

Form ADV Part 2A: FIRM BROCHURE

TYREE & D'ANGELO PARTNERS

TDP

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This Investment Adviser Brochure (“**Brochure**”) provides information about the qualifications and business practices of Tyree & D'Angelo Partners Management LP. If you have any questions about the contents of this Brochure, please contact us at (312) 489-5050. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “**SEC**”) or by any state authority.

Tyree D'Angelo Partners Management LP is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “**Advisers Act**”). However, such registration does not imply a certain level of skill or training.

Additional information regarding Tyree D'Angelo Partners Management LP is also available on the SEC's website at www.adviserinfo.sec.gov.

Item 2 – Material Changes

Tyree & D'Angelo Partners Management LP filed its initial Form ADV on July 27, 2018 under the 120-day provisional registration. With this filing, Tyree D'Angelo Partners Management LP is registering as a fully registered investment adviser. This Brochure includes the addition of a new fund, as reflected in Item 4 and in the Firm's Form ADV Part 1, as well as changes throughout this Brochure to reflect the new fund.

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Item 4 – Advisory Business

Tyree & D’Angelo Partners Management LP (together with its general partners and relying adviser, unless otherwise specified, collectively “**TDP**” or the “**Firm**”), a Delaware limited partnership, is a private equity firm based in Chicago. Tyree & D’Angelo Partners Management LP’s relying adviser, Tyree & D’Angelo Partners LLC, is also an investment adviser subject to the Advisers Act pursuant to Tyree & D’Angelo Partners Management LP’s registration in accordance with SEC guidance. Tyree & D’Angelo Partners Management LP commenced operations in June 2018 and the relying adviser, Tyree & D’Angelo Partners LLC, commenced operations in August 2013.

TDP serves as the investment adviser for and provides discretionary investment advisory services to private funds exempt from registration under the Securities Act of 1933, as amended (“**Securities Act**”). Specifically, Tyree & D’Angelo Partners Management LP acts as the investment manager for the following funds: Tyree & D’Angelo Partners Fund II LP; Tyree & D’Angelo Partners Fund II-A LP; Tyree & D’Angelo Partners Fund II-B LP; and Tyree & D’Angelo Partners Fund II-C LP (collectively, “**Fund II**”). Tyree & D’Angelo Partners LLC, the relying adviser, acts as the investment adviser to Tyree & D’Angelo Partners Fund I LP (“**Fund I**” and together with Fund II, each a “**Fund**” and collectively the “**Funds**”).

Each Fund is affiliated with a general partner with authority to make investment decisions on behalf of the Funds: Tyree & D’Angelo Partners GP II LP is the general partner of Fund II and Tyree & D’Angelo Partners GP I LLC is the general partner of Fund I (each a “**General Partner**” and collectively the “**General Partners**”). These General Partners are deemed registered under the Advisers Act pursuant to TDP’s registration in accordance with SEC guidance. While the General Partners maintain ultimate authority over the respective Funds, TDP has been designated the role of investment adviser. For more information about the Funds, General Partners and relying adviser, please see TDP’s Form ADV Part 1, Schedule D Sections 7.A.(1) and 7.B.(1) and Schedule R.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “**portfolio companies**.” TDP’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. Where such investments consist of portfolio companies, the senior principals (the “**Principals**”) or other personnel of TDP or its affiliates or third parties appointed by TDP generally serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies held by the Funds.

TDP does not tailor its advisory services to the individual needs of investors in its Funds; the Firm’s investment advice and authority for each Fund is tailored to the investment objectives of that Fund. TDP’s advisory services to the Funds are detailed in the applicable private placement memoranda or other offering documents, investment management agreements, limited partnership or other operating

agreements or governing documents (“**Governing Documents**”) and are further described below in Item 8, “Methods of Analysis, Investment Strategies and Risk of Loss.” The Firm does not seek or require investor approval regarding each investment decision.

Fund investors generally cannot impose restrictions on investing in certain securities or types of securities. Investors in the Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment pursuant to the relevant Governing Documents. While the Funds or the relevant General Partner may enter into side letters or other similar agreements with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Governing Documents with respect to such investors, neither Fund I nor Fund II has done so.

Additionally, from time to time and as permitted by the relevant Governing Documents, TDP expects to provide (or agrees to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, TDP’s personnel and/or certain other persons associated with TDP and/or its affiliates (*e.g.*, a vehicle formed by TDP’s Principals to co-invest an annually specified percentage alongside a particular Fund’s transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in TDP’s sole discretion, TDP is authorized to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of September 30, 2018, TDP managed \$250,118,910 in client assets on a discretionary basis. Tyree & D’Angelo Partners Management LP is controlled and owned by Michael Tyree and Enzo D’Angelo; Tyree & D’Angelo Partners LLC is controlled and owned by Michael Tyree, Enzo D’Angelo and James Tyree. More information about TDP’s owners and executive officers is available in TDP’s Form ADV Part 1, Schedules A, B and R.

Item 5 – Fees and Compensation

In general, TDP receives a management fee and a carried interest allocation in connection with advisory services provided to the Funds. TDP entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies of the Funds. For Fund II, such additional compensation will offset in part the management fees otherwise payable to TDP subject to the terms of the Fund II Governing Documents; Fund I does not have a fee offset

provision. In addition, in certain circumstances TDP receives compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in a Fund also bear certain expenses as more fully described below. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how TDP is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

Management Fees

The Funds generally pay TDP, semi-annually, a management fee (the “**Management Fee**”) equal to 2.0% (2.5% for Fund I) per annum of aggregate Fund investor capital commitments (“**Commitments**”), which are held by partners not designated as “affiliated partners” by the relevant General Partner. Investors participating in a closing after the relevant Fund’s initial closing date generally bear the Management Fee from such initial closing date plus interest. Each Fund’s Management Fee generally steps down following certain events specified in the relevant Governing Documents of such Fund and differs by Fund. For example, Fund II’s Management Fee, after the expiration of the investment period (as described in the relevant Governing Documents) may equal (i) 2% of the aggregate funded Commitments, less (ii) permanent write downs and distributions constituting returns of capital, in each case with respect to partners not designated as “affiliated partners”. The Management Fee will be payable until all portfolio investments are distributed or until TDP’s relationship with the applicable Fund is terminated for other reasons (as described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full six-month period are adjusted on a *pro rata* basis according to the actual number of days in such period. TDP does not accelerate Management Fees.

