in interest rates. Interest rate changes often affect the value of a debt security indirectly (especially in the case of fixed rate securities and other instruments) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate credit instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner, although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. Additional factors that typically affect market interest rates include inflation, slow or stagnant economic growth or recession, unemployment, international disorders, and instability in U.S. and non-U.S. financial markets. If a Fund is unable to manage interest rate risk effectively, a Fund's performance could be adversely affected. While a Fund is permitted seek to do so, it is not required to hedge its interest rate risk.

Investments in Different Parts of the Capital Structure. One or more Funds expect to invest in a broad range of asset classes throughout the corporate capital structure, including investments in corporate loans and debt securities, preferred equity securities and common equity securities. In certain instances, the Funds are permitted to invest in Portfolio Companies or other issuers in which another Fund invests. Such Funds could, for example, hold different classes of debt or equity issued by the same companies in which another Fund invests, including debt or equity that is senior to a Fund's interests or convertible into such senior interests. In such cases, the interests of a Fund will not be aligned in all circumstances with the interests of another Fund to the extent they hold more junior or more senior debt or equity interests, as the case may be, which will create conflicts of interest. The interests of one or more Funds investing in different parts of the capital structure of a Portfolio Company are particularly likely to conflict in the case of financial distress of the company (or increased financial stress, to the extent such companies are already the target of a Fund). There can be no assurance that the term of or the return on a Fund's investment will be equivalent to or better than the term of or the return on investment made by another Fund participating in the transaction. This could result in a loss or substantial dilution of a Fund's investment, while another Fund recovers all or part of amounts due to it. Similarly, the Adviser's ability to implement a Fund's strategy effectively will be limited to the extent that contractual obligations entered into in respect of the activities of other Funds impose restrictions on the Fund engaging in transactions that the Adviser would have otherwise pursued. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to a Fund.

Litigation Risks. The Funds are subject to a variety of litigation risks, particularly since it is possible that one or more of the Portfolio Companies will face financial or other difficulties during the term of the Funds' investment. Litigation risks could arise because the owners, officers or personnel of the Firm actively assist Portfolio Companies that are in financial distress. The Funds could also participate in Portfolio Company financings at implicit Portfolio Company valuations lower than the valuations implicit in preceding rounds of financing. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of the Funds or the Manager), it is possible that the Funds, the Firm, personnel or officers could be named as defendants. In connection with such actions, subject to the terms of the Partnership Agreements, the Funds would be obligated to bear defense, settlement and other costs, and the Firm would generally be entitled to indemnification by the Funds. Such costs and indemnification could adversely affect the Funds' rate of return. Beyond direct costs, such disputes could adversely affect the Funds in a variety of ways, including by distracting the Firm and harming relationships between the Funds and its Portfolio Companies or other investors in such Portfolio Companies.

Material Non-Public Information. As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of Adviser personnel, the Adviser frequently comes into possession of confidential or material non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that is relevant to an investment decision to be made by a Fund. Consequently, a Fund could be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, could have been undertaken on account of applicable securities laws or the Adviser's internal policies and practices. Due to these restrictions, a Fund could be unable to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold. Additionally, there could be circumstances in which one or more of certain individuals associated with the Adviser or its affiliates is precluded from providing services related to a Fund's activities because of certain confidential information available to such individuals, the Adviser or its affiliates. Furthermore, to the extent not restricted by confidentiality requirements or applicable law, the Adviser or its affiliates are expected to apply experience and information gained in providing services to Portfolio Companies and other investments to provide services to competing Portfolio Companies and investments of multiple Funds, which could have adverse consequences for a Fund.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions could prevent the Adviser or the funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions could prohibit transactions with or the provision of services to, certain individuals or Portfolio Companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a Portfolio Company could preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain Portfolio Companies owned by them.

As a result of any of the foregoing, a Fund could be adversely affected because of the Adviser's inability or unwillingness to participate in transactions that violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations could make it difficult or could prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain Portfolio Companies on a timeline or in a manner deemed undesirable by the Adviser or could limit the ability of one or more Portfolio Companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Sanctioned Investors. If after subscribing to a Fund a limited partner is included on a list of prohibited persons maintained by a relevant regulatory or governmental authority (including OFAC or equivalent non-U.S. authorities) (a "Sanctions List"), the relevant General Partner will have the sole discretion to determine the resolution, remedy and manner of compliance of the Fund with applicable laws, including without limitation a "freeze" on distributions and/or capital calls from the relevant limited partner and reporting to the relevant authorities. Adverse actions by any such authorities, including temporary or permanent stays or holds on the Fund's activities, could materially and adversely affect the Funds.

CFIUS and National Security Clearance Considerations. Certain investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States ("CFIUS"), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments, or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund's performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. limited partners comprise a substantial percentage of a Fund. Under the Governing Documents, the relevant General Partner generally is authorized, although not required, to excuse or otherwise limit non-U.S. limited partners' ability to invest in U.S. businesses (or to exercise voting or advisory committee rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow the Fund to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a "Financial Institution") of some or all of the Fund's (or any Portfolio Company's) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If

a Financial Institution experiences a Distress Event, the Adviser, any General Partner, the Funds and/or any of the Portfolio Companies may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of the Adviser to manage the Funds and their investments, and on the ability of the Adviser, any Fund or any Portfolio Company to maintain operations, which in each case could result in operational burdens, significant losses and un consummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Fund to access capital contributions or otherwise); the inability of the Fund to acquire or dispose of investments, including at prices that the relevant General Partner believes reflect the fair value of such investments; and/or the inability of the Adviser or Portfolio Companies to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that the Adviser will experience operational burdens and expenses, and a Fund or a Portfolio Company will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that the Adviser will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and their Portfolio Companies are subject to additional risks in the event a Financial Institution utilized by investors of a Fund or suppliers, vendors, service providers or other counterparties of a Portfolio Company become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such Portfolio Companies, including the risk of investor defaults.

Many Financial Institutions require, as a condition to using their services (including lending services), that the Adviser and/or the relevant Fund maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although the Adviser seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, the Adviser is under no obligation to use a minimum number of Financial Institutions with respect to any Fund, or to maintain account balances at or below the relevant insured amounts.

Bridge Financings. A Fund is generally permitted to lend to Portfolio Companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other

refinancing or syndication. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always within a Fund's control, such long-term securities might not be issued and such bridge loans could remain outstanding. In such event, the interest rate on such loans might not adequately reflect the risk associated with the unsecured position taken by a Fund.

Hedging Arrangements; Related Regulations. A General Partner is authorized (but not obligated) to endeavor to manage the relevant Fund's or any Portfolio Company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Funds are permitted to incur costs related to such hedging arrangements, which are permitted to be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements could result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject the Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts have the potential to expose the Fund to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements create for a General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission (the "CFTC") or other regulator or comply with an applicable exemption. Losses can result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a Portfolio Company to hedge its exposures becomes limited by such requirements.

Unfunded Pension Liabilities of Portfolio Companies. Certain court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a Portfolio Company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such Portfolio Company to the extent the Portfolio Company is unable to satisfy such liabilities. Although the Adviser intends to manage each Fund's investments to minimize any such exposure, a Fund is generally permitted to invest in a Portfolio Company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund owns an 80% or greater interest in such Portfolio Company. If such Fund (or other 80%-owned Portfolio Companies of such Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Investments. Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for many of a Fund's investments because, among other things, the securities of Portfolio Companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all the Fund's investments that are not readily marketable based on ASC 820

guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner could cause it to ineffectively manage the relevant Fund's investment portfolios and risks and also affect the diversification and management of such Fund's portfolio of investments.

