

Albright Capital Management LP

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This Brochure provides information about the qualifications and business practices of Albright Capital Management LLC (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at 202-370-3500 or info@albrightcapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

The Adviser is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training. The oral and written communications of an investment adviser provide you with information with which you determine to hire or retain an investment adviser.

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

ITEM 2 – MATERIAL CHANGES

The broacher of Albright Capital Management LP (formerly, Albright Capital Management LLC) dated March 28, 2012, as amended from time to time, including the brochure dated March 28, 2019, has been updated to reflect (i) the net assets under management of the Adviser as of December 31, 2019, (ii) the inclusion of VPC I LLC, a Delaware limited liability company and wholly owned subsidiary of Volunteer Park Capital Fund, SCSp, a private limited liability company (société à responsabilité limitée), incorporated under the laws of the Grand Duchy of Luxembourg (“VPCF”), as a significant minority equity owner of the Adviser, following the closing of an investment in the Adviser on October 2, 2019, and (iii) in connection with such investment, the conversion of the Adviser from a Delaware limited liability company (Albright Capital Management LLC) to a Delaware limited partnership (Albright Capital Management LP).

Currently, our brochure may be requested by contacting info@albrightcapital.com. Our brochure is also available on our web site www.albrightcapital.com, also free of charge.

Additional information about the Adviser is also available via the SEC’s web site www.adviserinfo.sec.gov.

ITEM 3 – TABLE OF CONTENTS

| <u>ITEM</u> | <u>PAGE</u> |
|---|--------------------|
| Item 1 – Cover Page..... | Cover Page |
| ITEM 2 – MATERIAL CHANGES..... | i |
| ITEM 3 – TABLE OF CONTENTS..... | ii |
| ITEM 4 – ADVISORY BUSINESS..... | 1 |
| ITEM 5 – FEES AND COMPENSATION | 2 |
| ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT | 4 |
| ITEM 7 – TYPES OF CLIENTS..... | 5 |
| ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS..... | 5 |
| ITEM 9 – DISCIPLINARY INFORMATION | 29 |
| ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS | 29 |
| ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND CROSS TRADES | 30 |
| ITEM 12 – BROKERAGE PRACTICES..... | 31 |
| ITEM 13 – REVIEW OF ACCOUNTS | 34 |
| ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION..... | 34 |
| ITEM 15 – CUSTODY..... | 34 |
| ITEM 16 – INVESTMENT DISCRETION | 34 |
| ITEM 17 – VOTING CLIENT SECURITIES | 35 |
| ITEM 18 – FINANCIAL INFORMATION | 35 |

ITEM 4 – ADVISORY BUSINESS

Albright Capital Management LP, a Delaware limited partnership (the “Adviser”), acting through Albright Capital Management General Partner, a Delaware limited liability company, provides investment management services on a discretionary basis, primarily to U.S. and non-U.S. collective investment vehicles sponsored by the Adviser. On December 23, 2014, the Adviser filed a Form D with respect to the offering of interests in ACM Strategic Investment Partners IV, LP (f/k/a the ACM Special Situations Fund II, L.P.) (“SIP IV”) and ceased offering interests in this Fund on May 15, 2017. The Adviser has ceased offering interests in the feeder funds that invest in the ACM Emerging Markets Master Fund I, L.P. (the “Legacy Fund”). The Legacy Fund, SIP IV, the Special Purpose Funds (as defined below) and each future collective investment vehicle that pursues one or more a global emerging markets private investment strategy (as described below) is referred to as a “Fund” or a “Client”, as the context may require. The Adviser does not provide investment management services on a non-discretionary basis and does not currently offer separate accounts.

The principal owners of the Adviser are Gregory B. Bowes and Albright Stonebridge Group LLC (“ASG”), each of whom holds more than 25% of the equity capital of the Adviser. In addition, on October 2, 2019, VPCF made a minority investment in the Advisor. Goodhart Partners S.à r.l. is the sole general partner of VPCF, and the sole investment manager of VPCF is Goodhart Partners LLP (“Goodhart”), which is authorized and regulated by the UK Financial Conduct Authority under FRN 496588.