For Fund II only, the Management Fee will be reduced by the Fund’s share (based on the Fund’s relative ownership or anticipated ownership) of 80% of “**transaction fees**” attributable to partners not designated as “affiliated partners” of the Fund paid to TDP by or with respect to any portfolio company as further provided in the relevant Governing Documents. To the extent that such an offset credit would reduce the Management Fee for a given six-month period below zero, the credit will be carried forward for future application against payable Management Fees; if a credit remains upon liquidation, TDP is expected to retain the benefit and no payment will be made to limited partners. For Fund I only, the General Partner of Fund I paid the Management Fee on behalf of the Fund I investors.

The Funds generally utilize a revolving line of credit, secured by the limited partners’ commitments to each respective Fund. In accordance with the Funds’ Governing Documents, the line of credit is often utilized in lieu of making capital calls to the limited partners, including for purposes of making investments or paying for fees, costs or expenses, including fees, costs or expenses of, or reimbursements to, the General Partner or its affiliates. The Funds bear the expense of interest on such borrowed funds. As a result, the Fund’s use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and may make net

internal rate of return (IRR) calculations higher than they otherwise would be without fund-level borrowing, as these calculations generally depend on the amount and timing of capital contributions. While a Fund will bear the expense of borrowed funds, such borrowings can also increase the carried interest received by a Fund's General Partner by decreasing the amount of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return.

Additionally, as further described below and in the Fund II Governing Documents, as applicable, it is TDP's practice to retain an Operations Group (as defined below) to provide services to (or with respect to) certain portfolio companies in which one or more of Fund II invest. Such Operations Group generally receive compensation and other amounts described herein, but no such amounts will result in additional offsets to the Management Fee.

TDP is permitted to exempt certain "affiliated partner" investors in the Funds from payment of all or a portion of Management Fees and/or carried interest ("**Carried Interest**", as further described below), including TDP and any other person designated by TDP. Any such exemption from fees and/or Carried Interest may be made by a direct exemption, a rebate by TDP and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a TDP professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and Carried Interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, certain General Partners have the right to permit investors affiliated with TDP or otherwise to invest through the relevant General Partner or other vehicles that do not bear Management Fees or Carried Interest.

Principals or other current or former employees of TDP generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, Carried Interest or other compensation received by TDP or its affiliates.

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

Carried Interest

Each General Partner generally will receive a Carried Interest with respect to each Fund equal to 20% of all realized profits subject to a compound preferred return of 8% for Fund II and 10% for Fund I, as more fully described in the Governing Documents and briefly below in Item 6.

Fund Expenses

In addition to the Management Fee and Carried Interest payable to TDP, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, a Fund

generally bears all expenses relating to the Fund's activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce transaction fees.

For Fund I, these expenses include all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) all routine administrative expenses of Fund I incurred in the ordinary course, including the cost of the preparation of the annual audit, financial and tax returns and tax reports required for investors or the Fund, cash management expenses and routine legal and accounting expenses; (ii) all reasonable out-of-pocket costs and expenses, if any, incurred in holding, developing, negotiating, structuring, acquiring and disposing of actual permanent investments, including without limitation any financing, legal, accounting, advisory and consulting expenses in connection therewith (to the extent not subject to any reimbursement of such costs and expenses by portfolio companies or other third parties); (iii) all third-party expenses in connection with permanent investments, and broken deal expenses, including, without limitation, the out-of-pocket costs and expenses incurred in connection with obtaining third-party financing (such as commitment fees that are paid); (iv) brokerage commissions, registration fees and expenses, custodial expenses and other investment costs actually incurred in connection with actual portfolio investments; (v) interest on and fees and expenses arising out of all borrowings made by Fund I, including, but not limited to, the arranging thereof; (vi) the out-of-pocket costs of any litigation, directors and officers liability or other insurance (which in no way includes insurance with respect to the premises maintained by the General Partner and relying adviser (including the operations and equipment related thereto)) and indemnification or extraordinary expense or liability relating to the affairs of Fund I; (vii) expenses of liquidating Fund I; (viii) registration expenses and any taxes, fees or other governmental charges levied against Fund I and all expenses incurred in connection with any tax audit, investigation, settlement or review of Fund I; and (ix) the expenses of the executive partners and advisory partners council, the board of advisors and meetings of the limited partners.

For Fund II, these expenses include all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to origination and sourcing of investment opportunities for the applicable Fund, including meeting with broker-dealers, investment banks and other sources of investments and developing an investment pipeline; (ii) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to periodicals or databases), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving, or otherwise disposing of, as applicable, portfolio companies and the applicable Fund's actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (iii) indebtedness of, or guarantees made by, certain affiliated entities on behalf of the applicable Fund (including any credit facility, letter of credit or similar credit support), including

repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar fees and expenses; (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository (including any depository appointed pursuant to the European Union Alternative Investment Fund Managers Directive (the “**AIFMD**”)), Swiss representative and Swiss paying agent (appointed pursuant to the Swiss Collective Investment Schemes Act (as amended) and its implementing ordinance) trustee, record keeping, account and similar services; (vii) legal, accounting, research, auditing, administration (including fees and expenses associated with the applicable Fund’s third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to the Operations Group or any of its members, consultants performing investment initiatives and other similar consultants), tax and other professional services; (viii) expenses associated with the reporting, filings or other ongoing compliance requirements contemplated by AIFMD; (ix) reverse breakup, termination and other similar fees (“**Broken Deal Expenses**”); (x) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (including cyber insurance) and regulatory expenses, including any costs and expenses related to any retention or deductibles; (xi) filing, title, transfer, registration and other similar fees and expenses; (xii) printing, communications, marketing and publicity; (xiii) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, other communications with limited partners, or any other administrative, compliance or Fund-related or investment-related regulatory filings or reports (including Form PF), or other information, including fees and costs of any third-party service providers, distribution agents and professionals related to the foregoing; (xiv) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the applicable Fund and its limited partners; (xv) any activities with respect to protecting the confidential or non-public nature of any information or data; (xvi) to the extent provided in the relevant Governing Documents, or otherwise approved by the relevant General Partner in its sole discretion, activities or proceedings of the applicable Fund’s advisory board (including any costs and expenses incurred by representatives of such General Partner, advisory board members, permitted observers and other persons in attending or otherwise participating in meetings of such advisory board); (xvii) indemnification subject to the terms of the applicable Governing Documents; (xviii) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xix) any annual limited partner meeting or other periodic, if any, meetings of the limited partners, any other conference or meeting with any limited partner(s), and any periodic executive forum of portfolio company management and/or other persons, in each case to the extent incurred by the applicable Fund, General Partner or any other affiliate of such General Partner; (xx) the Management Fee; (xxi) except as otherwise determined by the relevant General Partner in its sole discretion, any

fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be an expense of the applicable Fund if it were incurred in connection with such Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any feeder vehicles related to the applicable Fund to the extent not paid by the investors investing in such entities, and any other costs and expenses related to any structuring or restructuring of such entity and/or its affiliated entities; (xxii) the termination, liquidation, winding up or dissolution of the applicable Fund; (xxiii) defaults by partners in the payment of any Commitments; (xxiv) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the applicable Fund, parallel fund, General Partner, parallel fund's general partner, ultimate general partner, TDP and any alternative investment vehicle of such Fund or parallel fund, including the preparation, distribution and implementation thereof; provided that, with respect to amendments to, and waivers, consents or approvals pursuant to, the constituent documents of such General Partner, the parallel fund general partner, ultimate general partner and TDP, such amendments, waivers, consents or approvals relate to the affairs of the applicable Fund, parallel fund or any alternative investment vehicle thereof; (xxv) (A) complying with any law, regulation or policy related to the activities of the applicable Fund (including any legal fees and expenses related thereto and any regulatory expenses of the relevant General Partner incurred in connection with the operation of such Fund) and/or (B) any litigation or governmental inquiry, investigation or proceeding involving the applicable Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the relevant Governing Documents; (xxvi) any third-party experts, including independent appraisers, engaged by the relevant General Partner in connection with the applicable Fund considering, making or holding an investment in the same entity as one or more investment vehicles (other than such Fund) managed or controlled by such General Partner or any of its affiliates; (xxvii) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer of a limited partner's interest in the applicable Fund that is contemplated by the relevant Governing Documents; (xxvii) any taxes, fees and other governmental charges levied against the applicable Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of such Fund (except to the extent that the relevant Governing Documents provide otherwise); (xxix) distributions to partners and other expenses associated with the acquisition, holding and disposition of the applicable Fund's investments, including extraordinary expenses; (xxx) unreimbursed expenses and unpaid fees of the Operations Group or its members, employees or other persons engaged by the Operations Group; (xxxi) compliance or regulatory matters related to the applicable Fund, except as otherwise set forth in the applicable Governing Documents; (xxxii) any travel, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxiii) organizational expenses; (xxxiv) placement fees; and any other fees, costs, expenses, liabilities or obligations approved by an advisory board. Excluded from Fund II's expenses, as set forth in the applicable Governing Documents, are (i) ordinary overhead and administrative

expenses of TDP or the applicable General Partner, including employees' salaries, rent and equipment expenses; (ii) any expenses that are used by the applicable Fund to make an investment or, as determined by the applicable General Partner, to pay expenses incurred in direct connection with the making, maintaining or disposing of such investment; and (iii) certain regulatory expenses incurred solely in connection with the applicable General Partner's and/or TDP's registration (and the ongoing maintenance of such registration) as an investment adviser under the Advisers Act. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in Item 12 below, "Brokerage Practices."

In certain circumstances, one Fund is expected to pay an expense common to multiple Funds (including without limitation legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time), and be reimbursed by the other Funds by their share of such expense, without interest. While TDP believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, TDP is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

Co-Investment Fees and Expenses

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to TDP's related policies and the relevant Governing Documents. Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial, in the judgment of the General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such Broken Deal Expenses.

From time to time, TDP may receive supplemental fees and compensation from, on behalf of or with respect to co-investors in an investment. The portion of any such fees received attributable to amounts co-invested (or on behalf of or with respect to any co-investors in a Fund investment) will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee that relates to such co-investors.

Portfolio Company Remuneration

As mentioned above, TDP and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such compensation. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and TDP and/or its affiliates on the other hand.

Each portfolio company typically pays for or reimburses the Firm for the travel of TDP employees to visit such portfolio company. However, any reimbursement by a portfolio company of out-of-pocket expenses incurred by TDP, a General Partner or their respective affiliates will not be offset against the Management Fee payable by the Funds.

From time to time, TDP may (in its sole discretion) agree to pay a transaction fee, portion of Carried Interest or other fee received from an actual or prospective portfolio company to a third party, such as a consultant, adviser, finder, placement agent, broker and/or investment bank. In such event, the third-party fee is not a fee that TDP is entitled to retain and, therefore, TDP is not required under the terms of the applicable Governing Documents to share such third-party fees with a Fund.

Operating Partner Fees and Expenses

TDP has retained, on behalf of the applicable Fund and/or the portfolio companies, as applicable, operating partners and other consultants (“**Operating Partners**”), which in some cases are affiliates of such General Partner, employees of such affiliates, portfolio companies of other funds managed by the General Partner or its affiliates, third-party consultants (including individual Operations Group members, consultants and external executives), “strategic partners,” “executive partners,” “advisory partners,” “resource partners” or “senior advisors.” The Operating Partners may regularly provide services to, or in connection with, a Fund in relation to its activities, or to one or more portfolio companies in relation to the identification, acquisition, holding, improvement and/or disposition of such portfolio companies, including operational aspects of such companies (“**Services**”).

Pursuant to the relevant Governing Documents, fees and expenses associated with the Services (collectively “**Consulting Fees and Expenses**”), may be paid and/or reimbursed by applicable portfolio companies and/or the Fund, and Consulting Fees and Expenses do not offset the Management Fee. Consulting Fees and Expenses are expected to include cash fees, profits or equity interests in a portfolio company, a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operating Partner, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operating Partner, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for Operating Partners to invest in such portfolio company and reimburse costs and expenses incurred by Operating Partners. Specifically, Operating Partners are reimbursed for the cost

of their travel to and from portfolio company board meetings and other portfolio company business and such expenses are generally borne by the relevant portfolio company which the Operating Partner is advising, but may also be paid by the relevant Fund in the event such expense becomes a Broken Deal Expense. Such reimbursable expenses are not offset against Management Fees. Operating Partners also may receive remuneration from a General Partner and/or the applicable Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. Such investment opportunities, reimbursements and other compensation paid to an Operating Partner will not offset the Management Fee. Operating Partners may have a limited partnership or profit interest in a Fund, the relevant General Partner, one or more other investment funds sponsored by such General Partner or in an affiliate of the General Partner.

The nature of the relationship with each of Operating Partner and the amount of time devoted or required to be devoted by them varies considerably. In certain cases, Operating Partners provide the Funds and/or TDP with industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and/or provide reference checks on management teams. In other cases, Operating Partners may take on more extensive roles and serve as executives or directors on the boards of portfolio companies or contribute to the origination of new investment opportunities. In certain instances, TDP may have formal employment or other arrangements with these Operating Partners (which may or may not be terminable upon notice by any party) and such Operating Partners may be denominated executive partners or advisory partners of TDP. In other cases, the relationship may be more informal. There can be no assurance that any of the Operating Partners will continue to serve in such role and/or continue their arrangement with TDP and/or any portfolio company throughout the terms of the Funds.