Side Letters. As permitted by the Partnership Agreements, the Adviser and/or its affiliates reserve the right to, in their sole discretion, agree to supplement, waive or modify provisions of the Partnership Agreements, a limited partner's subscription agreement or any of the offering terms set forth with respect to any limited partner by a Side Letter or any other similar agreement, without obtaining the consent of any other limited partner. The Adviser has entered into such Side Letter arrangements with certain limited partners. Any such Side Letter or similar agreement will generally have the effect of establishing rights under the Partnership Agreements with respect to such limited partner that are more favorable to such limited partner than those applicable to other limited partners. The terms of such Side Letters often include, without limitation, the following: (i) different fee structures, including discounted or rebated compensation terms, more favorable Management Fee and other economic arrangements (including discounts and terms applicable in exchange for closing by a specified deadline, making commitment of a certain size or other parameters) with respect to such limited partners; (ii) excuse or exclusion rights applicable to particular investments or withdrawal rights from a Fund, including without limitation, as a result of a limited partner's specific policies or certain violations of federal, state or non-U.S. laws, rules or regulations, such as so-called "pay-to-play" rules with respect to public pension plan investors (which could materially increase the percentage interest of other limited partners in, and their contribution obligations, for future investments and expenses, and reduce the overall size of a Fund); (iii) a General Partner's agreement to extend certain information rights or additional reporting (including customized reports) to such limited partner, including, without limitation, to accommodate special regulatory or other circumstances of such limited partner, which will be time-consuming, divert the attention of personnel and the management teams of a General Partner and its affiliates and the costs of which will be borne by a Fund and are likely to be material, including on a cumulative basis over the life of a Fund; (iv) waiver of certain confidentiality obligations; (v) prior consent of a General Partner to certain transfers by such limited partner or other exercises by a General Partner of its discretionary authority under the Partnership Agreement for the benefit of such limited partner; (vi) restrictions on, or special rights of such limited partner with respect to the activities of a General Partner; (vii) special priorities, rights and economic and other terms with respect to co-investment allocation and participation, as well as economic terms in respect of co-investments; (viii) rights or terms necessary in light of particular legal, arbitration, regulatory or policy characteristics of a limited partner (including with respect to limitations on the ability to provide indemnification); (ix) certain adjustments with respect to economic provisions (including potential mandatory waivers of compensation as a result of certain violations of law with regard to public pension plan investors); (x) additional obligations and restrictions of

a General Partner and a Fund with respect to the structuring of any particular investment in light of the legal, tax, accounting and regulatory considerations of particular limited partners (including with respect to alternative investment vehicles); (xi) agreements to assist with the taking or defending of tax positions; (xii) the right of a General Partner to waive any requirements of limited partners to execute acknowledgements or other documents in connection with any subscription line or other credit facility; (xiii) certain obligations or restrictions on a General Partner with respect to the exercise of its discretion on certain matters, including amendments, exercising default remedies and waiving confidentiality or terms; (xiv) certain rights to have access to Portfolio Company management, influence over governance matters and/or be entitled a voting or observer seat on the board of directors or other similar governing body of one or more Portfolio Companies; and (xv) agreement to various sovereign immunity, jurisdiction and venue provisions applicable to certain governmental, sovereign, or other types of investors on behalf of a General Partner and/or a Fund (which could limit the ability to initiate or maintain legal proceedings against certain limited partners in certain jurisdictions). The Firm will be required to disclose any Side Letters entered into with the limited partner only to those actual or potential investors that have separately negotiated with the Firm for the right to review Side Letters.

Enhanced Scrutiny and Potential Regulation of Private Investment Funds. The Funds' ability to achieve its investment objectives, as well as the ability of the Funds to conduct its operations, is based on laws and regulations that are subject to change through legislative, judicial or administrative action. Legal, tax and regulatory changes are expected to occur during the term of a Fund, which will likely affect or impact the Fund. The legal, tax and regulatory environment for private funds such as the Funds is evolving, and changes in the regulation and market perception of such Funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by regulators and politicians and market commentators, could materially adversely affect the ability of a Fund to pursue its investment strategy and the value of the investments held by such Fund. The combination of scrutiny of private equity firms (along with other alternative asset managers), and their investments, by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to downturns in the U.S. and global financial markets, complicate or prevent the Funds' efforts to consummate investments, both in general and relative to competing bidders outside of the alternative asset space. Market disruptions, such as the type experienced in 2008, and the dramatic increase in the capital allocated to alternative investment strategies have led to increased governmental and regulatory (as well as self-regulatory) scrutiny of the private equity and alternative investment fund industry in general, and certain legislation proposing greater regulation of the private equity and alternative investment fund management industry has periodically been and could be considered or acted on by governmental or self-regulatory bodies of both U.S. and non-U.S. jurisdictions. It is impossible to predict what, if any, changes could be instituted on the regulations applicable to a Fund, its General Partner, Adviser, their respective affiliates, the markets in which they operate and invest or the counterparties with which they do business, or what effect such legislation or regulations could have. There can be no assurance that a Fund, its General Partner, Adviser or its respective affiliates will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of a Fund to implement its investment strategy could have a material adverse impact on such Fund and its portfolio. As a result, the Funds could invest in fewer transactions or incur greater expenses or delays in completing investments.

Additionally, the SEC has proposed and enacted significant rules that will impact the business of the Adviser and the Funds. In particular, the SEC has adopted a number of new rules that impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose and/or adopt additional rules in the future. Such current and future rulemaking is expected to materially impact the Adviser and its affiliates, the Funds and/or its investments. In addition, the Funds are expected to bear significant increased costs as a result of such rules, including costs relating to investor reporting and disclosures. Significant time and resources are expected to be required to comply with the new regulations, which potentially will detract from the time and resources dedicated to the Funds. Certain rules are or may become subject to legal challenge from private fund industry groups and others, and to the extent such legal challenges are successful, investors will not be afforded some or all of the protections provided by these rules.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a Portfolio Company, Fund, General Partner, the Adviser or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses could occur in the form of stolen, lost or corrupted (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, the Adviser, the General Partners, the Funds and/or Portfolio Companies could incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Adviser's, the General Partners', the Funds', Portfolio Companies' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks could be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a Portfolio Company, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, could also attempt fraudulently to induce Portfolio Companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Adviser or one of its service providers holding its financial or investor data, the Adviser, its affiliates or the Funds could also be at risk of loss, despite efforts to prevent and mitigate such risks under the Adviser's policies and practices.

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations ("Privacy Laws") in the United States, Europe and elsewhere could significantly impact current and planned privacy

and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the General Partner, the Funds and/or their Portfolio Companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties or litigation, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Adviser, the General Partners, the Funds and/or their Portfolio Companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include the Adviser, the General Partner, the Funds and/or their Portfolio Companies.

