

Item 1 – Cover Page



**Part 2A of Form ADV
Brochure for:**

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This Brochure provides information about the qualifications and business practices of Lightsmith Climate Resilience Management LLC (the “Firm” or “Investment Adviser”). If you have any questions about the contents of this Brochure, please contact the Firm at the address listed above. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Lightsmith is a registered investment adviser with the SEC. Registration of an investment adviser does not imply any certain level of skill or training.

Additional information about Lightsmith is also available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

This Brochure has been amended since the initial registration filed on July 18th, 2023.

In the future, this Item will discuss only specific material changes that are made to the Brochure and provide clients with a summary of such changes, which will be reflected below.

This Brochure has been updated to reflect the address change of the Firm, to make certain non-material changes, including the Firm’s regulatory assets under management.

Investors are encouraged to review this Brochure in its entirety. The information set forth in this Brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

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Item 4 – Advisory Business

A. Description of the Advisory Firm

Lightsmith Climate Resilience Management LLC (the “**Firm**” or the “**Investment Adviser**”), a Delaware limited liability company, is an investment advisory firm based in New York. Lightsmith was formed on November 14, 2019 and is indirectly owned by Jay Koh and Sanjay Wagle who are both Managing Directors of the Firm. Lightsmith Group, LLC is the principal owner and member of the Firm.

B. Types of Advisory Services

The Firm serves as investment adviser to Lightsmith Climate Resilience Partners SCSp RAIF (the “**Fund**” or the “**Partnership**”), a private investment fund. Investors (as defined below) will invest in the Fund via one or more compartments of the Fund (each a “**Sub-Fund**” or collectively “**Sub-Funds**”) (the Fund and the Sub-Funds collectively “**Funds**”). The Firm may decide in the future to sponsor or manage additional private investment funds (collectively with the Funds, the “**Clients**”).

The Partnership is established as a Luxembourg reserved alternative investment fund (“**RAIF**”) within the meaning of the Luxembourg law of 23 July 2016 on reserved alternative investment fund, as amended, the (the “**RAIF Law**”), organized as a special limited partnership (société en commandite spéciale) and qualifying as an alternative investment fund (AIF – as defined below) within the meaning of the Directive 2011/61/EU (the “**AIFMD**”) and the Luxembourg law of 12 July 2013 relating to alternative investment fund managers, as may be amended from time to time (the “**AIFM Law**”).

Entities affiliated with the Investment Adviser serve as general partners to the Funds (the “**General Partners**” and each, a “**General Partner**” and together with the Investment Adviser and other affiliated entities “**Lightsmith**”) and delegate authority to the Investment Adviser to serve as the investment adviser. Each General Partner is subject to the Advisers Act pursuant to the Investment 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 Investment Adviser.

The General Partner of the Fund has appointed Lemanik Asset Management S.A., a Luxembourg public company (société anonyme) authorized as alternative investment fund manager under the Luxembourg law of 12 July 2013 on alternative investment fund manager and under the supervision of the Luxembourg financial supervisory authority (commission de surveillance du secteur financier) (the “**AIFM**”), to serve as the alternative investment fund manager of the Partnership under the AIFMD. Upon registration with the SEC, the Firm assumed the role of Investment Manager and Portfolio Manager on December 14, 2023. The AIFM is responsible for exercising the portfolio risk function of the Fund.

Pursuant to each Fund’s offering memorandum, limited partnership agreements (“**Partnership Agreement**”), and subscription documents (“**Subscription Documents**”) (and collectively “**Constituent Documents**”), Lightsmith advises the Funds which are growth

equity funds formed to make direct, active, growth equity sustainable investments in companies that offer climate resilience solutions, with the goal of producing measurable, positive impacts on climate adaptation and climate mitigation.

The Funds are offering limited partnership interests (“**Interests**”) to certain qualified investors as described in response to Item 7, below (such investors are referred to herein as “**Investors and/or Limited Partners**”)

In order to facilitate investment by certain investors, the General Partner may organize one or more parallel investment entities or managed accounts (each, a “**Parallel Fund**”) which will invest, hold and divest proportionally in Portfolio Investments on substantially the same terms and conditions (at the level of investment) and at the same time as the Partnership, subject to applicable legal, tax or regulatory considerations. Where appropriate, references to the Partnership herein will include any Parallel Funds and references to the Investors include investors in the Parallel Funds.

If the General Partner determines that it is advisable in connection with the making, holding or disposition of one or more Portfolio Investments, the General Partner, the AIFM or their affiliates may create one or more alternative investment vehicles (each, an “**Alternative Investment Vehicle**”) to effect any such investment in lieu of the Partnership. References to the Partnership’s Investments herein will include any investment made outside the Partnership through an Alternative Investment Vehicle.

The Partnership, the General Partner and/or the Investment Adviser may enter into side letters or other written agreements with individual Investors, which have the effect of establishing rights or provisions under, or altering or supplementing, the terms of the Partnership Agreement with respect to such Investor (each a “**Side Letter**”).

C. Client Tailored Services and Client Imposed Restrictions

Advisory services are tailored to achieve the Clients’ investment objectives. With respect to the Funds, Lightsmith has the authority to select which and how many securities and other instruments to buy or sell without consultation with the Fund or its Investors.

D. Wrap Fee Programs

Lightsmith does not participate in wrap fee programs.

E. Amounts Under Management

As of December 31, 2023, Lightsmith has approximately \$187,000,000 of assets under management on a discretionary basis and \$0 on a non-discretionary basis.

Item 5 – Fees and Compensation

A. Fee Schedule

The fees and compensation payable to Lightsmith are negotiable and vary among its Clients. Fees and expenses are generally paid as set forth in the Fund's Constituent Documents. The information contained herein in this Item 5 is a summary only and is qualified in its entirety by the relevant Constituent Documents. It is important that Investors refer to the relevant Constituent Documents for a complete understanding of expenses and fees they may pay through an investment in the Fund. However, the range of compensation is generally as follows:

1. Management Fee

The Firm is compensated for its advisory services through asset-based management fees calculated as a percentage of the aggregate capital commitments from investors, payable quarterly in advance. The management fee is generally between 0% to 2% annually ("Management Fee").

2. Advisory Fee

The Fund will pay to the Investment Adviser a fee, payable quarterly in advance (the "**Advisory Fee**"). The Advisory Fee will be equal to, with respect to each Investor (i) during the Commitment Period, 2% per annum on such Investor's capital commitment ("**Capital Commitments**") and (ii) thereafter, 2% per annum of such Investor's net invested capital as further defined in the Constituent Documents. A portion of the Advisory Fee (as determined by the general partner) may be paid directly by the Fund to the AIFM.

3. Performance-based Fees

Subject to the terms and conditions of the Constituent Documents between Lightsmith's affiliated General Partner entities and the Limited Partners in each Fund, Lightsmith or its affiliated General Partner will receive a carried interest distribution equal to 20% of all realized profits, subject to an 8% preferred return.

The incentive allocation will only be charged to accounts of those Investors who are "qualified clients" as defined in Rule 205-3 of the Investment Advisers Act of 1940, as amended ("Advisers Act"), in accordance with applicable state law.

3. Other Fees

The Firm is responsible for its normal overhead and administrative expenses, including expenditures on account of salaries, wages, benefits and other expenses.

The Fund will pay all expenses relating to the activities and operations and its proposed or actual investments as provided in the Constituent Documents, including expenses in connection with expenses of counsel, consultants or advisors, accountants and custodians, travel and related expenses incurred in connection with transactions (whether or not consummated), portfolio monitoring expenses, any insurance, indemnification or litigation

expenses, costs and expenses of borrowings, and any taxes, fees, or other governmental charges.

From time to time, the Firm will be required to decide whether costs and expenses are to be borne by the Fund, on the one hand, and other vehicles advised or managed by the Firm or any of its respective affiliates, on the other hand. The Firm will allocate such fees and expenses in a manner it believes in good faith to be fair and equitable, but in its sole discretion. The allocation

E. Outside Compensation for the Sale of Securities

Neither Lightsmith nor its supervised persons accepts compensation for the sale of securities or other investment products outside of its association with Lightsmith.