Operations Group

Additionally, as further described herein and in the Fund II Governing Documents, it is TDP's practice to retain certain executive partners, advisory partners, resource partners and other similar consultants to provide services to (or with respect to) Fund II or certain current or prospective portfolio companies in which Fund II invests (collectively, the **"Operations Group"**). TDP may form an exclusive consulting firm affiliated with the Firm to employ certain members of the Operations Group. Such Operations Group generally provides services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Members of the Operations Group receive or are expected to receive compensation including, but not limited to, cash fees, retainers, transaction fees, a profits or equity interest in a portfolio company, profits or equity interests in one or more Funds or General Partners, remuneration from TDP and/or its Funds or affiliates or other compensation, which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such members of the Operations Group, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a

percentage of cash flows from such company. Members of the Operations Group also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset the Management Fee. The use of the Operations Group subjects TDP to conflicts of interest, as discussed under Item 8, “Conflicts of Interest,” below.

Allocation of Fees and Expenses

In good faith and in its fair and reasonable discretion, TDP determines on a case by case basis whether an expense should be borne by the Firm, a Fund or a portfolio company. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, TDP will typically allocate common expenses among multiple Funds on a *pro rata* basis and in accordance with its internal policies and procedures governing expense allocations.

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

A Carried Interest allocation represents an adviser’s compensation based on a percentage of net profits of the funds it manages. As described above in Item 5, each Fund General Partner receives a Carried Interest allocation on certain realized profits in the Fund equal to 20% of all realized profits subject to an annually compounded preferred return (or hurdle) (8% for Fund II; 10% for Fund I) and subject to reimbursement of all relevant Fund expenses, including Management Fees. The Carried Interest allocated to a General Partner is subject to a potential giveback if the respective General Partner has received excess cumulative distributions. Each Fund’s Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund Governing Documents. For Fund I only, the General Partner of Fund I paid its pro rata portion of Carried Interest under the same terms as Fund I investors.

These performance fee arrangements have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. The General Partner of each Fund may, in its sole discretion, waive or reduce the amount of Carried Interest for an investor in a Fund. Specifically, if the Principals and employees, and their respective family are Fund investors they will generally pay reduced Carried Interest or none at all. Similarly, investors in co-investment Funds, if applicable, generally will pay a lower amount of Carried Interest.

The fact that the General Partner’s Carried Interest allocations are based on the performance of each Fund may create incentive for TDP to make investments that are more speculative than would be the case in the absence of such distributions. This incentive is mitigated, however, due to the fact that any losses the Funds sustain will reduce the General Partner’s Carried Interest distribution and the fact that Carried Interest is generally calculated only after investors have received as distribution 100% of their capital contributions plus a preferred return.

Funds with specified investment objectives which are similar may be managed in a similar way and may invest in the same assets. Investment opportunities which satisfy the investment parameters of more than one Fund will be allocated in accordance with TDP's policies and procedures and in accordance with the applicable Governing Documents. TDP's policies and procedures for the allocation of investments are determined by the Investment Committee and monitored by TDP's Chief Compliance Officer.

Item 7 – Types of Clients

TDP provides investment advice to the Funds. The Funds include investment partnerships 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 (the “**Company Act**”). The investors participating in the Funds include individuals, other investment entities, family offices, trusts, estates or other corporations or business entities and typically include, directly or indirectly, Principals or other employees of TDP and its affiliates and members of their families, Operating Partners, members of the Operations Group or other service providers retained by TDP.

The Funds may include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

Each Fund generally has a minimum investment amount of \$250,000 - \$1,000,000 for third-party investors (depending on the Fund and whether the investor is an individual or entity), and Fund interests are offered and sold solely to qualified investors, including accredited investors who are also qualified clients or, as applicable, qualified purchasers as defined under the Company Act (or qualified knowledgeable TDP personnel). Such minimum investment amounts may be waived by TDP.

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

General

TDP is a private investment firm that seeks to make control private equity investments in Lower Middle Market (as defined below) companies that are generally located in the United States and Canada. TDP's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly of non-public companies although investments in public companies are permitted. TDP, on behalf of the Funds, focuses on investments in healthcare, business services and consumer industries in the Midwest, although there can be no assurance that any or all investments made by each Fund will share each investment criteria. TDP will seek to generate long-term capital appreciation and investment returns by making value-oriented equity investments in

companies with approximate annual “EBITDA” between \$1 million and \$5 million or revenue below \$50 million (“**Lower Middle Market**” or “**LMM**”).

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

Investment and Operating Strategy

TDP intends to make control ownership investments in Lower Middle Market companies where the TDP team, with its combination of investing and operating experience, believes it can add value to these smaller and generally less sophisticated companies. TDP has established five investment principles that it believes are fundamental in both limiting a Fund’s investment risk and helping to efficiently identify attractive investment targets. TDP believes that the disciplined application of these investment criteria, discussed below, will help TDP be efficient and focus its efforts on high potential qualified opportunities:

Ability for TDP to Predictably Grow and Improve the Value of the Company

TDP will typically only focus on opportunities where its investment staff believes they can substantially increase the size of a company in a reasonable time frame. This is expected to lead the applicable Fund to focus on investing in companies operating in industries with a high degree of fragmentation where TDP believes add-on acquisitions can be completed at reasonable price points. In addition, TDP intends to gravitate towards opportunities in which simple profitability improvements and organic growth initiatives can be identified before and implemented upon acquisition. This generally will include helping company management execute on: an improved sales strategy, adjacent market and product/service expansion, improved product/service development, improved pricing, improved cost management, improved working capital and cash flow management, and bolstering human capital and business processes.

Attractive Purchase Price and Transaction Structure

TDP will seek to complete acquisitions at a reasonable purchase price relative to the cash flow generated by the underlying company. TDP will address valuation early on in the review process with sellers of businesses to ensure that price expectations are reasonable to TDP. TDP will also explore certain structuring arrangements with business sellers, including the utilization of third-party debt, seller financing, earn-out structures, or preferred securities to mitigate the chances of investment loss and lower potential financial risk.

Strong Collaborative Partnership with Management

Each Fund generally will only invest in companies in which a strong ongoing working relationship with management is expected. In addition, TDP generally will require the owners and existing managers of initial acquired companies to roll-over a meaningful amount of their equity value, co-

investing in the transaction alongside the applicable Fund. This will create the potential for a continuing alignment of economic interests and reinforce the desire of the management team to work collaboratively with TDP to maximize the value of their roll-over investment.