United Kingdom (“UK”) Exit from the European Union (the “EU”). The UK formally left the EU on January 31, 2020 (“Brexit”). After a transition period that ended on December 31, 2020, EU rules ceased to apply in the UK. Although the terms of the UK’s future relationship with the EU were agreed in a trade and cooperation agreement, the agreement does not include an agreement on financial services and, as a result, UK firms in the financial sector have more limited access to the EU market than prior to Brexit and EU firms similarly have more limited access to the UK, owing to the loss of passporting rights under applicable EU and UK legislation. Alternative arrangements and structures may allow for the provision of cross-border marketing and services between the EU and UK, but these are subject to legal uncertainty and the risk that further legislative and regulatory restrictions could be imposed in the future.

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to many of the same rules and regulations as prior to Brexit. However, the UK Government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third-country access to EU markets. If the regulatory regimes for EU and UK financial services change or diverge further, this could have an adverse impact on any Fund and its investments, including the ability of a Fund to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions). There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty and disruption generally resulting from Brexit could adversely affect both EU and UK-based businesses, including the Adviser and Fund Portfolio Companies, as applicable. Brexit has already led to disruptions in trade as businesses attempt to adapt cross-border procedures and rules applicable in the UK and in the EU to their activities,

products, customers, and suppliers. Continuing uncertainty and the prospect of further disruption could also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

International Conflicts. Wars and other international conflicts, such as the Israeli-Palestinian conflict and the ongoing military conflict between Russia and Ukraine, have caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place sanctions and other severe restrictions or prohibitions on certain of the countries involved, as well as related individuals and businesses. However, the ultimate impact of these conflicts and their effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

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

Environmental, Social and Governance ("ESG") Matters. The Adviser maintains an ESG policy and seeks to integrate certain ESG factors into its investment process in accordance with its policy and subject to its fiduciary duty and any applicable legal, regulatory or contractual requirements. Applying ESG factors to investment decisions is subjective by nature, and the Adviser expects to be subject to competing demands from different investors and stakeholder groups with divergent views on ESG (including the role of ESG factors in the investment process). There is no guarantee that the criteria utilized by the Adviser, or any judgment exercised by the Adviser, will reflect the beliefs, values, internal policies or preferred practices of any particular investor or other asset manager or reflect market trends. In addition, the Adviser's ESG policy and associated ESG practices are expected to evolve over time. Although the Adviser views the integration of ESG factors to be an opportunity to potentially enhance or protect the performance of its investments over the long-term, the Adviser cannot guarantee that its ESG program will positively impact the performance of any individual investment or Fund.

The materiality of ESG factors depends on many factors, including the relevant industry, location, asset class, and investment strategy. ESG factors, issues, and considerations do not apply in every instance and will vary by Fund and investment. In addition, in evaluating an investment, the Adviser expects to depend upon information and data provided by a number of sources, including the relevant investments and/or various reporting sources which could be incomplete, inaccurate or unavailable, and which could cause the Adviser to incorrectly assess a company's ESG practices and/or related risks and opportunities. The Adviser does not intend independently to verify all ESG information reported by investments or third parties.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by asset managers. The Adviser's adoption

and adherence to various such principles, frameworks, methodologies and tools is expected to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding how asset managers identify and manage financially material ESG risks, as well as how they define and measure ESG performance. At the same time, anti-ESG sentiment has also gained momentum across the U.S., with several states and Congress having proposed or enacted “anti-ESG” policies, legislation, or initiatives or issued related legal opinions. The Adviser and its ESG policy and associated ESG practices could become subject to additional regulation, regulatory scrutiny, penalties or enforcement in the future, and the Adviser cannot guarantee that its current approach including the ESG policy and associated ESG practices will meet future regulatory requirements, reporting frameworks or best practices, increasing the risk of related enforcement. Compliance with new requirements is expected to lead to increased management burdens and costs.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any Carried Interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership’s income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its General Partner, or the Adviser who were or may in the future be granted direct or indirect interests in Carried Interest, which could make it more difficult for the relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for the Adviser to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

Changes to Benchmark Rates. To the extent that a Fund’s investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on benchmark or reference rates, including the London Interbank Offered Rate (“LIBOR”), Secured Overnight Financing Rate (SOFR) or other rates (each, a “Benchmark Rate”), the Fund may be subject to certain material risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments and other market participants have transitioned historical instruments and contracts away from LIBOR to new Benchmark Rates. This transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Funds and their Portfolio Companies; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

Conflicts of Interest

The Adviser and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and

providing transaction-related, legal, management and other services to Funds and Portfolio Companies. The Adviser will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Partnership Agreement, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of the Adviser conducting its activities, the interests of a Fund will at times conflict with the interests of the Adviser, one or more other Funds, Portfolio Companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general matter, the Adviser will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees (if any) of the participating Funds.

Without limitation, the Principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. The Adviser's personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. The Adviser's Principals and the Adviser's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Principals expect to control or manage generally have the potential to compete with companies acquired by a Fund. Following the commitment period of a Fund, the Adviser's Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments. To the extent an advisory opportunity is received that is unsuitable for a Fund, in the Adviser's sole discretion, the Adviser and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Unless restricted by the Governing Documents, the Adviser's personnel are permitted to serve on boards or act in other roles unaffiliated with the Adviser, the Funds or their Portfolio Companies, including boards of charitable and educational institutions, public companies and former Portfolio Companies, and receive compensation in connection with such services and roles, none of which will offset or otherwise reduce Management Fees.

The Adviser expects to be presented with certain investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of the Adviser. In determining which investment vehicles should participate in such investment opportunities, the Adviser and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Partnership Agreements, the Adviser is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of the Adviser in a Portfolio Company also have the potential to raise the risk of using assets of a client of the Adviser to support positions taken by other clients of the Adviser.

The Adviser must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. The Adviser generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Partnership Agreements, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for

turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliated adviser of the Adviser in the manner set forth in the Partnership Agreements and the Adviser's Allocation policy. The Adviser will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with the Adviser's obligations and reserves the right to take into consideration factors such as those set forth above. In other circumstances, during the period that a Portfolio Company is owned by a Fund, it could become a suitable investment for one or more other Funds due to size, revenue, earnings, change in business focus or other characteristics.

Following such determination of allocation among Funds, the Adviser will determine and has full discretion in determining allocations of co-investment opportunities, whether through an entity it or one of its affiliates controls or directly into a Portfolio Company, to one or more potential co-investors, including Operating Group members, vendors, service providers and/or other third parties, as determined by the Partnership Agreements, Side Letters and the Adviser's procedures regarding allocation. In circumstances where an entire investment could be made by a Fund, the Adviser will still be permitted to determine to allocate a portion of such investment to one or more co-investment vehicles or other co-investors. Further, the allocation of any co-investment opportunities will not necessarily be in proportion to the commitments of the co-investors and will often involve different terms and fee structures. As such, in certain circumstances, a Fund will receive a smaller allocation in a particular investment than it otherwise might have received if Adviser had not provided the third party with the co-investment opportunity. Moreover, it is possible that certain terms and fee structures offered to co-investors will be more (or less) favorable to third parties than those offered to limited partners. The Adviser's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to:

- Expressed interest in co-investment opportunities;
- Expertise of the prospective co-investor in the geographic location, market or industry to which the investment opportunity relates;
- Tax, regulatory, accounting, securities laws and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status);
- The size and financial resources of the potential co-investment party and the perceived ability of that person or entity to efficiently and expeditiously participate in the investment opportunity with the relevant Fund;
- Any confidentiality concerns the Adviser has that arise in connection with providing the potential co-investment party with specific information relating to the investment opportunity;
- Perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto;

- The Adviser's past experiences and relationships with the potential co-investment party;
- The Adviser's perception of whether the investment opportunity subjects the potential co-investment party to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that the potential co-investment party would act upon the investment opportunity if offered or would impair the Firm's ability to execute the relevant transaction in the desired time or on desired terms;
- Size of the investment allocation and practicality of dividing it up among multiple co-investors;
- Lender requirements;
- The Firm's evaluation of whether the co-investor is able to provide strategic perspectives and/or credibility or otherwise add value to the investment at the operational level; and
- Other factors that the Adviser considers important in connection with the specific transaction or investment.