The foregoing discussion in Items 5 represents Lightsmith's basic compensation arrangements. The management fees and incentive allocations described above are structured to comply with Rule 205-3 under the Advisers Act and applicable state laws. Fees and other compensation are negotiable in certain circumstances and arrangements with any particular Investor may vary. Although Lightsmith believes its fees are competitive, lower fees for comparable services may be available from other investment advisers.

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

Differences in Lightsmith's compensation arrangements with its Clients, particularly if some Clients were to pay higher performance-based compensation, could create incentives for Lightsmith to manage Client portfolios so as to favor those portfolios of clients paying higher performance-based compensation, as could Lightsmith's ownership interest (e.g., as the general partner) in some Client accounts. Notwithstanding these conflicts, Lightsmith will allocate transactions and opportunities among the various Client accounts it manages in a manner it believes to be as equitable as possible, considering each account's objectives, programs, limitations and capital available for investment, but even accounts with similar objectives will often have different investment portfolios.

Performance-based compensation may provide a possible incentive for Lightsmith to make riskier or more speculative investments on behalf of a Client than it might make otherwise. Notwithstanding this potential incentive, Lightsmith will evaluate investments in a manner that it considers to be in the best interest of its Clients, given those Clients' investment objectives, investment strategies, suitability of the investment, and risk profile.

Item 7 – Types of Clients

Lightsmith provides investment advice to the Funds. The Funds include investment partnerships and/or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as

amended, and the rules and regulations promulgated thereunder (the “Investment Company Act”). The investors participating in the Funds include asset managers, family offices, foundations, high net worth individuals, insurance companies, governments, and multilateral development finance institutions.

As discussed in Item 4, the Funds are authorized to include Alternative Investment Vehicles established from time to time. Alternative investment vehicle sponsors generally will 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.

Investors are required to be “accredited investors” within the meaning of Rule 501(a) under the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder (the “Securities Act”), and either “qualified purchasers” within the meaning of Section 2(a)(51) under the Investment Company Act or, in the sole discretion of the applicable General Partner, “qualified clients” within the meaning of Rule 205-3 under the Advisers Act (or qualified knowledgeable Lightsmith personnel). Each Fund generally has a minimum investment amount for third-party investors as provided in such Fund’s Partnership Agreement. Such minimum investment amount may be waived by the applicable General Partner in its sole discretion.

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

A. Methods of Analysis

The Partnership will pursue an investment process based on private equity and growth equity fund investment practices, while integrating analysis of climate vulnerabilities, ESG risk analysis, and identification of impact measurement metrics. Following initial contact, potential target companies will be entered into the existing proprietary database of potential investments and moved through a multi-stage engagement and evaluation process:

- (1) Company identified;
- (2) Initial contact;
- (3) Company presentation/management meeting;
- (4) Qualified lead approved for due diligence;
- (5) Initial due diligence;
- (6) Bid and negotiations;
- (7) Confirmatory due diligence;
- (8) Presentation of the deal to the AIFM;
- (9) Investment decision;
- (10) Close.

B. Investment Strategies

The overall objective of the Partnership is to make sustainable investments that enhance climate resilience through scaling-up climate adaptation solutions while also seeking to maximize returns to Investors. Specifically, the objective of the Partnership is to make

sustainable investments that assess and address the impacts of climate change, provided that in all cases the Sub-Funds shall invest directly or indirectly in eligible securities, interests and other assets eligible for a regulated investment company in risk capital (société d'investissement à capital risque - "SICAR") and which therefore satisfy the development criterion and risk criterion of, and are otherwise in compliance with, the Luxembourg law on investment companies in risk capital of 15 June 2004 (the "SICAR Law") and the CSSF Circular 06/241 on risk capital notion (the "CSSF Circular"). Climate change is increasing risks and impacts across all sectors of the global economy. Natural disasters generated record losses of \$340 billion in 2017, up from \$175 billion in 2016. The United Nations Environment Programme estimates that the costs of adaptation could reach \$300 billion per year by 2030 in developing countries alone. Even if global warming is limited to a 1.5°C target by 2100, the effects of climate change are projected to cause substantial risks and impacts across society and the economy. Investing in climate resilience solutions is a large and growing need and business opportunity. The Investment Adviser (together with its affiliates, "Lightsmith") has identified 20 market segments where companies have existing technologies, products, and services to manage weather volatility, physical disruption and damage, operational risks, and resource scarcity—the kinds of risks and impacts being increased by climate change. In 2018, \$170 billion was estimated to have been spent on these solutions globally. That spending is expected to more than double to \$380 billion by 2022. Although the majority of these companies do not describe what they do as "climate resilience" or "adaptation", climate change is driving even faster growth in spending in these market segments, with the potential for \$50-100 billion of additional spending annually.

C. Risks of Investments and Strategies Utilized

Investing in securities involves risk of loss that Clients and Investors should be prepared to bear.

Investment and trading risk factors may include:

Restrictions on Transfer. The Interests are subject to restrictions on transferability and resale and may not be transferred or resold without either registration under any applicable securities laws or an exemption from such registration. As more fully set forth in the Constituent Domm, Limited Partners may not transfer any of their interests, rights or obligations with regard to the Partnership, including its Sub-Fund, except in compliance with the terms of the Partnership Agreement. Investors should be aware that they may be required to bear the financial risks of this investment in the Partnership for an indefinite period of time.

Withdrawal Rights. Limited Partners may only withdraw from the Partnership upon the specific circumstances set forth in the Partnership Agreement. Investors should be aware that they may be required to bear the financial risks of this investment in the Partnership for an indefinite period of time.

Significant Default Penalties. If a Limited Partner fails to fund its subscription obligation or make required capital contributions when due, the Partnership's ability to complete its

investment program or otherwise continue operations may be substantially impaired, which could have adverse consequences for the Partnership. A default by a substantial number of Partners would limit opportunities for investment diversification and likely reduce returns to the Partnership. In addition, Limited Partners may be required to make additional contributions to replace a shortfall caused by a default, thereby reducing the diversification of their investment in the Partnership. Any Limited Partner that defaults in making a required capital contribution will be subject to potential adverse consequences as more fully set forth in the Partnership Agreement, including the payment of interest outside its Capital Commitment and the potential forfeiture of all or a portion of its interest in the Partnership. Dilution of Partners' Interest in the Partnership Partners admitted to the Partnership at subsequent closings or who increase their Capital Commitments at subsequent closings will participate in then-existing investments of the Partnership, thereby diluting the interests of the existing Partners in such investments. There can be no guarantee that the amounts paid by Partners admitted at subsequent closings or capital rounds or who increase their commitments at subsequent closings or capital rounds will reflect the fair market value of the Partnership at such time.

Company Size. There is no assurance as to the amount of total Capital Commitments that will be made to the Partnership. If aggregate Capital Commitments are less than target Capital Commitments, the Partnership may invest less than initially expected in each Portfolio Investment and may have fewer Portfolio Investments. Accordingly, the Partnership's portfolio may be more concentrated than expected.

Mandatory Withdrawals. The General Partner has the authority to require a Limited Partner to withdraw from the Partnership under certain circumstances described in the Partnership Agreement.

Passive Investment. The Limited Partners will generally not be involved in controlling or managing the affairs of the Partnership, including investment and disposition decisions. Limited Partners must rely on the AIFM, the Investment Adviser and the General Partner to conduct and manage the affairs of the Partnership. Limited Partners will not receive the detailed financial information issued by Portfolio Companies which is available to the AIFM, the Investment Adviser and the General Partner. A Limited Partner must rely upon the ability of the Investment Adviser to identify, structure and implement investments. Accordingly, no person should purchase Interests in the Partnership unless such person is willing to entrust all aspects of the management of the Partnership to the General Partner, the AIFM and the Investment Adviser.