Attractive Underlying Business Model

Each Fund will focus on investing in companies that TDP believes have a suite of high quality services and/or products that provide strong and sustainable value propositions to underlying customers. Companies that have demonstrated an ability to secure customers over a long-term basis and generate meaningful recurring revenues will be more attractive investment targets for such Fund. In addition, TDP will seek to target companies that differentiate themselves relative to their competitors and have a strong reputation in their market, with the potential to increase market share over time.

Positive Industry Demand Trends

Each Fund will focus on investing in companies operating in stable to growing industry segments where TDP believes that significant opportunities exist to take advantage of both long-term secular and short-term cyclical demand growth trends. Each Fund does not intend to focus on distressed or turnaround situations, and plans to avoid industry segments that are expected to experience negative growth. TDP believes choosing companies in markets with positive demand growth provides more certainty with respect to organic sales growth and aids in positioning the company for a more attractive sale process when the company is eventually sold.

Risks of Investment

An investment in the Funds involves a high degree of risk, including the risk of a partial or total loss of capital, and investors must be prepared to bear capital losses which might result from investments. An investment in the Funds is speculative, illiquid and long-term in nature, and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in the Funds. Investors should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Risks and potential conflicts of interest include, but are not limited to, the following:

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by privately held, Lower Middle Market companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

Investment in Junior Securities. The securities in which each Fund will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. Generally, there will be no collateral to protect a Fund's investment once made.

Concentration of Investments. Each Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. The Funds will typically focus on investments in the healthcare industry. Instability, fluctuation or an overall decline within the healthcare industry will likely not be balanced by investments in other industries not so affected. In the event that the healthcare industry as a whole declines, returns to a Fund's limited partners may decrease. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified. In circumstances where the relevant General Partner intends to refinance all or a portion of the capital invested in a transaction, there will be a risk that such refinancing may not be completed, which could lead to increased risk as a result of the applicable Fund having an unintended long-term investment as to a portion of the amount invested and/or reduced diversification.

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

Dynamic Investment Strategy. While each General Partner generally intends to seek attractive returns for the relevant Fund primarily through making growth equity investments as described herein, such General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate. A General Partner may pursue investments outside of the industries and sectors in which the Principals have previously made investments or have internal operational experience.

Growth Equity Transactions. Each Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

General Risks of Investments in Healthcare Companies. While investments in healthcare companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial or total loss. Healthcare companies may face intense competition,

including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which a Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn. A Fund's portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources.

Healthcare Reform. Healthcare reform continues to be a significant factor in the profitability of companies in which a Fund may invest. The efforts to reform the healthcare delivery system in the United States and Europe has resulted in increased pressure on healthcare providers and other participants in the healthcare industry to reduce costs. These competitive forces place constraints on the levels of overall pricing, and thus could have a material adverse effect on profit margins for the companies in which a Fund invests.

Healthcare Regulation and Reimbursement. Various segments of the healthcare industry are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While each Fund intends to make investments in companies that comply with relevant laws and regulations, certain aspects of their operations may not have been subject to judicial or regulatory interpretation. An adverse review or determination by any one of such authorities, or an adverse change in the regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a Fund invests. Recent legislative changes, including the passage of the U.S. Patient Protection and Affordable Care Act, have had, and will likely continue to have, a significant impact on the healthcare industry. In addition, various legislative proposals related to the healthcare industry are introduced from time to time at the U.S. federal and state level, and any such proposals, if adopted, could have a significant impact on the healthcare industry and/or on companies in which a Fund may invest.

Healthcare Research and Innovation. The healthcare industry spends heavily on research and development. Research findings (e.g., regarding side effects or comparative benefits of one or more particular treatments, services or products) and technological innovation (together with patent expirations) may make any particular treatment, service or product less attractive if previously unknown or underappreciated risks are revealed, or if a more effective, less costly or less risky solution is or becomes available. Any such development could have a material adverse effect on the companies in which a Fund invests.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital

and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the Management Fee payable to the relevant General Partner or its affiliate(s)) may exceed its income, thereby requiring that the difference be paid from the applicable Fund's capital, including unfunded Commitments.

Leveraged Investments. A Fund may make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, such Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

A Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. A Fund may incur leverage on a joint and several basis with one or more other Funds and entities managed by such Fund's General Partner or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by Commitments made by such Fund's investors and such investors' Commitments may be required to be made directly to the lenders instead of the Fund.

Use of Credit Facility. A Fund may be permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate Commitments available to be called. A Fund's use of such facilities will be determined by the relevant General Partner, and the performance of such Fund may be impacted by how such General Partner causes the Fund to utilize such facilities.

Although, the use of such a facility may increase a Fund's ability to swiftly invest capital, it also will cause such Fund to incur interest expense. Conflicts of interest may arise in that the use of such facilities may, and likely would, delay the need for partners to make certain Commitments to a Fund, which may enhance such Fund's performance figures and thereby benefit the relevant General Partner and its affiliates.

Limited Transferability of Fund Interests. There will be no public market for Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the relevant Governing Documents and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

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

Reliance on the General Partner and Portfolio Company Management. Control over the operation of each Fund will be vested with the relevant General Partner, and each Fund's future profitability will depend largely upon the business and investment acumen of the Principals. The loss or reduction of service of one or more of the Principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the Principals currently, and may in the future, manage other Funds or investment vehicles besides a particular Fund and the Principals may need to devote substantial amounts of their time to the investment activities of such other Funds or investment vehicles, which may pose conflicts of interest in the allocation of the time of the Principals. Limited partners generally have no right or power to take part in the management of the relevant Fund, and as a result, the investment performance of each Fund will depend on the actions of the relevant General Partner. In addition, certain changes in a Fund's General Partner or circumstances relating to such General Partner may have an adverse effect on the relevant Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

Although each General Partner will monitor the performance of each relevant Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although each Fund generally intends to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the relevant Fund's objectives.

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

Conflicting Investor Interests. Limited partners may have conflicting investment, tax, and other interests with respect to their investments in a Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by a General Partner regarding an investment that may be more beneficial to one limited partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, a General Partner generally will consider the investment and tax objectives of the relevant Fund and its partners as a whole, not the investment, tax, or other objectives of any limited partner individually.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, including the ability of a Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, TDP may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow-on investments or that such Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for such Fund to increase its participation in a successful portfolio company or the dilution of the Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-U.S. Investments. A Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of a

Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or such Fund's partners with respect to the Fund's income, and possible non-U.S. tax return filing requirements for the Fund and/or such Fund's partners.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Significant Adverse Consequences for Default. A Fund's Governing Documents provides for significant adverse consequences in the event a limited partner defaults on its Commitment or any other payment obligation. In addition to losing its right to potential distributions from a Fund, a defaulting limited partner may be forced to transfer its interest in such Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest.