Furthermore, the Adviser or its related persons expect to make decisions, in its sole discretion, regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities are typically offered to some and not to other Fund investors (including others that are similarly situated to those receiving allocations of co-investment opportunities), and on such terms as Adviser determines in its discretion. The consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none.

In addition to allocating co-investment opportunities on a case-by-case basis as they arise as described above, Adviser could determine to provide priority rights with respect to future co-investment opportunities to certain Fund investors (but not to other Fund investors, including similarly situated Fund investors) or other persons, including those described above, pursuant to commitments, arrangements or agreements between Adviser and Fund investors or other persons or through the formation of one or more Funds or other vehicles in which such Fund investors or other persons would invest.

The General Partner and Adviser or any of their affiliates reserve the right to require such co-investors to bear a Carried Interest, Management Fee and other costs with respect to any co-investment, or none at all, and such charges will often be different from the Carried Interest, management or other fees charged to investors in a Fund. As a result of these differences, the returns to Fund investors will generally differ from the returns to the co-investors. In particular, such investors' net returns with respect to co-investment opportunities will differ from Fund investors' net returns with respect to a Fund, particularly for those investors in co-investment opportunities whose investment will not be subject to any (or will be subject to different) Management Fees, or Carried Interest payable to Adviser. Co-investors will typically bear their *pro rata* share of fees, costs and expenses related to their co-investments and will be requested to

pay their *pro rata* share of broken deal expenses (as further described below) related to potential co-investments that they have committed to make but that are not consummated.

Such co-investors typically invest and dispose of their investments in the applicable Portfolio Company at the same time and on the same terms as a Fund, but in certain circumstances, this will not be the case. For administrative, strategic and/or other reasons, co-investors will purchase a portion of an investment from a Fund, the Adviser or one of their respective affiliates after a Fund has consummated its investment in the Portfolio Company. Any such purchase by a co-investor generally would occur shortly after a Fund's completion of the investment (also known as a post-closing sell down or transfer) to avoid any changes in the valuation of the investment. The Adviser expects, but is not required, to charge interest to the participants in the co-investment vehicle on the purchase to compensate a Fund, the Adviser or such applicable affiliates thereof for the applicable holding period and there can be no assurance that such interest, if any, will accurately reflect the fair market value of the portion of such investment in the Portfolio Company at the time of the sale.

The economic participation of co-investors in an investment opportunity could be substantial and could involve greater risks than an investment in which there are no co-investors. In certain circumstances, co investors will have interests that are inconsistent with those of the Adviser or a Fund. In addition, co-investors will in certain cases be in a position to obtain additional information regarding the applicable Portfolio Company that will not, in certain cases, be generally available to Fund investors in a Fund.

In addition, the Funds are expected to co-invest with third-parties, including strategic investors and management team members, whose ability to influence the day-to-day management and affairs of the Portfolio Companies' investments could be significant and even greater than that of a Fund, through joint ventures or other entities. Such investments will involve risks in connection with such third-party involvement, including the possibility that a third-party investor has financial, legal or regulatory difficulties resulting in a negative impact on such investment, has economic or business interests or goals that are inconsistent with those of a Fund or is in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund could in certain circumstances be liable for the actions of such third-party investors, including, without limitation, if such third-party investors default on their funding obligations, in which case a Fund would be required to make up the shortfall. In those circumstances where such third-parties involve a management group, such third-parties could receive compensation arrangements relating to such investments, that involve incentive compensation arrangements, including carried interest and/or other fees payable to such third-parties. Such compensation arrangements would reduce the returns to a Fund. There can be no assurance that minority rights will be available or that such rights will provide sufficient protection of a Fund's interests.

Participation by a Fund investor in a co-investment opportunity, whether directly or through a co-investment vehicle, will be entirely the responsibility and investment decision of such Fund investor and none of Adviser, nor any of their agents or consultants will assume any risk, responsibility or expense, or be deemed to have provided any investment advice, in connection with such participation.

In certain instances, a Fund will bear expenses in respect of an existing or prospective Portfolio Company that will not be borne by other owners or investors in such Portfolio Company (including co-investors or co-investment vehicles) where the Adviser has determined that the incurrence of such expenses is in the best interest of a Fund (*e.g.*, a Fund engages or pays for a consultant for services in respect of a Portfolio Company without reimbursement by other owners of the Portfolio Company). Likewise, certain expenses associated with any credit facility, borrowing or other indebtedness (*e.g.*, commitment fees, legal expenses and other costs to establish a credit facility) are not expected to be allocated to co-investors or co-investment vehicles (including the portion of such expenses attributable to the portion of any investment acquired by the co-investors) and instead will be borne in full or in part by a Fund.

Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and because co-invest opportunities generally appeal to Fund investors and third parties, the Adviser expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund because (i) co-invest opportunities generally appeal to Fund investors and third parties, (ii) to the extent co-investments made by Fund investors are not subjected to Management Fees and/or performance-based compensation, co-investments blend the effective rates of compensation paid by such persons in a manner not subject to the “most-favored nation” provisions of a Fund’s Governing Documents and (iii) co-investors’ proportionate share of a particular investment typically is not subject to the Management Fee offset provisions of a Fund’s Governing Documents. In order to facilitate the acquisition of a Portfolio Company, a Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner’s interest in limiting the Fund’s exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the relevant Fund would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such Portfolio Company, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) be diluted or realize lower than expected returns from such investment. To the extent that co-investment opportunities are offered to some Fund investors and not to other Fund investors and that co-investments made by Fund investors are not subject to Management Fees and/or performance based compensation, the ability to co-invest decreases overall expense allocation. When and to the extent that personnel and related persons of the Adviser and its affiliates make capital investments in or alongside certain Funds, the Adviser and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund’s return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

The Adviser's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While the Adviser will allocate investment opportunities in a manner that it believes is fair and equitable to its Clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which the Adviser expects to be subject, discussed herein, did not exist.