Prevention of Money Laundering. The AIFM and the General Partner must ensure that the Partnership complies with applicable international and Luxembourg laws and regulations regarding the prevention of money laundering and terrorist financing, including in particular with the AML Law, and implementing regulations and other applicable rules adopted from time to time. In particular, anti-money laundering and counter terrorist financing measures in force in the Grand Duchy of Luxembourg require, on a risk sensitive basis, to establish and verify the identity of Investors (as well as the identity of any intended beneficial owners of

the interests if they are not the Investors and any agents (if applicable) and to monitor the business relationship on an ongoing basis. Ongoing monitoring includes, inter alia, the obligation to verify and, where appropriate, to update, within an appropriate timeframe, the documents, data or information gathered while fulfilling the customer due diligence obligations. The AIFM and the General Partner may only be in a position to fulfil its respective legal obligation to conduct an ongoing monitoring of the business relationship with the Investor if the respective Investor will provide the AIFM or the General Partner with the relevant information and documents in order to verify and, where appropriate update collected data. In case of any lack of cooperation of an Investor the AIFM and the General Partner would be obliged to block such Investor's account until the receipt of the information and documents required.

The AIFM and General Partner are further required to identify the nature and the intended purpose of the business relationship including the origin of the Partnerships received from the Investors.

Prospective Investors will be required to provide to the AIFM and to the General Partner the information set out in the Subscription Agreement, depending on their legal form (individual, corporate or other category of Investor). The AIFM and General Partner may demand additional information and documents as they see fit.

Furthermore, each Investor is required to notify the General Partner prior to the occurrence of any change in the identity of any beneficial owner of any interest. The AIFM and the General Partner may require from existing Investors, at any time, additional information together with all supporting documentation deemed necessary to comply with anti-money laundering measures in force in the Grand Duchy of Luxembourg.

The AIFM and the General Partner may decline to accept a subscription on the basis of such information that is provided or if such information is not provided. Requests for documentation and additional information may be made at any time during which an Investor holds an interest in the Partnership. The General Partner or the AIFM may be required to provide this information, or report the failure to comply with such requests, to appropriate governmental authorities, sometimes without notifying such Investor or potential Investor that the information has been provided. The AIFM and the General Partner will take such steps as they determine are necessary to comply with applicable law, regulations, orders, directives or special measures. Governmental authorities are continuing to consider appropriate measures to implement and at this point it is unclear what steps the General Partner or the AIFM may be required to take; however, these steps may include prohibiting an Investor from making further contributions of capital to the Partnership, freezing distributions or depositing distributions to which an Investor would otherwise be entitled in an escrow account or causing the withdrawal of an Investor from the Partnership.

The Investor understands and acknowledges that the Partnership and/or the General Partner, as the case may be, are subject to the obligation to file certain information on the natural persons considered as their beneficial owner as defined in the AML Law, in the

register of beneficial owner (RBE) in Luxembourg pursuant to the law of 13 January 2019 on the register of beneficial owners. In case an Investor is considered to be a beneficial owner of the Partnership, the Partnership and/or the General Partner will thus be legally required to provide certain information concerning such Investor to the aforementioned register of beneficial owners. The Investor understands and acknowledges that certain information on the beneficial owners of the Partnership as contained in the register of beneficial owners will be publicly accessible. The Investor further understands and acknowledges that any person considered as a beneficial owner of the Partnership within the meaning of the aforementioned law is legally required under the law of 13 January 2019 on the register of beneficial owners to provide the necessary information in this context to the Partnership and/or the General Partner, as the case may be.

Changes in law, practice and interpretation. Applicable law and any other rules or customary practice relating to or affecting tax, or the interpretation of these in relation to the Partnership, its assets, the Investors and any investment in the Partnership, may change during the life of the Partnership (possibly with retroactive effect). In particular, both the level and basis of taxation may change. Additionally, the interpretation and application of tax law, rules and customary practice by any taxation authority or court may differ from that anticipated by the General Partner and its advisers. This could significantly affect returns to the Partners. For example, prospective investors should be aware that changes to tax rules may result from the framework of proposals being developed as part of the Organization for Economic Cooperation and Development's ("OECD's") Base Erosion and Profit Shifting ("BEPS") project. The nature, extent and timing of tax changes which may result from these proposals is not certain and depends on how, if at all, jurisdictions choose to implement the proposals in their domestic law and their double tax treaties. Returns from the Partnership may be adversely affected by the way in which relevant jurisdictions, including jurisdictions in or through which the Partnership invests, implement the proposals. Further, changes in legal, tax and regulatory regimes within the jurisdictions of the respective Portfolio Investments and any holding structures as well as the AIFM, the Investment Adviser and the General Partner and the Limited Partners may occur during the life of the Partnership which may have an adverse effect on the Partnership, its Portfolio Investments or the Limited Partners. In addition, in countries with greater geopolitical risk, these risks are acute and therefore may have a greater impact on Portfolio Investments in these markets given the nascency of these markets.

As part of the BEPS project, new rules dealing inter alia with the abuse of double tax treaties, the definition of permanent establishments, controlled foreign companies, a restriction on the deductibility of excessive interest and hybrid mismatch arrangements, are being introduced into respective domestic law of BEPS member states via EU directives and a multilateral instrument.

The Council of the European Union has adopted two Anti-Tax Avoidance Directives (being, Council Directive (EU) 2016/1164 of 12 July 2016 laying down rules against tax avoidance practices that directly affect the functioning of the internal market ("ATAD I") and Council

Directive (EU) 2017/952 of 29 May 2017 amending ATAD I as regards hybrid mismatches with third countries ("**ATAD II**") that address many of the above-mentioned issues. The measures included in ATAD I were implemented by the Luxembourg law of 21 December 2018 (the "**ATAD Law**") into Luxembourg domestic law. Most of these measures are applicable since 1 January 2019 and 1 January 2020, the remaining being applicable as from 2022. These measures may have a material impact on how returns to Limited Partners are taxed.

Furthermore, the "Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting" (the "**MLI**") was published by the OECD on 24 November 2016. The aim of the MLI is to update international tax rules and lessen the opportunity for tax avoidance by transposing the results from the BEPS project into more than 2,000 double tax treaties worldwide. A number of jurisdictions (including Luxembourg) have signed the MLI. Luxembourg ratified the MLI through the law of 7 March 2019 and deposited its instrument of ratification with the OECD on 9 April 2019. As such the MLI entered into force for Luxembourg on 1 August 2019. Its application per double tax treaty concluded with Luxembourg will depend on the ratification by the other contracting state and on the type of tax concerned. Subsequent changes in tax treaties negotiated by Luxembourg could adversely affect the returns from the Partnership via its Luxembourg investment platform (as the case may be) to its Investors.

Subsequent Closings. To the extent there is a Subsequent Closing, any new capital that is paid out to the existing Investors may be treated as taxable gain to the existing Investors. Phantom Income There can be no assurance that the Partnership will have sufficient cash flow from other sources to permit it to make annual distributions in the amount necessary to pay all tax liabilities resulting from Investors' ownership of Interests.

FATCA. FATCA will generally impose a withholding tax of 30% on certain gross amounts of income not effectively connected with a U.S. trade or business paid to certain "foreign financial institutions" and certain "non-financial foreign entities," unless various information reporting requirements are satisfied. Amounts subject to withholding tax under these rules generally include gross U.S.-source dividend and interest income and certain other payments made by "participating" foreign financial institutions to "recalcitrant account holders" or "nonparticipating" foreign financial institutions on the date that is two years after the date of publication in the Federal Register of final regulations defining the term "foreign passthrough payments."

To prevent the Partnership from becoming subject to withholding tax under FATCA, the Partnership may be required to comply with certain information reporting and disclosure requirements which may include, among other things, registering with the U.S. Internal Revenue Service (the "**IRS**") and requesting additional information from each Investor and its beneficial owners that may be disclosed to various tax authorities and the IRS. Although the Partnership intends to comply with such information reporting and disclosure requirements to avoid this withholding tax, the AIFM, the Investment Adviser and General Partner and the Partnership cannot guarantee that the Partnership will be able to satisfy such

requirements. Under the principal agreements relating to the Partnership, each Investor will be required to provide to the Partnership the necessary information for the Partnership to comply with its obligations under FATCA and such principal agreements will provide for remedies (such as requiring an Investor to transfer its interest in the Partnership), in addition to the consequences imposed by FATCA (such as the 30% withholding tax), if such Investor does not comply with information requests by the Partnership in relation to FATCA.