Dilution. Limited partners admitted or that increase their respective Commitments to a Fund at subsequent closings generally will participate in then-existing investments of such Fund, thereby diluting the interest of such Fund's existing limited partners in such investments. Although any such new limited partner will be required to contribute its *pro rata* share of previously made Commitments, there can be no assurance that this contribution will reflect the fair value of such Fund's existing investments at the time of such contributions.

Transfer by General Partner. To the extent a General Partner, its partners, the Principals and/or their respective affiliates commit to make a direct or indirect investment in or along-side the relevant Fund, a material participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Governing Documents.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.

Non-Controlling Investments. A Fund may hold meaningful minority stakes in privately held companies and in some cases may have limited minority protection rights. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur

if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it may be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of such Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Director Liability. A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately such Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

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 a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon a Fund's portfolio companies.

Market Conditions. The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for a Fund and may affect such Fund's ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in a Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007 or

the downgrading of the credit rating of the United States in 2011, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and a Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments.

Such adverse effects may include the requirement of a Fund to pay break-up, termination or other fees and expenses in the event such Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of a Fund to dispose of investments at prices that the relevant General Partner believes reflect the fair value of such investments. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

Certain Consultants. As mentioned in Item 5, "Fees and Compensation" above, each TDP has retained, on behalf of the applicable Fund and/or the portfolio companies, as applicable, operating partners and other consultants ("**Operating Partners**"), which may be affiliates of such General Partner, employees of such affiliates, portfolio companies of other funds managed by the General Partner or its affiliates, third-party consultants (including individual Operations Group members, consultants and external executives), "strategic partners," "executive partners," "advisory partners," "resource partners" or "senior advisors." The Operating Partners may regularly provide services to, or in connection with, a Fund in relation to its activities, or to one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies ("**Services**").

Pursuant to the relevant Governing Documents, fees and expenses associated with the Services (collectively "**Consulting Fees and Expenses**"), may be paid and/or reimbursed by applicable portfolio companies and/or the Fund, and Consulting Fees and Expenses do not offset the Management Fee. Consulting Fees and Expenses are expected to include cash fees, profits or equity interests in a portfolio company, a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operating Partner, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operating Partner, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for Operating Partners to invest in such portfolio company and reimburse costs and expenses incurred by Operating Partners. Operating Partners also may receive remuneration from a General Partner and/or the applicable Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. Such investment opportunities, reimbursements and other compensation paid to an Operating Partner will not offset the Management Fee. Operating Partners may have a limited partnership or profit interest in a Fund, the relevant General Partner, one or more other investment funds sponsored by such General Partner or in an

affiliate of the General Partner. Although each General Partner intends to retain Operating Partners with a view to reducing costs to portfolio companies (and, ultimately, the applicable Fund) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. In addition, each General Partner intends to retain only such Operating Partners which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

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

Valuation of Investments. Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Fund's investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all of the Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner may cause it to ineffectively manage the relevant Fund's investment portfolios and risks, and may also affect the diversification and management of such Fund's portfolio of investments.

Contingent Liabilities Upon Disposition. In connection with the disposition of an investment, each Fund and the relevant General Partner may be required to make (and/or be responsible for another person's

or entity's breach of) representations and warranties, *e.g.*, about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Any of such circumstances could subject a portfolio company, or the relevant Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at a General Partner, TDP, its affiliates or one of their service providers holding financial or investor data, the General Partners, TDP, their affiliates and/or the Funds may also be at risk of loss.

Conflicts of Interest

TDP and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. TDP will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of TDP conducting its activities, the interests of a Fund may conflict with the interests of TDP, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, TDP will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by TDP Principals through such Fund, subject to certain limited exceptions. Without limitation, TDP Principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and may direct certain relevant investment opportunities to those investments. TDP's Principals and TDP's investment staff will continue to manage and monitor

such investments until their realization. Such other investments that TDP Principals may control or manage may potentially compete with companies acquired by a Fund. Following the commitment period of a Fund, TDP Principals may and likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, TDP will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of TDP. In determining which investment vehicles should participate in such investment opportunities, TDP and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one client of TDP in a portfolio company may also raise the risk of using assets of a client of TDP to support positions taken by other clients of TDP.

TDP must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. TDP generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's Governing Documents. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund may invest together with other Funds advised by an affiliated adviser of TDP in the manner set forth in the relevant Governing Documents and TDP's Allocation Policy. TDP will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with TDP's obligations and may take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, TDP will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the Funds' Governing Documents and TDP's procedures regarding allocation. TDP's procedures permit it to take into consideration a variety of factors in making such determinations.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by TDP or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may be offered to some and not to other TDP investors. When and to the extent that employees and related persons of TDP and its affiliates make capital investments in or alongside certain Funds, TDP and its affiliates are subject to conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

TDP's allocation of investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others. While TDP will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is

made, will be as favorable as they would be if the conflicts of interest to which TDP may be subject, discussed herein, did not exist.

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

Where multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by TDP in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, TDP may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, TDP may be subject to conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. TDP intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This may result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. TDP and its affiliates may express inconsistent views of commonly held investments or of market conditions more generally. There can be no

assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions may be taken for one or more Funds that adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents of the Funds, TDP will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. In exercising such discretion, TDP may be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by TDP or its affiliates using their best judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size. The Funds have different expense reimbursement terms, including with respect to Management Fee offsets, which may result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio companies, TDP and/or its affiliates typically have the right to appoint portfolio company board members (including current or former TDP personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to TDP and/or its affiliates. Unless such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or Carried Interest paid by a Fund to TDP.

Additionally, a portfolio company typically will reimburse TDP or service providers retained at TDP's discretion for expenses (including without limitation travel expenses) incurred by TDP or such service providers in connection with its performance of services for such portfolio company. This subjects TDP and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. TDP determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to TDP or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies;

and/or third-party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

TDP generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with (i) TDP or a related person of TDP (which may include a portfolio company of such Fund), (ii) an entity with which TDP or its affiliates or current or former members of their personnel has a relationship or from which TDP or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain limited partners or their affiliates. For example, TDP may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects TDP to conflicts of interest, because although TDP selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, TDP may have an incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that TDP, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or TDP), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not TDP has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time TDP may cause a Fund to enter into a transaction whereby the Fund purchases securities from, or sells securities to, other Funds managed by TDP, or co-investors or co-investment vehicles. Such transactions may arise in the context of re-balancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Any such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Governing Documents or otherwise in the sole discretion of TDP, TDP may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, TDP may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Fund under then-current market conditions. TDP intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although TDP generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, TDP intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

TDP and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by TDP and/or its affiliates; conversely, current or former personnel or executives of TDP and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by TDP. Similarly, TDP, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, TDP and/or its affiliates, and/or the Funds or other investment vehicles they advise. TDP may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide TDP information about markets and industries in which TDP operates (or is contemplating operations) or will provide other services that are beneficial to TDP. TDP may have a conflict of interest in making such recommendations, in that TDP has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

In certain circumstances, current or former TDP personnel may serve in interim or part-time roles at a portfolio company, or may provide services to a portfolio company as a secondee or in similar capacities, while maintaining certain benefits, support services or indicia of employment at TDP. Under such arrangements, TDP and/or the relevant portfolio company may pay all or a portion of the personnel costs of such employee, or supervise or oversee such employee. These arrangements have the potential to create conflicts of interest, in that amounts paid by a portfolio company in connection with secondee relationships will not result in additional offsets to the Management Fee. Due to the nature of secondee relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold. Employees may or may not return to TDP at the end of such secondee arrangement.