In certain cases, the Adviser will have the opportunity (but, subject to any applicable restrictions or procedures in the Partnership Agreements, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, the Adviser will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the Partnership Agreements, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

Where multiple Funds invest at the same, different or overlapping levels of a Portfolio Company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions could arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring could raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same Portfolio Company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds could but is under no obligation to provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by the Adviser in its sole discretion. Because of the different legal rights associated with debt and equity of the same Portfolio Company, the Adviser expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the relevant General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. It is also possible that certain co-investors (including management, any roll-over investors and/or third-party co-investors) will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. In administering, or seeking to reinforce, these agreements, the Adviser expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances Funds are expected to be prohibited from exercising (or the Adviser deems it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other could be subject to creditor claims regarding subordination of interests. The Adviser intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. The Adviser and its affiliates reserve the right to express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Partnership Agreements of the Funds, the Adviser will allocate fees and expenses in a manner that it believes is fair and equitable to its Clients under the circumstances and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, the Adviser expects to be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles receiving the benefit of such expenses (in the relevant General Partner's sole discretion) and eligible to reimburse expenses of that kind. In all such cases, subject to applicable law and legal, contractual or similar restrictions, expense allocation decisions generally will be made by the Adviser or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion to be fair and equitable across these vehicles and consistent with their fiduciary obligations. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining which Funds or co-invest vehicles benefit (or the extent to which they benefit) from the relevant service relating to the expense, or whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or the Adviser. The Funds generally have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected in certain cases to result in the Funds bearing different levels of expenses with respect to the same investment. Further, the Adviser reserves the right to consider each relevant Fund's strategy as a component of its allocation of investment expenses, and as a general matter will not allocate expenses associated with one Fund's equity investment to a different Fund's credit investment, or vice versa, even if the two investments are in the same Portfolio Company.

As a result of the Funds' controlling interests in Portfolio Companies, the Adviser and/or its affiliates typically have the right to appoint Portfolio Company board members (including current

or former Firm personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. Portfolio Company board members frequently approve compensation and/or other amounts payable to the Adviser and/or its affiliates. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or Carried Interest paid by a Fund to the Adviser.

Additionally, a Portfolio Company typically will reimburse the Adviser or service providers retained at the Adviser's discretion for expenses (including without limitation travel expenses (including, where appropriate as determined by the General Partner, the cost of using private aircraft or other private air travel (including the use of a private aircraft owned, partially owned or leased by the Adviser, any of its affiliates or any of their respective owners, members, managers, shareholders, partners, directors, officers, personnel, agents, advisors, assigns, representatives or affiliates)) incurred by the Adviser or such service providers in connection with its performance of services for such Portfolio Company. Service provider expenses are required to be reimbursed whether or not there is overlap in expertise, function or services performed by Adviser personnel. This subjects the Adviser and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. The Adviser determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to the Adviser or such service providers generally is subject to restrictions as further details in the Partnership Agreements. These factors help to mitigate related potential conflicts of interest.

In connection with its services to the Funds and their investments, the Adviser, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of the Adviser's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, the Adviser and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or Portfolio Company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Adviser Information"). In many cases, Adviser Information will include tools, procedures and resources developed by the Adviser to organize or systematize Adviser Information for ongoing or future use. Although the Adviser expects its Funds and their Portfolio Companies generally to benefit from the Adviser's possession of Adviser Information, it is possible that any benefits will be experienced solely by other or future Funds or Portfolio Companies (or by the Adviser and its personnel) and not by the Fund or Portfolio Company from which Adviser Information was originally received. Adviser Information will be the sole intellectual property of the Adviser and solely for the use of the Adviser. The Adviser reserves the right to use, share, license, sell or monetize Adviser Information, without offsetting or otherwise reducing Management Fees, and the relevant Fund or Portfolio Company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or Portfolio Companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such

reward programs. Such programs are expected to vary over time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the Portfolio Companies, the Funds or their respective investors; no such rewards will offset or reduce Management Fees.

The Adviser generally exercises its discretion to recommend to a Fund or to a Portfolio Company thereof that it contract for services with certain service providers, and such service providers are expected to include: (i) the Adviser or a related person of the Adviser (which is permitted to include a Portfolio Company of such Fund), (ii) an entity with which the Adviser or its affiliates or current or former personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain investors or their affiliates. For example, the Adviser could be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain investors or their affiliates that are engaged in lending or related business. This discretion subjects the Adviser to conflicts of interest, because although the Adviser selects service providers that it believes are aligned with its operational strategies and will enhance Portfolio Company performance and, relatedly, returns of the relevant Fund, the Adviser has a potential incentive to recommend the related or other person (including an investor) because of its financial or other business interest. There is a possibility that the Adviser, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or the Adviser), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. The Adviser will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its Portfolio Companies to incur) such expenses. Although the Adviser generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived quality, sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Additionally, the Adviser expects certain service providers, their affiliates and personnel to invest in, or co-invest alongside, one or more Funds, and due to the nature of the service provider relationships and the timing of services these persons have the potential to have information advantages relative to other investors or co-investors, and likely will be offered co-investment opportunities before such opportunities are presented to other interested prospective co-investors. Based on the foregoing factors, limited partners should not expect service providers to the Adviser or any Fund to provide services that will be the most beneficial to any limited partner.

In certain circumstances where the Adviser commits or has committed to seek "market" or "arms-length" rates or terms, the Adviser will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. The Adviser reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is "arms-length." Consequently, the Adviser undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking will be accurate, comparable or relate specifically to the assets, services, geographies or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, the Adviser reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not the Adviser has a relationship or receives financial or other benefit from recommending a particular service provider,

there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In addition, as described above, Portfolio Companies (and, to a lesser extent, the Funds) typically pay certain fees to, and reimburse expenses of, Operations Group members and other consultants (including consultants introduced or arranged by the Adviser and/or its affiliates that regularly provide services to one or more Portfolio Companies), and such amounts do not offset or reduce any Management Fees charged to the Funds. Senior Advisers generally make use of Adviser resources or otherwise are associated with the Adviser. The Adviser and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent Portfolio Company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operations Group members are expected to include former personnel of the Adviser or certain Portfolio Companies, and in some circumstances former Operations Group members are expected to become the Adviser personnel or personnel of Portfolio Companies. Consequently, the determination of whether individuals are Operations Group is expected to vary and/or be revisited, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that the Adviser otherwise would be required to bear. Members of the Operations Group generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce any Management Fees of any Fund, as described herein, and the use of Operations Group members is expected to fluctuate and/or expand over time. To the extent that Operations Group members are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain Portfolio Companies or Funds will bear a greater share of such compensation due to the utilization of such member's services at a time when fewer Portfolio Companies or Funds make use of such Operations Group member. Under many of these arrangements, including where Operations Group members are paid a flat fee, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or the amount or tangible work product generated by the Operations Group member. Although the use of Operations Group members and the allocation of compensation paid to them by the Adviser, its affiliates and/or the Portfolio Companies subjects the Adviser and/or its affiliates to potential conflicts of interest, the Adviser believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to Portfolio Companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Operations Group member is lower than market rates for the services provided and/or if the services of the Operations Group align with the Adviser's model for the Portfolio Company and improve Portfolio Company performance. Although the Adviser seeks to retain Operations Group members with a view to reducing costs to Portfolio Companies (and, ultimately, the Funds) and/or improving Portfolio Company performance, a number of factors could result in limited or no cost savings from such retention. The Adviser also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that the Adviser believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only Operations Group members and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