FATCA and the Common Reporting Standard as implemented into Luxembourg law. Under the terms of the Luxembourg FATCA Law and Luxembourg CRS Law, the Partnership is likely to be treated as a Reporting (Foreign) Financial Institution. As such, the Partnership may require all Limited Partners to provide documentary evidence of their tax residence and all other information deemed necessary to comply with the above mentioned regulations.

Should the Partnership become subject to a withholding tax and/or penalties as a result of a noncompliance under the Luxembourg FATCA Law and/or penalties as a result of a non-compliance under the Luxembourg CRS Law, the value of the interests in the Partnership held by all Limited Partners may be materially affected.

Furthermore, the Partnership may also be required to withhold tax on certain payments to its Limited Partners who would not be compliant with FATCA (i.e. the so-called foreign passthrough payments withholding tax obligation).

Recycling/Reinvestment. Proceeds from the partial or complete liquidation of investments may be retained and reinvested by the Partnership or used for any other Fund purpose, or may be distributed to the Investors and recalled as described in the Partnership Agreement. Accordingly, a Limited Partner may be required to fund an aggregate amount in excess of its Capital Commitment during the term of the Partnership and, to the extent such recalled or retained amounts are reinvested in Portfolio Investments, a Limited Partner will remain subject to investment and other risks associated with such Portfolio Investments.

Fund-Level Leverage. The Partnership may obtain short-term or long-term debt financing from third party lenders. Use of such debt facilities involves additional risks, as lenders to the Partnership would be repayable on a priority basis prior to distributions to the Investors and the terms of relevant financing agreements will supersede the terms of the Partnership Agreement.

Recourse to the Partnership's Assets. The Partnership's assets, including any investments made by the Partnership and any capital held by the Partnership, are available to satisfy all liabilities and other obligations of the Partnership. If the Partnership becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Partnership's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Lack of Operating History. The Partnership is a newly formed entity with no operating history on which prospective investors may base an evaluation of likely performance. To the extent that the Investment Adviser's or the AIFM's investment professionals are responsible

for the investment results of previous investment funds, vehicles, or accounts, those results are past results and are not necessarily indicative of future results of the Partnership's investments. Prior investments made by affiliates and investment professionals of the Investment Adviser and the AIFM may have benefited from a number of factors, including general market conditions, attractive terms, and the availability of debt financing that may not be available to the Partnership. There can be no assurance that any of the Partnership's investments will perform as well as any investments previously made or managed by the AIFM, the Investment Adviser or their respective affiliates or their respective teams.

Operational Control. The Partnership, the General Partner, the Investment Adviser and the AIFM will rely on third parties over whom they do not exercise control, including providers of administration and custody services. The proper operation of the Partnership and safekeeping of the Partnership's assets depends on the performance of these third parties, which will be outside the Partnership's control.

The Partnership's, the General Partner's, the AIFM's and the Investment Adviser's efforts to mitigate these risks may not be successful. The Partnership's operations will involve risks arising from such factors as processing errors, human errors, inadequate or failed internal or external process, failures in systems and technology, changes in personnel, and errors caused by third parties.

The Partnership, the General Partner, the AIFM and the Investment Adviser may also be susceptible to operational risks through breaches of their information and technology systems or through breaches of their third party service providers that hold confidential information and/or have access to the AIFM's, the Investment Adviser's, the General Partner's or the Partnership's systems. The Partnership, the General Partner, the AIFM, the Investment Adviser and their service providers and other relevant market participants increasingly depend on complex information technology and communications systems to conduct business. These systems are subject to a number of different threats or risks that could adversely affect the Partnership and its investors, despite efforts to mitigate these risks and protect the security of such systems and information (which mitigation measures may be costly). Breaches of these systems and subsequent disclosures of information may cause the Partnership or its Portfolio Companies to lose proprietary information, lose data, or otherwise expose information to misuse. There could also be physical damage to a network system and loss or theft of an investor's funds.

AIFMD. As the AIFMD may impair the ability of the AIFM and the General Partner to market Interests in the Partnership to investors in the European Economic Area ("EEA") and may lead to the AIFM, the General Partner, the Partnership and/or their affiliates incurring additional costs or obligations. There remains some uncertainty as to the manner in and extent to which the AIFMD is being implemented in various EEA Member States and how such EEA Member States interpret the AIFMD.

This uncertainty increases the risk that the AIFM and/or General Partner will fail to comply with the requirements imposed by the AIFMD as implemented in a particular EEA Member State.

Increased Regulatory Oversight. The financial services industry and its participants (including banks, non-bank financial institutions, insurance companies, broker-dealers, etc. with which the Partnership may interact) have become subject to more intense regulatory oversight in recent years, both in the United States and abroad (including, without limitation, the AIFMD regulations in the EEA). As a result of such oversight, the AIFM's, the Investment Adviser's the General Partner's and the Partnership's and their respective affiliates' officers and employees will have contact with governmental authorities and/or will be required to devote time to responding to inquiries or examinations. Compliance with such increased regulatory oversight will add costs to the AIFM's, the Investment Adviser's and the General Partner's legal, operations and compliance obligations and will increase the amount of time the AIFM, the Investment Adviser and the General Partner spend on non-investment related activities.

Disclosure of Confidential Information. The Partnership, the General Partner, the AIFM, the Investment Adviser and /or certain investors in the Partnership may be required by law, regulation or otherwise to disclose certain confidential information relating to the Partnership and/or its investments. Such disclosure may affect the ability of the Partnership to realize a Portfolio Investment and may affect the price that the Partnership is able to obtain upon any subsequent realization or may otherwise adversely affect the Partnership.

Indemnification/Limitation of Liability Generally. The Partnership and its Portfolio Companies may enter into transactions or arrangements with affiliated and unaffiliated service providers in order to facilitate their activities and may be required to indemnify and/or limit the liability of such service providers.

Potential Emerging Banking Crisis. Inflation, and resulting rapid increases in interest rates, have led to a decline in the trading values of previously issued government securities with interest rates below current market interest rates. Certain financial institutions holding significant positions in these government securities have accumulated substantial unrealized losses, which has impaired or could impair the ability of such institutions to meet customer and other liquidity needs. A number of financial institutions have been impacted and continue to be impacted as part of this potential banking crisis.

In an effort to stabilize this deteriorating situation, the FDIC, in conjunction with the U.S. Department of Treasury and the Federal Reserve Board, have taken steps to assist a number of financial institutions impacted. Despite these efforts, concerns about the overall financial health and stability of the U.S. banking sector remains high, with many bank stocks trading at significantly lower prices than they did before the crisis began. Further governmental intervention may be required to stabilize the U.S. banking sector in the future if additional U.S. banks, particularly larger banks, appear to be at a risk of failure; it is unclear, however, whether the government would intervene in such circumstances and, if it did, whether such

governmental intervention would be sufficient to forestall a full-blown banking crisis. It is also possible that further government intervention could result in other unforeseen adverse impacts on the economy over the short or long term. At the same time, global markets are being adversely impacted by the financial uncertainties surrounding these circumstances.

Even if, ultimately, market concerns about the financial health and stability of U.S. and global banking sectors are successfully addressed, many observers believe that the risk of a recession occurring in the U.S., and perhaps in other major global economies, has increased because of the recent events in the banking sector. Relatedly, these events may prompt the Federal Reserve Board and other central banking authorities to slow down the pace of future increases in benchmark interest rates, which could make it more difficult for the U.S. and other governments to mitigate inflationary pressures in the economy and contribute to a period of higher inflation.