TDP, its affiliates, and equity holders, officers, Principals and employees of TDP and its affiliates may buy or sell securities or other instruments that TDP has recommended to a Fund. In addition, officers, Principals and employees may buy securities in transactions offered to but rejected by a Fund. Such transactions are subject to any restrictions in the Fund's Governing Documents and any policies and procedures set forth in TDP's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of TDP have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, and therefore may have additional conflicting interests in connection with these investments.

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

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to members of the Operations Group and other consultants (including consultants introduced or arranged by TDP and/or its affiliates that regularly provide services to one or more portfolio companies), and such fees do not offset the Management Fee as described herein. Members of the Operations Group generally make use of TDP resources or otherwise are associated with TDP (and, in certain instances, members of the Operations Group may be employed by an exclusive consulting firm affiliated with TDP and may make use of TDP's offices and be provided with a TDP email address, among other TDP resources). TDP and/or its affiliates may agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Members of the Operations Group generally receive investment opportunities, reimbursements and other compensation that do not offset the Management Fee of any Fund, as described herein. Although the use of the Operations Group and the allocation of compensation paid to the members thereof by TDP, its affiliates and/or the portfolio companies subjects TDP and/or its affiliates to potential conflicts of interest, TDP believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the members of the Operations Group is lower than market rates for the services provided and/or if the services of the members of the Operations Group align with TDP's model for the portfolio company and improve portfolio company performance. Although TDP seeks to retain Operations Group members with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. TDP also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that TDP believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only Operations Group members and other service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure may create an incentive to deploy capital when TDP may not otherwise have done so. Since TDP is permitted to retain certain supplemental fees (as described under Item 5, “Fees and Compensation”) in connection with Fund investments, it could have a conflict of interest in connection with approving transactions and setting such compensation.

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

Item 9 – Disciplinary Information

Like other registered investment advisers, TDP is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor’s evaluation of TDP or the integrity of TDP’s management. TDP and its management persons have not been subject to any material legal or disciplinary events applicable to this Item.

On occasion, in the ordinary course of its business, TDP, the Funds, or the Funds’ portfolio companies (or their respective directors, and executive officers) may be named as defendants in a legal action. Although there can be no assurance of the outcome of such legal actions, TDP does not believe that any current legal proceedings or claims to which TDP, the Funds, or the Funds’ portfolio companies (or their respective directors, and executive officers) are a party, if any, would individually or in the aggregate materially affect a client’s or prospective client’s evaluation of the Firm or the integrity of the Firm’s management.

Item 10 – Other Financial Industry Activities and Affiliations

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

TDP does not have arrangements with a related person who is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, other investment adviser or

financial planner, futures commission merchant, commodity pool operator, commodity trading adviser, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships that are material to its advisory business or to its clients. TDP has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, investment banking, tax preparation, insurance brokerage and other personal services. Some of these professionals may provide services to the Funds or their portfolio companies. Additionally, some of these professionals may become limited partners in TDP Funds, either personally or through their company.

As described above in Item 4, TDP is affiliated with the Funds' General Partners which are deemed registered with the SEC under the Advisers Act pursuant to TDP's registration. These entities operate as a single advisory business together with TDP and serve as managers or General Partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions. Similarly, TDP is also affiliated with its relying adviser, Tyree & D'Angelo Partners LLC, who together rely on TDP's registration with the SEC and share common owners, officers, partners, employees, consultants or persons occupying similar positions. These affiliated entities do not have employees of their own.

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

TDP has adopted the TDP Code of Ethics and Securities Trading Policy and Procedures (the “Code”), which sets forth standards of conduct that are expected of TDP Principals and employees and addresses conflicts that arise from personal trading. The Code of Ethics requires all supervised persons to place Fund interests ahead of the Firm's interests, to avoid taking advantage of his or her position and to maintain full compliance with the federal securities laws.

Employees are required to certify to their compliance with the Code of Ethics on an annual basis. Employees who violate the Code may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, suspension or dismissal. Employees are also required to promptly report any violations of the Code of which they become aware.

The personal trading policy for TDP supervised persons is set forth in TDP's Code of Ethics and is acknowledged as received and understood by each supervised person. TDP's personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by a supervised person and that supervised persons in no respect misappropriate any benefit properly belonging to a Fund.

TDP's employees are prohibited from trading, either personally or on behalf of others, in securities while in possession of material nonpublic information regarding publicly traded securities or communicating material nonpublic information about such securities to others. The Code of Ethics establishes guidelines for personal trading requirements, insider trading and reporting of personal

securities transactions, including certain pre-clearance and reporting obligations. TDP maintains a restricted list of issuers about which it has or may have material nonpublic information. Pre-clearance is required by supervised persons for certain personal securities transactions, including restricted list securities, initial public offerings and certain limited offerings. In addition, supervised persons are required to file certain reports and submit their brokerage account statements to the Chief Compliance Officer for review. A copy of the Code will be provided to any investor or prospective investor upon request to Jay Ashvin Dave, the TDP Chief Compliance Officer, at (312) 489-5050.

Certain TDP employees and family members of TDP employees have invested in the through the General Partner and/or as investors. As mentioned in Item 5 above, TDP generally reduces all or a portion of the Management Fee and Carried Interest allocation related to investments held by such persons. Principals and employees of TDP and its affiliates may directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles may invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities may also be presented to certain affiliates of TDP, as well as third-party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Such co-investment opportunities generally will be allocated in the manner described under Item 8, “Methods of Analysis, Investment Strategies and Risk of Loss.”

TDP and its affiliates, Principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in a Fund, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The operative documents and investment programs of certain Funds may restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or may give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds.