The Adviser reserves the right to cause a Fund to enter into a transaction whereby the Fund (i) purchases securities from, or sells securities to, other Funds managed by the Adviser, or co-

investors or co-investment vehicles or (ii) co-invests alongside such other Funds or co-investors. Such transactions typically arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a Portfolio Company owned by one Fund is acquired by a Portfolio Company acquired by another Fund. In some cases a Portfolio Company of one Fund will be merged with or into a Portfolio Company owned by another Fund. Any of these transactions raise potential conflicts of interest, including where (i) the investment of one Fund supports the value of Portfolio Companies owned by another Fund; or (ii) the transaction allows the Adviser or its affiliates to realize Carried Interest or receive future Management Fees or other compensation with respect to such investments. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the Partnership Agreements or otherwise in the sole discretion of the Adviser, the Adviser reserves the right to seek to mitigate such conflicts by seeking input from an unaffiliated third party (including the use of a consultant or investment banker paid for by the relevant Fund(s) to opine as to the fairness or "arm's-length" nature of a purchase or sale price), whether or not part of a formal fairness opinion, "request for proposal" process, or proposal or quotation provided exclusively for the benefit of the Adviser, or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory committee) to such transactions. The Adviser reserves the right to determine that the willingness of a third party to make an investment on the same or similar terms demonstrates the fairness of the relevant transaction (including its value) to the Fund under then-current market conditions and therefore determine not to obtain a consent or fairness opinion (except where required by applicable law). The Adviser intends that any such transactions be conducted in a manner that it believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund. Further, cross-Fund transactions are expected to arise in the context of automatic or other re-balancing of investments among parallel Funds pursuant to the relevant Governing Documents, and in such circumstances the Adviser generally will not seek a fairness opinion and the Adviser generally will not seek advisory committee consent given that such transactions typically are effected close in time to the initial Fund's investment and/or are authorized pursuant to the Governing Documents of each Fund.

The Adviser reserves the right to purchase investment opportunities for its clients in transactions for which one or more of its affiliates are involved, and would have an incentive to purchase such investments where such affiliate will receive a fee. Some transactions, depending on the nature of the transaction and the involvement of such affiliate or related entity, are considered principal transactions under Section 206(3) of the Advisers Act or require client consent under the relevant client's Governing Documents. The fees received by the Adviser from the securities issuer or seller or the loan borrower, as applicable, with respect to the transactions described above are in addition to Management Fees and, where applicable, performance-based compensation received by the Adviser from the client accounts to which Adviser allocates the investments. The Adviser maintains processes to mitigate such potential conflicts of interest. Where necessary or appropriate for the transactions described above, as provided by the relevant Governing Document, or under Section 206(3) of the Advisers Act, the Adviser will disclose to the Funds the nature of such transactions prior to the completion of such transaction and will obtain the Funds' consent.

A Fund's Portfolio Companies could also be counterparties or participants in agreements, transactions or other arrangements with other Portfolio Companies of such Fund or other Funds, including arrangements that likely would have not otherwise been entered into, including because such arrangements might not otherwise have been available but for the affiliation with the General Partner or an affiliate thereof. Such arrangements will often involve fees and/or servicing payments to the General Partner and its affiliates, which are not subject to fee offsets or otherwise shared with the Fund. Such arrangements will be on terms including fee rates Adviser believes are commercially reasonable in light of the specific arrangements involved and any other relevant considerations. There can be no assurance that the terms involved in such arrangements ultimately will approximate then-current market terms, or that no other commercial counterparty is more qualified to enter into such arrangements or could provide the relevant services or conduct the relevant transaction or arrangement at a more competitive cost.

Although the Adviser generally structures Funds to avoid circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund or any affiliate of the Adviser, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which can result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In such case, the Adviser intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements. In other circumstances, lenders and other market participants are expected to seek "cross default" rights under which a Fund or Adviser affiliate relating to their respective lending or other facilities; if any such provisions were to be triggered, a Fund's limited partners could suffer adverse effects resulting from any default by any Fund or Adviser affiliate, whether or not related to the Fund in which such limited partners have invested.

The Adviser and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in Portfolio Companies owned by the Funds or other investment vehicles advised by the Adviser and/or its affiliates; conversely, current or former personnel or executives of the Adviser and/or its affiliates are expected to serve in significant management roles at Portfolio Companies or service providers recommended by the Adviser. To the extent former Adviser personnel become employed by a Portfolio Company, no compensation earned by such former Adviser personnel from such Portfolio Company will offset the management fee notwithstanding that such former personnel has a remaining interest in the relevant Fund's General Partner or affiliated entity and could remain entitled to Carried Interest. Similarly, the Adviser, its affiliates and/or personnel maintain relationships with (or could invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and Portfolio Company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former personnel, and current and former Portfolio Company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Adviser and/or its affiliates, and/or the Funds or other investment vehicles they advise. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through the Adviser's entities, whether or not relating to financing

Adviser personnel obligations to fund General Partner commitment obligations) to the Adviser's personnel and their estate planning vehicles. The Adviser expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a Portfolio Company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide the Adviser information about markets and industries in which the Adviser operates (or is contemplating operations) or will provide other services that are beneficial to the Adviser or one or more other Funds. The Adviser expects to be subject to a potential conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective Portfolio Companies for a Fund, while the products or services recommended will not necessarily be the best available to the Fund or the Portfolio Companies held by a Fund.

The Adviser, its affiliates, and equity holders, officers, principals and personnel of the Adviser and its affiliates reserve the right to buy or sell securities or other instruments that the Adviser has recommended to a Fund. In addition, officers, principals and personnel reserve the right to buy securities in transactions deemed unsuitable for a Fund, but will not in such circumstances be required to share in or reimburse or compensate the relevant Fund for due diligence or other expenses (including broken deal expenses) incurred by the Fund in connection with the Fund's consideration of the relevant investment opportunity. Any such transactions are subject to any restrictions in the Partnership Agreements and any related policies and procedures set forth in the Adviser's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Personnel and related persons of the Adviser have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective Portfolio Companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

A Fund's General Partner generally is permitted to receive a distribution in kind from the Fund, including in connection with investment dispositions or the payment in kind of amounts owed to the General Partner as Carried Interest (which generally will be made using the value of the relevant securities on the date of distribution). In such circumstances, there is a potential conflict of interest between the General Partner (and its beneficial owners) and the relevant Fund's limited partners. For example, the General Partner and its beneficial owners may intend to hold the investment for a different time period than the Adviser deems suitable for the Fund. Although the General Partner and its beneficial owners bear the risk that such securities will decrease during their holding period, to the extent the value of the relevant securities increases following the Fund's disposition thereof, neither the relevant Fund nor its limited partners will benefit from the increase, and over time the economic benefit to the General Partner and its beneficial owners could exceed the value of the General Partner's *pro rata* interest in the Fund and the amount of Carried Interest owed. To the extent the beneficial owners of the General Partner contribute such securities to a charity (including to a private foundation or other charitable organization associated with, operated or chosen by such persons or their families), any tax efficiencies or other personal benefits associated with the contribution will inure to the benefit of such beneficial owners rather than to the Fund or its limited partners.

Except to the extent prohibited by the Governing Documents, the Adviser and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles or accounts the investment or business strategy of which does not overlap with the Fund(s) and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the Governing Documents and anti-"assignment" provisions of the Advisers Act, the Adviser and its personnel are also permitted to offer, restructure and monetize interests in the Adviser.

Because certain expenses are paid for by a Fund and/or its Portfolio Companies or, if incurred by the Adviser, are reimbursed by a Fund and/or its Portfolio Companies, the Adviser will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its Portfolio Companies to incur) such expenses.