The events described above present several potential risks including to: (i) investment Firms, general partners and their related entities, (ii) the funds which they manage, (iii) fund limited partners; (iv) the portfolio companies in which funds make and hold investments; and (v) founders and senior management teams of portfolio companies. Certain of these risks are described in more detail below but other risks may arise in the future as events unfold. In evaluating such risks in the context of a rapidly evolving situation like this one, one should assume that circumstances may change in ways that are not necessarily predictable, and that conditions may deteriorate. Any of the risks described below, or other risks not described, if realized, could have a material adverse effect on the liquidity, current and/or projected business operations, financial condition and/or performance results, as applicable, for any of the Firm or its related parties, the Funds and/or the portfolio companies.

Banking Sector Risks on Fund Operations and Performance. It is likely that, if the banking sector situation continues to deteriorate, the U.S. and/or other global economies would be adversely affected, including the possibility of recession, the duration and severity of which are difficult to predict. Among other things, a weakening in the macroeconomic situation could make it more difficult for the Funds to identify and source investments; finance and consummate new investments or refinance existing investments; and dispose or otherwise monetize investments at attractive valuations. In addition, it is possible that the incidence of Fund investor capital call defaults may increase. The cumulative effect of the foregoing could adversely impact the value of Fund holdings and overall performance of the Funds.

Custody Risk. If a bank has custody of any Fund assets and the bank goes into receivership, the receivership could adversely impact the safekeeping of those assets and the ability to retrieve and secure such assets, and the applicable Funds may experience delayed access to deposits or other financial assets or the uninsured loss of deposits or other financial assets.

Force Majeure. Portfolio companies may be affected by force majeure events (i.e., events beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, earthquakes, outbreaks of an infectious disease, pandemic or any other serious public health concern, war, terrorism and labor strikes). Some force majeure events (e.g.,

government-mandated closures resulting from the current COVID-19 pandemic) may adversely affect the ability of a party (including a portfolio company or a counterparty to the Fund or a portfolio company) to perform its obligations until it is able to remedy the force majeure event. In addition, the cost to a portfolio company of repairing or replacing damaged assets resulting from such force majeure event could be considerable. Certain force majeure events (such as war or an outbreak of an infectious disease) could have a broader negative impact on the world economy and international business activity generally, or in any of the countries in which the Fund may invest specifically. Additionally, a major governmental intervention into industry, including the nationalization of an industry or the assertion of control over one or more portfolio companies or its assets, could result in a loss to the Fund, including if its investment in such portfolio company is canceled, unwound or acquired (which could be without what the Fund considers to be adequate compensation). Any of the foregoing may therefore adversely affect the performance of the Fund and its investments.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may 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 may have an adverse effect on the economy generally and on the ability of the Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Fund's portfolio companies.

Global Health Risk. Certain countries have been susceptible to epidemics or pandemics, most recently a novel and highly contagious form of coronavirus ("COVID-19"). The outbreak of such epidemics or pandemics, together with any resulting restrictions on travel or quarantines imposed, has had and could continue to have a negative impact on the economy and business activity globally (including in the countries in which the Funds invest), and thereby adversely affect the performance of the Funds' investments. Furthermore, the rapid development of epidemics or pandemics could preclude prediction as to their ultimate adverse impact on economic and market conditions, and, as a result, presents material uncertainty and risk with respect to the Funds and the performance of their investments or operations, and the ability of the Funds to achieve their investment objectives.

General Economic and Market Conditions. General economic or market conditions may adversely affect the performance of the investments made by the Fund. Factors affecting economic conditions, including, for example, public market volatility, inflation rates, rising

interest rates, currency devaluation, availability of credit, exchange rate fluctuations, economic uncertainty, industry conditions, competition, technological developments, domestic and worldwide political, military and diplomatic events and trends and innumerable other factors, none of which will be in the control of the Fund, the General Partner, Lightsmith or the Fund's portfolio companies, can substantially and adversely affect the business and prospects of the Fund and the portfolio companies in which it has invested. A general economic downturn could also result in the diminution or loss of value of the investments made by the Fund due to a number of factors, including a reduced demand for the products or services produced by the Fund's portfolio companies. In addition, a downturn or contraction in the economy or in the capital markets, or in certain industries or geographic regions thereof, may restrict the availability of suitable investment opportunities for the Fund and opportunities to liquidate the Fund's investments on favorable economic terms, each of which could prevent the Fund from meeting its investment objectives. A downturn in the U.S. economy or the economies of other countries in which the Fund is considering investments could adversely affect the Fund's operating results and ability to implement its business strategy. Difficult market conditions adversely affect the Fund and its returns by reducing the value or performance of its investments or by reducing its ability to raise or deploy capital.

Environmental, Social and Governance ("ESG") Matters. Lightsmith seeks to integrate certain ESG factors into the Fund's investment process in accordance subject to its fiduciary duty and any applicable legal, regulatory, or contractual requirements. Depending on the investment, certain ESG factors could have a material effect on the return and risk of the investment. However, the act of selecting and evaluating material ESG factors is subjective by nature, and there is no guarantee that the criteria utilized or judgment exercised by the General Partner or a third-party ESG specialist or any judgment exercised by the General Partner will reflect the beliefs or values of any particular Limited Partner, appropriately identify all externalities of the business in question or align with the practices of other asset managers or with market trends. Considering ESG factors when evaluating an investment may cause the Fund not to make an investment that it would have made in the absence of such consideration. Additionally, ESG factors are only some of the many factors the General Partner may consider in making an investment, and there is no guarantee that the General Partner will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term Limited Partner value and financial returns. There are also significant differences in interpretations of what positive ESG characteristics mean by region, industry, and topic. Lightsmith's interpretations and decisions may differ from others' views and could also evolve over time. Similarly, to the extent the General Partner or a third party ESG specialist engages with portfolio companies on ESG related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment. Successful engagement efforts on the part of the General Partner or a third-party ESG specialist will depend on the General Partner's skill in properly identifying and analyzing material ESG and other factors and their value, and there can be no assurance that the strategy or techniques employed will be successful. In addition, the General Partner's ESG programs and policies

may change over time. It is possible that market dynamics or other factors will make it impractical, inadvisable or impossible for Lightsmith to adhere to all elements of the General Partner's investment strategy, including ESG considerations, whether with respect to one or more individual investments or to the Fund's portfolio generally. Similarly, in evaluating a company, the General Partner often depends upon information and data provided by the company or obtained via third-party reporting or advisors, which may be incomplete or inaccurate and could cause the General Partner to incorrectly assess the company's ESG practices and/or related risks and opportunities.

In addition, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and Lightsmith's adoption and adherence to various such principles, frameworks, methodologies, and tools are expected to vary over time. There is a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement, and disclosure of ESG factors. Lightsmith could become subject to additional regulation in the future, and Lightsmith cannot guarantee that its current ESG approach will meet future regulatory requirements or be implemented in a way that does not impose additional costs or risks to investments.

Cybersecurity. Lightsmith relies extensively on computer programs and systems (and may rely on new systems and technology in the future) for various purposes, including undertaking transactions, evaluating certain investments, monitoring its portfolio and net capital and generating risk management and other reports that are critical to oversight of the Fund's activities. Certain of the Fund's, the General Partner's and Lightsmith's operations will be dependent upon systems operated by third parties, including administrators, market counterparties and their sub-custodians, depositories and other service providers. The Fund's service providers may also depend on information technology systems and, notwithstanding the diligence that the Fund may perform on its service providers, the Fund may not be in a position to verify the risks or reliability of such information technology systems.