From time to time, TDP may borrow funds on behalf of a Fund and contribute such borrowed amounts to the relevant Fund as a special capital contribution for investment, to be redeemed at a later date. Interest in connection with such borrowing is borne by the relevant Fund as a Fund expense, consistent with the Governing Documents and the expense policy described under Item 8, “Fees and Compensation.” In borrowing on behalf of a Fund, TDP is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund. TDP will effect such borrowings in a manner it believes to be fair and equitable to the Fund, and consistent with TDP’s obligations to the Fund and the Governing Documents.

TDP will not affect any principal or agency cross securities transactions for Funds without the appropriate Fund disclosure and consent. Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, knowingly buys from or sells a security to an advisory client. This prohibition extends to any affiliates or controlling persons of the adviser (i.e., an owner, employee or affiliate of the adviser). The SEC also views cross trades between Funds to be

principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either Fund. Agency cross transactions occur when an adviser or an affiliate arranges a transaction (i.e., acts as a broker) between two or more different funds or accounts that are managed by that same adviser or an affiliate. Agency cross transactions may also arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. An adviser is not “acting as a broker” if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the asset) for effecting the transaction and therefore is not considered to be conducting an agency cross transaction under Section 206(3). In the context of TDP’s business, an agency cross transaction could occur when selling a portfolio company, investment or other asset from one Fund to another. TDP will not affect any principal or agency cross securities transactions for Funds without the appropriate client disclosure and consent.

Item 12 – Brokerage Practices

TDP focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions. In pursuing privately negotiated transactions, TDP may engage the services of a broker-dealer or investment banker in connection with the purchase and sale of a portfolio investment. Whether for private or public securities transactions, TDP selects a broker-dealer or investment banker with the overall aim of maximizing returns for the client.

Selection of a broker-dealer or investment banker is based on TDP’s judgment regarding a variety of factors, which will not be limited solely to ultimate deal price, and including but not limited to: TDP’s prior experience in working with the broker-dealer or investment banker; the broker-dealer or investment banker’s execution capability, financial responsibility, reputation and expertise within the industry; the broker-dealer or investment banker’s responsiveness to the Firm; the broker-dealer or investment banker’s expertise in dealing with investments that may be restrictive or illiquid in nature; and the commission rates, cost, among other factors.

Although TDP generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker-dealer or investment banker may thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

TDP does not receive research or other soft dollar benefits in connection with securities transactions for the Funds, does not receive client referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event TDP were to aggregate the purchase or sale of securities for client accounts, it would do so on a *pro rata* basis.

Item 13 – Review of Accounts

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, TDP monitors companies in which the Funds invest, and the TDP Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) annual GAAP audited financial statements, (ii) capital account statements for the first three quarters of each fiscal year, (iii) following June 30 of each fiscal year, unaudited valuations of a Fund's investments, (iv) annual tax information necessary for each limited partner's U.S. tax return (K-1's) and (v) descriptive investment information for each portfolio company annually. All reports are written and delivered to investors electronically.

In the course of conducting due diligence or otherwise, investors periodically request information pertaining to their investments. TDP responds to these requests, and in answering these such requests, provides information that is not generally made available to other investors who have not requested such information. Additionally, upon request, certain investors may receive additional information and reporting that other investors may not receive. The Firm also has contact with investors (personal visits, telephone, email) throughout the year as conditions warrant.

Item 14 – Client Referrals and Other Compensation

TDP and/or its affiliates provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation may, in many cases (except in the case of Fund I as described above), offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. See Item 5, "Fees and Compensation."

These types of arrangements present potential conflicts of interest and provide TDP with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To help mitigate this potential conflict, such benefits received by TDP or its employees in connection with services rendered to portfolio companies or transactions of the Fund are offset (in the case of Fund II) against Management Fees payable by the Funds, to the extent described above and detailed in each Fund's Governing Documents.

As of the date hereof, TDP does not directly or indirectly compensate any person who is not a supervised person for client referrals and does not use placement agents to assist in its fundraising efforts.

Item 15 – Custody

Advisers Act Rule 206(4) (the “**Custody Rule**”) requires that pooled investment vehicles which TDP advises either undergo an annual audit pursuant to GAAP by a Public Company Accounting Oversight Board (“**PCAOB**”) registered auditing firm or be subject to a surprise custody examination, also by a PCAOB registered auditing firm. TDP is deemed to have custody of the Funds’ assets because of its affiliation with each Fund’s General Partner and the General Partners’ ability to deduct fees from Fund accounts. In order to comply with the Custody Rules, TDP has elected to undergo an annual GAAP financial statement audit by a PCAOB registered auditing firm for each of the Funds over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective investors within 120 days of fiscal year end. Investors in the Funds should carefully review such financial statements.

TDP does not, however, accept physical custody of any client assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Called capital is directly sent or wired into the relevant Fund’s qualified custodial account. TDP receives monthly statements from each of its qualified custodians on behalf of the Funds. For more information about TDP’s qualified custodians, please see Form ADV Part 1, Schedule D, 7.B.(1).

Item 16 – Investment Discretion

TDP has discretionary authority to manage investments on behalf of each Fund. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to investors in the Funds individually. TDP assumes this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of such Fund. Once an investor executes these documents, TDP is not required to contact such investor prior to transacting business in a Fund. As a general policy, TDP has not allowed clients to place limitations on this authority.

Item 17 – Voting Client Securities

By virtue of the applicable Governing Documents, TDP has the authority to vote client proxy statements on behalf of the Funds. The majority of “proxies” received by TDP, however, are written shareholder consents or similar instruments for private companies owned by the Funds. As such, TDP has adopted the TDP Proxy Voting Policies and Procedures (the “**Proxy Policy**”) pursuant to SEC Rule 206(4)-6 to address how it will vote proxies, as applicable, for each Fund (and any Fund’s) portfolio investments. The Proxy Policy seeks to ensure that TDP votes proxies (or similar instruments) in the best interest of each Fund, including where there may be material conflicts of interest in voting proxies. TDP generally believes its interests are aligned with those of each Fund’s investors, for example, through the Principals’ beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that TDP may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s

advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board may approve TDP's vote in a particular solicitation.

The Principals and affiliated or unaffiliated third parties appointed by TDP often sit on the boards of portfolio companies to which TDP provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. TDP does not consider service on portfolio company boards by TDP personnel or TDP's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by TDP when voting proxies on behalf of a Fund. Clients or investors that would like a copy of TDP's complete Proxy Policy or information regarding how TDP voted proxies for particular portfolio companies may contact Jay Ashvin Dave, the TDP Chief Compliance Officer, at (312) 489-5050, and it will be provided at no charge.

Item 18 – Financial Information

TDP does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.