The Governing Documents provide the Adviser with wide-ranging authority to make determinations, including those related to investment purchases and dispositions (and their timing), valuation and other matters that in each case have the potential to affect the Adviser's compensation. In making such determinations, the Adviser is subject to potential conflicts of interest. For example, the potential to earn additional compensation creates an incentive for the Adviser or its affiliates to make investments and to hold investments longer than otherwise would be the case in the absence of the relevant Fund's Management Fee and Carried Interest compensation arrangements. The Adviser expects to be incentivized to cause a Fund to make, hold, value and/or dispose of investments (and to delay or forego a determination that the investments are Impaired Value Investments) in order to receive greater ongoing Management Fees and, potentially, earlier and/or larger Carried Interest distributions than would otherwise be the case.

Where the Management Fee is calculated taking into account the valuation of an investment, the Adviser will have incentives to make determinations that result in the continued payment of, or a higher, Management Fee. Where the Governing Documents do not require Management Fees to be reduced in connection with investment reorganizations, restructurings, roll-over investments, extraordinary dividends or similar transactions, the Adviser is incentivized to pursue such transactions. Additionally, the amount of Carried Interest owed to the relevant General Partner is dependent in part on the amount and timing of investment dispositions, as well as in certain instances determinations that investments are Impaired Value Investments, and the relevant General Partner expects to be subject to related potential conflicts of interest in determining whether and when to dispose of investments, make distributions, and/or determine that an investment is an Impaired Value Investment, within the requirements of the relevant Governing Documents.

The Adviser's wide-ranging authority on the determination of Impaired Value Investments, and the criteria used by the relevant General Partner or its affiliates in valuing an investment, or determining whether an investment is an Impaired Value Investment, have the potential to be subjective, to be influenced by market information and other factors and to vary over time. There can be no assurance that a third party or investor would agree with the substance or timing of the relevant General Partner's determination that an investment is an Impaired Value Investment, and except as set forth in the Governing Documents, neither the General Partner nor its affiliates is obligated to follow any third-party methodology in making its determination on whether an

investment meets the relevant standards or whether value can be recovered or retained during the Fund's holding period. The General Partner is entitled to make its own determination taking into account all facts and circumstances it deems relevant, subject to the provisions of the Governing Documents. As a general matter, the standards for determining Impaired Value Investments are intended to be high, and are not intended to apply to investments experiencing partial or temporary declines in value. Because the amount of the Adviser's compensation is dependent in part on an investment's status as an Impaired Value Investment, the relevant General Partner faces potential conflicts of interest in determining whether an investment meets, or continues to meet, the relevant criteria. Although the Adviser intends to operate in accordance with the Governing Documents, as well as its valuation policy, in order to mitigate the potential for subjectivity in making such determinations, there can be no assurance that such policy will address all of the necessary factors to do so, or completely eliminate all potential conflicts of interest in such determinations.

In certain circumstances, such as those relating to short- or long-term Portfolio Company cash or liquidity needs, and regardless of whether the Portfolio Company is undergoing financial stress, the Adviser reserves the right to accrue, defer or forego payments of Supplemental Fees, and reserves the right to charge interest at then-available rates with respect to such amounts. In such cases, in accordance with the Governing Documents, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

As described above, the Adviser and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of the Adviser's compensation), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on the Fund's advisory committee, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, investment pacing restrictions, as well as economic procedural and other terms, many of which will not be subject to the "most-favored nation" provisions of a Fund's Governing Documents.

The Adviser is likely to have its own economic and/or other business incentives to provide certain terms to certain limited partners, *e.g.*, based on commitment amount to a Fund or the timing thereof, the ability of a limited partner to provide sourcing or other services to the Adviser, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Adviser, its affiliates and personnel, or the Funds. Further, Side Letters are expected to relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except in the circumstances and on the timing required by Partnership Agreements and/or applicable law, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the Adviser, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. Side Letters subject the Adviser to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory committee results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors could be subject to increased losses, or be required to bear an increased portion of indemnification amounts. Other Side Letter rights

are likely to confer benefits on the relevant limited partner at the expense of the relevant Fund or of limited partners as a whole, including in the event that a Side Letter confers additional reporting, information rights and/or transfer rights, the costs and expenses of which are expected to be borne by the relevant Fund.

As a consequence of one or more limited partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments or ability to bear certain liabilities or obligations, the aggregate returns realized by participating or non-participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments; similar considerations apply in the event a limited partner defaults on a drawdown in respect of an investment. Although the Adviser believes it to be unlikely, excuse or other rights requested or received by one or more limited partners (or such regulatory, tax or other factors applicable to such limited partners) representing a substantial percentage of a Fund have the potential to create significant variations in limited partner investment returns or exposures to liabilities or obligations, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. A limited partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more limited partners' voting rights generally will increase the voting rights percentage of other limited partners in the relevant Fund. Further, limited partners with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, *e.g.*, based on tax savings or ownership of alternative investment vehicle, "blocker" or other structures used to facilitate their investments in, through or below a Fund.

The Adviser has incentives to use or to recommend products or services of one Portfolio Company to another, which generally will involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as the Adviser has incentives to maintain goodwill between it and its former, existing and prospective Portfolio Companies, and as a result the products or services recommended will not necessarily be the best or lowest cost option. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements. The Adviser, its Operations Group members, its affiliates and personnel and persons selected by them expect to receive the benefit of "friends and family" and similar discounts from Portfolio Companies owned by the Funds under which such Portfolio Companies make their goods and/or services available at reduced rates. Because its Portfolio Companies offer such discounts to customers other than the Adviser and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, the Adviser believes that the potential for conflicts of interest relating to such discounts is mitigated. The Adviser, its Senior Advisers, its affiliates and personnel generally refrain from requesting or negotiating for such discounts in the ordinary course. Discounted prices or better terms offered by a Portfolio Company to the Adviser, any other Portfolio Company or third parties have the potential to affect the returns of the Portfolio Company.

Although the Governing Documents generally contain broad exculpation and indemnification provisions, the Adviser will not interpret such provisions to constitute a waiver of any person's non-waivable federal fiduciary duties to the relevant Fund under the Advisers Act. The relevant liability standards under insurance coverage procured by the Adviser are expected to vary by carrier, and such standards are expected to vary depending on, for example, coverage features or

limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages are expected to vary from relevant liability and/or indemnity standards in the Governing Documents. Investors generally will be responsible for insurance premiums, as set forth in the Governing Documents, regardless of whether the liability and/or indemnity standards in the Adviser's insurance coverage are higher or lower than that set forth in the Governing Documents.

Any of these situations subjects the Adviser and/or its affiliates to potential conflicts of interest. The Adviser attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by the Adviser's advisory affiliates to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a manner it believes to be fair and equitable to the Funds under the circumstances over time. To the extent that an investment or relationship raises particular conflicts of interest, the Adviser will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary (and applicable), the Adviser consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

ITEM 8. DISCIPLINARY INFORMATION

There have been no legal or disciplinary events involving either the Adviser or any of its management persons that are material to the Firm's advisory business.

ITEM 9. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Adviser is affiliated with the General Partners and equivalent entities formed and subject to the Advisers Act pursuant to the Adviser's registration in accordance with SEC guidance. These entities operate as a single advisory business together with the Adviser and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, personnel, consultants or persons occupying similar positions.

Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.

The Adviser and its personnel do not have any other relationships or arrangements with other financial services companies that pose material conflicts of interest.

Furthermore, the Adviser does not recommend or select other investment advisers for its Funds to which it receives compensation directly or indirectly from those advisers.