These information technology systems are subject to a number of different threats or risks that could adversely affect the Fund and its investors, despite the efforts of the General Partner, Lightsmith's and the Fund's service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Fund and its investors. Cyber-attacks and other malicious internet-based activity continue to increase in frequency and magnitude. Techniques used to sabotage, or to obtain unauthorized access to, systems or networks change frequently and generally are not recognized until launched against a target. Therefore, companies, as well as their third-party partners (including vendors and portfolio companies), may be unable to anticipate these techniques, react in a timely manner or implement adequate preventive measures. Lightsmith and the Fund's portfolio companies' information and technology systems may be vulnerable to actual or perceived damage or

interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

Cyber-attacks may also take the form of socially engineered frauds, such as “phishing.” There have been reports of alleged government sponsored hacking attempts on American corporate intellectual property and the Fund’s portfolio companies may be at risk of cyber-attacks. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Lightsmith’s systems to disclose sensitive information in order to gain access to Lightsmith’s data or that of the Fund’s investors or portfolio companies. Companies and service providers have also been subject to “ransomware” attacks. Cyber-attacks could also result in attempts to induce Lightsmith, the Fund or its portfolio companies to transfer proceeds to a fraudulent account or the incorrect vendor, investor or other intended recipient. For example, if a third party gains access to sensitive information of a vendor or investor through a cyber-attack on the vendor’s or investor’s systems or by other means, such third party may be able to impersonate the vendor or investor and successfully change the bank account or other information of the vendor or investor that is used by Lightsmith when making payments or distributions to that vendor or investor. In the event proceeds are sent to a fraudulent account as a result of a cyber-attack on the vendor’s or investor’s systems, the vendor or investor could incur substantial financial losses. It is also possible that the Fund could incur substantial financial losses that are not covered by insurance as a result of a cyber-attack on Lightsmith’s, the Fund’s or a third party’s systems. As further evidence of the increasing and potentially significant impact of cyber security breaches, in recent years, the U.S. government and several multinational companies, including financial institutions, technology companies, service providers and retailers, reported cyber security breaches affecting their computer systems that resulted in the personal information of millions of citizens, customers and employees being compromised.

The General Partner and Lightsmith have implemented various measures to manage risks relating to these types of events, nonetheless, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the General Partner, Lightsmith, the Fund and/or a portfolio company may incur specific 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 General Partner’s, Lightsmith’s, the Fund’s and/or a portfolio company’s operations 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). Such a failure could harm the General Partner’s, Lightsmith’s, the Fund’s and/or a portfolio company’s reputation, subject any such entity and its respective affiliates to legal claims or otherwise adversely affect their business and financial performance.

Changes in Cybersecurity and Data Protection Laws and Regulations. The adoption, interpretation and application of consumer and data protection laws or regulations in the

U.S., Europe and elsewhere are often uncertain and in flux, and in some cases, laws or regulations in one country may be inconsistent with, or contrary to, those of another country. U.S. federal or state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting data privacy. For example, the State of California passed the California Consumer Privacy Act of 2018, A.B. 375, which went into effect in January 2020 and grants consumers additional data protection and privacy rights, and imposes additional obligations on companies that collect personal information. Industry organizations also regularly adopt and advocate for new standards in this area. In the U.S., these include rules and regulations promulgated under the authority of federal government bodies and agencies, state attorneys general, legislatures and consumer protection agencies.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may 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 may have an adverse effect on the economy generally and on the ability of the Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by the Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Fund's portfolio companies.

Suitability of Potential Limited Partners. An investment in the Fund is highly speculative, involves a high degree of risk and could result in the loss of part or all of a Limited Partner's capital contribution. Therefore, Limited Partners should not subscribe for Interests unless they can bear such a loss. Moreover, there can be no assurance that the Fund's investment objectives will be achieved and investment results may vary materially from one reporting period to the next. Consequently, an investment in the Fund is suitable only for sophisticated investors with substantial other assets who are capable of making an informed independent decision as to the risks involved in an investment in the Fund. The General Partner expects the Fund to hold its investments for a number of years. In addition, in some cases the Fund may be prohibited by contract or applicable laws from selling certain securities for a period of time. Because of the risks involved, the lack of a public market for the Interests and restrictions on transfer of Interests, an investment in the Fund is only suitable for sophisticated investors who are willing to hold their Interests for the term of the Fund and who understand that they may lose all or a significant portion of their invested capital.

Third-Party Litigation Costs. The Fund will be subject to a variety of litigation risks, particularly if one or more of its portfolio companies face financial or other difficulties during

the term of the Fund. This risk is somewhat greater if the Fund exercises control of, or significant influence on, a portfolio company's direction. Legal disputes, involving any or all of the Fund, the General Partner, its partners or its affiliates, may arise from the foregoing activities (or any other activities relating to the operation of the Fund or the General Partner) and could have a significant adverse effect on the Fund. For example, it is anticipated that the Fund may actively assist portfolio companies in differing capacities (including, without limitation, by serving as officers, directors or advisors). The Fund may also participate in portfolio company financings at implicit portfolio company valuations lower than the valuations implicit in preceding rounds of financing. While this provides the Fund with more opportunity to positively influence a portfolio company's success, it can also lead to greater exposure of the Fund's assets. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of the Fund), it is possible that the Fund, the General Partner, Lightsmith or any of their affiliates may be named as defendants. Portfolio companies may have insurance to protect directors and officers, but this insurance may be inadequate. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent certain conduct by the General Partner, Lightsmith or certain related parties to either of the foregoing, be borne by the Fund, would reduce its net assets and could require investors to return to the Fund capital and earnings previously distributed by the Fund. Lightsmith, the General Partner and other related parties are entitled to indemnification by the Fund in connection with such litigation, subject to certain conditions described in the Partnership Agreement. Beyond direct costs, such disputes may adversely affect the Fund in a variety of ways, including by distracting the General Partner and Lightsmith and harming relationships between the Fund and its portfolio companies or other investors in such portfolio companies.

Uncertain Asset Valuation. Certain actions by the General Partner, such as sales of investments and the redemption of Interests of defaulting Limited Partners, will be based on the General Partner's estimate of the value of the Fund's investments. In the case of most of the Fund's investments, market price quotations are unlikely to be readily available. Accordingly, Limited Partners will need to rely on the judgment of the General Partner in valuing such investments. Valuations do not necessarily represent the price at which an investment would sell since market prices of investments can only be determined by negotiation between a willing buyer and seller. If the Fund were to liquidate a particular investment, the realized value may be more than or less than the valuation of such asset as determined by the General Partner.

Conflicts of Interest

Potential Conflicts of Interest Generally. The AIFM, the Investment Adviser, the General Partner and/or their affiliates may also manage or advise other investment funds and vehicles and industry-specific investments, and the AIFM, the Investment Adviser and General Partner and their respective affiliates and their respective officers and employees maintain professional and personal relationships with Portfolio Companies and other market participants, all of which could give rise to conflicts of interest. Conflicts of interest may also

arise in allocating management time, services or functions of certain officers and directors between or among the Partnership and any other business entities that may currently exist or be formed in the future. The Partnership Agreement requires that certain conflict of interest transactions be approved by the Advisory Committee. However, there can be no assurance that such policies and procedures will adequately address all conflict of interest situations that may arise.

By acquiring an interest in the Partnership, each prospective investor will be deemed to have acknowledged the existence of the aforementioned actual or potential conflicts of interest.

Dependence on Key Personnel. The Partnership's success depends in large part on the performance of the Investment Adviser, the AIFM and the General Partner. The individuals with responsibility for investing in, or managing and disposing of, investments for the Partnership may also have responsibilities to other investment funds and investments managed by the AIFM, the Investment Adviser, the General Partner and their respective affiliates and co-investments alongside the Partnership and such other funds or investments. These individuals also may serve on the boards of directors of various companies. As a result, they will not devote their full time and attention to the Partnership and its Portfolio Companies, but a "Key Person Event" may occur under the Partnership Agreement if certain key individuals do not devote an agreed amount of their professional time to the Partnership and its related vehicles. Nonetheless, there can be no assurance that these individuals will continue to be employed by the Investment Adviser or General Partner or their respective affiliates for the life of the Partnership. If one or more of these individuals ceases to be employed by the Investment Adviser or the General Partner or their respective affiliates, it could have a material adverse effect on the Partnership and there is no assurance that any replacement individual will perform well.

There is competition among alternative asset firms, financial institutions, private equity firms, investment managers and other industry participants for hiring and retaining qualified investment professionals. Should any of the AIFM's, Investment Adviser's, General Partner's or their respective affiliates' professionals join or form a competing firm, become incapacitated or in some other way cease to participate in investment activities of the Partnership, the Partnership's performance could be adversely affected.

Acts or Omissions of the General Partner, the AIFM, the Investment Adviser and Related Parties. As further detailed in the Partnership Agreement, the liability of the General Partner, the AIFM, the Investment Adviser and related parties for any act or omission performed by them will be limited. Therefore, the Limited Partners may have a more limited right to action than they would have absent the terms and conditions of the Partnership Agreement. Additionally, the Partnership will, to the fullest extent permitted by law, indemnify the General Partner, the AIFM, the Investment Adviser and related parties for any and all losses and liabilities sustained by such persons in connection with the Partnership, subject to limited exceptions as further described in the Partnership Agreement.

Lack of Separate Representation. White & Case LLP and Arendt & Medernach serve as counsel to the Partnership and also represents the General Partner, the Investment Adviser and certain of their affiliates. White & Case LLP's and Arendt & Medernach's representation of the Partnership, the General Partner and the Investment Adviser is limited to specific matters as to which it has been consulted by the Partnership, the General Partner and/or the Investment Adviser. There may exist other matters which could have a bearing on the Partnership, the General Partner and/or the Investment Adviser as to which White & Case LLP and Arendt & Medernach have not been consulted. In addition, White & Case LLP and Arendt & Medernach do not undertake to monitor the compliance of the Partnership, the General Partner, the Investment Adviser, or their affiliates with the investment program and other guidelines set forth herein, nor does such counsel monitor compliance with applicable laws. In the course of advising the Partnership, the General Partner and/or the Investment Adviser, there are times when the interests of the Limited Partners may differ from those of the General Partner and/or the Investment Adviser. Neither White & Case LLP, nor Arendt & Medernach nor any other law firm retained by the General Partner or the Investment Adviser represents the interests of the Limited Partners in resolving these issues. In addition, in connection with this offering and any subsequent advice to the Partnership, the General Partner or the Investment Adviser, neither White & Case LLP nor Arendt & Medernach nor any other law firm retained by the Investment Adviser or the General Partner is representing the Limited Partners or any other prospective investor. Accordingly, prospective investors are strongly urged to consult their own tax and legal advisors with respect to the tax and other legal aspects of an investment in the Partnership and the transactions contemplated hereby and with specific reference to their own personal financial and tax situation.

Allocation of Investment Opportunities. The AIFM, the Investment Adviser, the General Partner and their respective affiliates may manage certain funds or investment vehicles that compete for assets with the Partnership and it may form funds or investment vehicles in the future that may or may not compete for assets with the Partnership, subject to certain restrictions set forth in the Partnership Agreement.

Inside Information. From time to time, the AIFM, the Investment Adviser, the General Partner and their affiliates may come into possession of material, non-public information that will limit the ability to buy and sell investments. The Partnership's investment flexibility may be constrained as a consequence of the AIFM's, the Investment Adviser's and/or General Partner's inability to use such information for investment purposes.

Competition among Investments. The Partnership may acquire Portfolio Companies in geographic areas or sectors that could compete with portfolio companies held by other funds managed by the AIFM, the Investment Adviser, the General Partner or their affiliates. In such event, there may be competition among such portfolio companies for customers, lenders, products and service providers, among others, which may create conflicts of interest.

Co-Investments. From time to time the General Partner may offer opportunities to co-invest with the Partnership to one or more Limited Partners (without making such opportunities available to all Limited Partners). The General Partner also may offer opportunities to co-

invest with the Partnership to investors that are not associated with the Partnership, and may choose not to offer such opportunities to any Limited Partner prior to offering such opportunities to a third party. The General Partner or an affiliate thereof may receive fees, carried interest or other compensation in connection with such co-investments.

Confidential Information. As part of the subscription process and otherwise in their capacity as Limited Partners, Limited Partners will provide significant amounts of information about themselves to the General Partner, the AIFM and the Partnership. As described in the Subscription Agreement as well as applicable laws, such information may be made available to other Limited Partners, third parties that have dealings with the Partnership, and governmental authorities (including by means of securities law required information statements that are open to public inspection). The Partnership may incur expenses in connection with responding to any such disclosure requests, even if the Partnership ultimately succeeds in asserting confidentiality for any requested documents and other materials. Limited Partners that are highly sensitive to such issues should consider taking steps to mitigate the impact upon them of such disclosures.

Certain Limited Partners may be subject to freedom of information or similar laws or other policies that compel public disclosure of confidential information regarding the Partnership, its investments, and its investors. Moreover, notwithstanding the obligation that the Limited Partners will have pursuant to the Partnership Agreement to maintain the confidentiality of the Partnership's information, there can be no assurance that such information will not be disclosed either publicly or to regulators, law enforcement, or otherwise.

To mitigate the above risks, the Partnership, the General Partner may withhold all or any part of the information they would otherwise provide to the Limited Partners.

Carried Interest. The capital contributions from Lightsmith will represent only a small portion of the Partnership's capital. Limited Partners will invest greater amounts and may receive a proportionately smaller amount of the profits of the Partnership than the Lightsmith. Lightsmith will be entitled to receive additional incentive compensation if the Portfolio Investments are sufficiently profitable, which may create an incentive for the General Partner to make more speculative investments on behalf of the Partnership than it would otherwise make in the absence of such incentive distributions.

Diverse Partners. The Investors may have conflicting investment, tax and other interests with respect to their investments in the Partnership. The conflicting interests of individual Investors may relate to or arise from, among other things, the nature of investments made by the Partnership, the structuring or the acquisition of investments and the timing of dispositions of investments. As a consequence, conflicts of interest may arise in connection with the decisions made by the Investment Adviser, the AIFM and the General Partner, including with respect to the nature or structuring of investments that may be more beneficial for one Partner than for another Partner, especially with respect to the Partners' individual tax situations. In selecting and structuring investments appropriate for the Partnership, the General Partner, the Investment Adviser and the AIFM will consider the

investment and tax objectives of the Partnership and its investors a whole, rather than the investment and tax objectives of individual Partners.

Notwithstanding the foregoing, the Partnership may be prohibited from making certain investments in violation of the policy restrictions of its investors that are supra-national organizations or development finance institutions, and may be prohibited from making investments through vehicles established in certain jurisdictions (even if such jurisdictions would be efficient for the Partnership) due to the various policy restrictions applied by certain investors in the Fund. The Partnership may additionally be required to sell its investments in companies that engage in certain excluded activities or who become, or who engage in transactions with, sanctioned parties. Any such sales may not maximize the commercial value of the Partnership's investment in the relevant company.

Advisory Committee. The Partnership will have an Advisory Committee. However, the Advisory Committee and the Limited Partners appointing members thereto may not have the same interest as all other Limited Partners. The Advisory Committee also is not an expert in the types of investments the Partnership will make, and as such, some of its determinations may adversely affect the performance of the Partnership.

Sovereign Immunity. Certain Limited Partners may enjoy sovereign or other immunities and privileges and may claim to be or insist on being restricted in their ability to submit to the jurisdiction of particular courts and tribunals, including those designated in the Partnership documents. These factors may make it substantially more difficult for the AIFM, the Investment Adviser or General Partner or the other parties to the Partnership documents to enforce the contractual obligations of such a Limited Partner.

More information about the Clients' investments and the associated risk factors is available in the Constituent Documents.

The foregoing list of risk factors and potential conflicts of interest do not purport to be a complete enumeration or explanation of every risk or conflict involved in an investment with Lightsmith. Prospective Investors and Clients should read the entire Brochure as well the Constituent Documents, Agreement other materials that may be provided by Lightsmith and consult with their own advisers prior to engaging Lightsmith's services.

Item 9 – Disciplinary Information

Lightsmith and its management persons have not been a party to any legal or disciplinary events that would be material to a client's or prospective client's evaluation of its investment advisory business or the integrity of its management.

Item 10 – Other Financial Industry Activities and Affiliations

A. Registration as a Broker-Dealer or Broker-Dealer Representative

Neither Lightsmith nor its management persons are registered as a broker-dealer or broker-dealer representative.

B. Registration as a Futures Commission Merchant, Commodity Pool Operator, or a Commodity Trading Adviser

Neither Lightsmith nor its management persons are registered as futures commission merchant, commodity pool operator, or a commodity trading adviser.