ITEM 10. CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Adviser has adopted policies and procedures to address potential conflicts of interest. The Firm has adopted a Code of Ethics (the “Code”), which sets forth standards of conduct that are expected of the Adviser’s Principals and personnel and addresses conflicts that arise from personal trading. The Code requires Firm personnel to report their personal securities transactions, prohibits or requires pre-clearance for Firm personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Firm personnel from directly or indirectly acquiring beneficial ownership of certain securities, without first obtaining approval from the CCO. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information.

The Adviser and its affiliated persons come into possession of material non-public or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, the Adviser and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Adviser.

Accordingly, should the Adviser or any of its affiliated persons come into possession of material non-public or other confidential information with respect to public and non-public company, the Adviser generally would be prohibited from communicating such information to Clients, and the Adviser will have no responsibility or liability for failing to disclose such information to Clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions are applicable as a result of the Adviser personnel serving as directors of public companies and could restrict trading on behalf of Clients, including a Fund.

The Firm’s Principals and personnel are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate parties of any actual or suspected violations of such laws by the Firm or its personnel. Initially, upon hire, and on an annual basis thereafter, the Firm requires that all personnel certify to their receipt, review, understanding and compliance with the provisions of the Firm’s Code. The Firm will provide a complete copy of the Code to any Investor or prospective Investor upon request.

Consistent with the Funds’ investment objectives and subject to satisfaction of the policies and procedures set forth in the Code, the Firm reserves the right to recommend that the Funds acquire or sell securities in which a related person of the Firm has a pre-existing interest. A potential conflict of interest could arise in that the interested related person of the Firm could benefit from such a purchase or sale of the applicable security by the Fund.

Principals and personnel of the Adviser and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same Portfolio Companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of the Adviser, as well as third party investors and other persons, and such co-

investments could be effected through co-invest vehicles or directly in a particular Portfolio Company or through an intermediate entity in a Portfolio Company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

The Adviser and its affiliates, principals and personnel expect to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which could differ from advice given to, or securities recommended or bought for, any Fund, even if their investment objectives are the same or similar. The operative documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (*e.g.*, by time or percentage of capital deployed).

Each General Partner is permitted to advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is borne by the relevant Fund, consistent with the Partnership Agreements.

In borrowing on behalf of a Fund, the Adviser is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the General Partner called capital, and thus could result in the relevant General Partner receiving Carried Interest sooner than it would without borrowing. The relevant General Partner generally will not participate in a Fund-level borrowing facility, and generally will not bear the related costs attributable thereto, including interest expenses or costs payable, in which case such amounts will be borne solely by the limited partners. In addition, when the Management Fee is calculated as a percentage of invested capital, a limited partner could pay Management Fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

The Adviser will effect such borrowings consistent with a Fund's Partnership Agreements and in a manner it believes to be fair and equitable under the circumstances to the relevant Fund.

ITEM 11. BROKERAGE PRACTICES

The Adviser focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer is retained. However, the Adviser reserves the right to also distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although the Adviser does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If the Adviser sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Adviser. In such event, the Adviser will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Adviser reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting Client transactions to the extent consistent with the interests of such Clients. Although the Adviser generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent. Transactions could involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Adviser seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time and has not made use of such services since its inception.

The Firm does not receive soft dollars, research or other products and services from any broker dealers.

As noted above, the investment advisory services provided by the Firm to the Funds will generally be in relation to private investments, for which the aggregation of orders is not applicable.

ITEM 12. REVIEW OF ACCOUNTS

The investments made by the Funds generally are private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. The Principals of the Adviser monitor Portfolio Companies in which the Funds invest, and the CCO periodically checks to confirm that each Fund is maintained in accordance with its stated objectives. Audited financial statements are provided to investors in the Funds, within 120 days of the end of each Funds’ fiscal year as required by Rule 206(4)-2 under the Advisers Act, as amended (the “Custody Rule”).

ITEM 13. CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser and/or its affiliates intend to provide certain business or consulting services to Portfolio Companies and are permitted to receive compensation from these companies in connection with such services. Such fees do not offset any Carried Interest or other compensation otherwise payable to the Adviser. See “Fees and Compensation.”

A conflict of interest could arise as a result of any fees or expenses received by the Firm from Portfolio Companies. The Firm has policies and procedures designed to identify and manage these potential conflicts of interest.

The Adviser (or one of its affiliates) is authorized and has entered into solicitation arrangements pursuant to which it compensates third party placement agents for referrals that result in a potential investor becoming a limited partner in a Fund. The fees paid to any placement agent are expected to continue to be in the form of a percentage of capital commitments for Fund interests made by certain potential investors that are subsequently accepted. Any fees payable to any such placement agents or third-party solicitors are and will continue to be borne by the Adviser directly through payment of a cash fee, although expenses related to the engagement of, and negotiation of any agreements with, such placement agents or third-party solicitors, as well as any out-of-pocket costs and expenses incurred pursuant to the relevant placement agent or similar agreement, typically are borne by the relevant Fund(s).

ITEM 14. CUSTODY

The Adviser generally expects that it will be deemed to have “custody” (within the meaning of the Custody Rule) of the Funds’ funds or securities because it or an affiliate serves as each Fund’s General Partner, subject to certain exceptions set forth in the Custody Rule and related guidance. Such General Partner can withdraw a Fund’s cash and/or securities held with a custodian upon the General Partner’s instruction. As such, the Firm is subject to the Custody Rule under the Advisers Act.

However, the Firm is generally not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to the Funds because it complies with the provisions of the so called “Pooled Vehicle Annual Audit Exception,” which, among other things, requires that the Funds be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the Funds distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

ITEM 15. INVESTMENT DISCRETION

The Adviser has discretionary authority to manage investments on behalf of each Fund. As a general policy, the Adviser does not allow Clients to place limitations on this authority. Pursuant to the terms of the Partnership Agreement, however, the Adviser and/or its affiliates have entered, and expect to enter, into Side Letters with certain investors whereby the terms applicable to such investor’s investment in a Fund are altered or varied. The Adviser assumes this discretionary

authority pursuant to the terms of the Partnership Agreement executed by the investors of such Fund.

ITEM 16. VOTING CLIENT SECURITIES

The Funds are primarily invested in private companies, which typically do not issue proxy proposals, amendments, consents or resolutions (collectively, “Proxies”). If the Funds are invested in private companies that effect an initial public offering, such companies will issue Proxies. The Firm, exercises voting authority with respect to the securities held by the Funds and exercises such authority in a manner in which it believes is in the best interest of the Funds.

The Firm’s general policy is to vote Proxies in a prudent and diligent manner that will serve the applicable Funds’ best interests and is in line with each Funds’ investment objectives. The Firm reserves the right to abstain on any vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Firm, the costs associated with voting such proxy outweigh the benefits to the Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the Funds. Conflicts of interest are expected to arise between the interests of a Fund, on the one hand, and the Firm on the other hand. If the Firm determines that it has, or is perceived to have, a potential conflict of interest when voting Proxies, the Firm will address matters involving such conflicts of interest in accordance with its Proxy voting policies and procedures.

Investors may obtain information about how proxies were voted by contacting the CCO.

ITEM 17. FINANCIAL INFORMATION

The Adviser does not require or solicit prepayment of fees six or more months in advance and therefore has not included a balance sheet in this submission. Furthermore, the Adviser does not believe that there are any conditions that are reasonably likely to impair its ability to meet contractual commitments to the Funds nor has it been the subject of a bankruptcy petition.