C. Relationships Material to this Advisory Business and Possible Conflicts of Interest

There are no other relationships or arrangements that are material to this advisory business.

D. Selection of Other Advisors or Managers

Lightsmith does utilize an alternative investment fund manager pursuant to the AIFM under the supervision of the Luxembourg financial supervisory authority. All assets are managed by Lightsmith.

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

A. Code of Ethics

Lightsmith has adopted a Code of Ethics (the “**Code**”) pursuant to Rule 204A-1 under the Investment Advisers Act of 1940, as amended. The Code governs the activities of each member, officer, director and employee of Lightsmith (collectively, “**Employees**”). Lightsmith holds its Employees to a high standard of integrity and business practices that reflects its fiduciary duty to the Client. In serving its Client, Lightsmith strives to avoid conflicts of interest or the appearance of conflicts of interest in connection with the personal trading activities of its Employees and Client securities transactions. When persons covered by the Code engage in personal securities transactions, they must adhere to the following general principles as well as to the Code’s specific provisions: (a) at all times the interests of Client must be paramount; (b) personal transactions must be conducted consistent with the Code in manner that avoids any actual or potential conflict of interest; and (c) no inappropriate advantage should be taken of any position of trust and responsibility. Employees covered by the Code have certain trading restrictions and reporting obligations of their personal securities transactions. Each Employee is provided with a copy of the Code and must annually certify that they have received it and have complied with its provisions. In addition, any Employee who becomes aware of any potential violation of the Code is obligated to report the potential violation to the Chief Compliance Officer.

Lightsmith will provide a copy of its Code of Ethics to Clients and prospective Clients upon request. Such a request may be made by submitting a written request to Lightsmith at the address on the cover page to this Brochure.

Lightsmith has also adopted an insider trading policy. The insider trading policy prohibits the Lightsmith's principals, partners, officers, directors and employees from buying or selling securities either for themselves or on behalf of others, including the Funds, while in possession of material, non-public information about the company that violate applicable securities laws. The insider trading policy also prohibits the communication of material, non-public information about a company to others who have no official need to know. Depending on the circumstances surrounding the information received, Lightsmith may conclude to place the issuer on the firm-wide "Restricted Securities List," which would bar any purchases or sales of the issuer's securities by any of the Lightsmith's personnel (including any related person).

The General Partners maintain investments directly in the Funds. The fact that General Partners have direct or indirect financial interests in the Funds could create a potential conflict in that it could cause Lightsmith to make different investment decisions than if such parties did not have such financial ownership interests. However, Lightsmith believes that these financial interests align Lightsmith's incentives with those of the Investors.

In addition, certain conflicts that may be encountered in the course of the Investment Adviser's activities for or on behalf of the Funds are described in Items 8 above and reference is made thereto. In addition, the Funds' Constituent Documents address certain other reasonably anticipated potential conflicts.

Item 12 – Brokerage Practices

The Lightsmith focuses on securities transactions of private companies and generally purchases and sells such companies through privately negotiated transactions. With respect to the Lightsmith's private company securities transactions on behalf of the Funds, Lightsmith may retain one or more nationally recognized broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its Portfolio Companies. In determining to retain such parties, Lightsmith may consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Lightsmith generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

Lightsmith generally does not engage in significant public securities transactions. In the event Lightsmith engages in public securities transactions, Lightsmith will seek to obtain best execution for all transactions.

To the extent purchase and sale orders are aggregated, Lightsmith will aggregate such orders as it deems appropriate and in accordance with the Funds' Constituent Documents and in the best interests of the Funds.

Lightsmith may face actual or potential conflicts of interest when allocating investment opportunities among the Funds. The general policy of Lightsmith is to allocate investment opportunities among the applicable Funds in a fair and equitable manner and in accordance with the terms of its policies and the applicable Constituent Documents for such Funds.

Consistent with Lightsmith 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 Lightsmith generally does not make use of such services at the current time and has not made use of such services since its inception. While Lightsmith has not made use of "soft dollars" to date, to the extent Lightsmith uses such "soft dollars" on behalf of the Funds, it will seek to do so within the safe harbor provided by Section 28(e) of the Exchange Act.

Item 13 – Review of Accounts

The Fund will be reviewed by Lightsmith on an ongoing basis to determine whether positions should be maintained in light of current market conditions. The reviews are conducted in various capacities by the Firm and its tax and fund administrators and will include specific positions held, adherence to investment guidelines and the performance of the Fund.

Significant market events affecting the prices of one or more position in Fund accounts, changes in the investment objectives or guidelines of a particular Fund or specific arrangements with particular Funds may trigger reviews of Fund accounts on a more frequent basis.

Pooled investment vehicle investors will receive reports from the Funds pursuant to the terms of each Fund's offering memoranda or as otherwise described in the offering document of the Fund.

Item 14 – Client Referrals and Other Compensation

A. Economic Benefits Provided by Third Parties

Lightsmith does not receive any economic benefit, directly or indirectly from any third party for advice rendered to the Client.

B. Compensation to Non-Advisory Personnel for Client Referrals

Currently, neither Lightsmith nor its related persons directly or indirectly compensates any person who is not advisory personnel for Client referrals. If in the future Lightsmith enters into such arrangements, this Brochure will be appropriately amended.

Item 15 – Custody

A rule under the Advisers Act Rule 206(4)-2) provides that, because Lightsmith is the general partner of the Fund, it is considered to have “custody” of the Fund’s assets, even though independent custodians (Prime Brokers) actually hold those assets. That rule generally requires investment advisers that have “custody” of Client assets to cause certain account statements detailing holdings and transactions to be sent to Clients, and imposes certain other obligations.

However, advisers to investment funds like the Fund need not comply with those requirements if, among other things, the Fund provides Investors with audited financial statements by a specified time each year and those financial statements meet certain requirements. Lightsmith satisfies those conditions and therefore is not subject to reporting and other obligations.

Item 16 – Investment Discretion

Funds’ Constituent Documents generally authorize Lightsmith to invest and trade the assets in a broad range of investments, to be selected at Lightsmith’s sole discretion, with no specific limitations as to type, amount, concentration, or leverage. Further, Lightsmith may enter into any type of investment transaction and employ any investment methodology or strategy it deems appropriate.

Pursuant to the Funds’ Constituent Documents each Investor designates Lightsmith as its attorney-in-fact to execute, certify, acknowledge, file, record and swear to all instruments, agreements and documents necessary or advisable to carrying out the Clients’ business and affairs, including execution of the Clients’ Constituent Documents. An Investor’s execution of a Fund’s subscription agreement constitutes its execution of the Fund’s Constituent Documents and the terms and conditions set forth therein.

Item 17 – Voting Client Securities

Lightsmith does not generally invest in listed equity securities. Therefore, Lightsmith does not generally receive proxies relating to securities owned by the Advisory Clients. Nevertheless, Lightsmith has established a proxy voting policy in the event that it is required to vote a proxy for certain investments.

Lightsmith, as a matter of policy and as a fiduciary to its Clients, is responsible for voting proxies for portfolio securities consistent with the best economic interests of Lightsmith’s clients. Lightsmith understands and appreciates the importance of proxy voting. The Firm will vote all proxies in the best interests of Clients and Investors (as applicable) and in accordance with the procedures outlined below (as applicable), unless otherwise mandated by investment management agreement or applicable law (e.g., ERISA).

Item 18 – Financial Information

Lightsmith has no financial commitment that impairs its ability to meet contractual and fiduciary commitments to Clients, and has not been the subject of a bankruptcy petition.

A. Balance Sheet

Lightsmith does not require nor solicit prepayment of more than \$500 in fees per client, six months or more in advance and therefore does not need to include a balance sheet with this Brochure.

B. Financial Condition

Lightsmith has discretionary authority over the Client's assets. At this time, neither Lightsmith nor its management persons have any financial conditions that are likely to reasonably impair its ability to meet contractual commitments to Clients.

C. Bankruptcy Petitions in Previous Years

Lightsmith has not been the subject of a bankruptcy petition in the last ten years.