Mr. Bowes and certain of the partners of ASG began assembling the business and partnership plan for the Adviser in 2003, and thereafter identified key investment and operational personnel, including John K. Yonemoto, to head its investment operations. Mr. Bowes and Mr. Yonemoto, together, hold a majority of the equity capital of the Adviser and control day-to-day investment and operational decision-making. The Adviser’s services reflect the varied, interdisciplinary skills and experience of its constituent members and investment personnel, which together permit the Adviser to seek to capitalize on the inefficiencies and volatility of the global emerging markets. The Adviser’s investment program is intended to benefit from capital strength, local awareness and flexibility, in pursuit of patient deployment of capital in value-oriented, illiquid and activist private investments and which are expected to contribute positive social impacts.

As significant minority stakeholders in the Adviser, each of VPCF and ASG has the right to appoint certain members of the Advisor’s Management Committee. In addition, ASG has the right to certain members of the Adviser’s Investment Committee. Consistent with the Adviser’s integration of environmental, social and governance factors in its risk assessment of investments, Dr. Madeleine K. Albright, the Chair of the Adviser, has the right to veto proposed private investments based on political risk, reputational or ethical factors.

The Adviser was originally established as a limited liability company in Delaware on January 28, 2005, and subsequently converted to a limited partnership on September 25, 2019, in connection with the subscription for a limited partnership interest in the Adviser by VPCF. The Adviser has been registered as an investment adviser with the Securities and Exchange Commission (“SEC”) since August 31, 2006. On January 2, 2007, the Adviser closed the first investment in a Fund, which was a feeder in the Legacy Fund.

From inception, the Adviser’s goal has been to capitalize on the persistent inefficiencies and volatility of the emerging markets, applying a value-based approach throughout EM market cycles and seeking to avoid overpayment for future growth. The Adviser targets opportunities that capitalize upon identified

inefficiencies and are expected to contribute a positive social impact over time, in support of the United Nations' Sustainable Development Goals (the "UNSDGs").

The Adviser's management of the Funds and the terms of any investor's investment in a Fund are governed exclusively by the terms of that Fund's organizational documents, confidential private placement memorandum, limited partnership agreement or memorandum and articles of association, investment management agreement, and subscription agreement (collectively, the "Fund Documentation"). Subject to the Fund Documentation for a specific Fund, the Adviser generally advises the Funds on a broad range of securities, including, without limitation, (i) longer term, private equity investments in companies that the Adviser believes are either positioned for regional or global expansion across the emerging markets or are valued at an excessive discount due to political or other local factors, (ii) medium term, customized structured investments with downside protections and equity-like potential returns, and (iii) shorter term, secondary investments in the illiquid securities of companies that the Adviser believes are good operating businesses with unsustainable capital structures or that have been subjected to disproportionate selling pressures (collectively, "Private Investments"), in each case with a primary focus on securities of companies located in or primarily doing business in emerging market "EM") countries. These advisory services are provided on a comprehensive basis to the Funds.

To the extent permitted under the Fund Documentation, the Adviser also provides advice to special purpose Funds established by the Adviser for the sole objective of either (i) co-investing in an excess private investment opportunity in which a Fund also invests, on substantially similar terms as those terms on which such Fund invests, or (ii) aggregating capital for investment in a private opportunity without participation by a Fund (the "Special Purpose Funds").

As of December 31, 2019, the Adviser managed approximately \$482 million in assets on a discretionary basis, which is the aggregate net asset value of the Funds under the Advisor's management (\$450 million) plus committed and undrawn capital (\$32 million).

All discussions in this brochure of the Funds, their investments, the strategies the Adviser uses in managing the Funds, and the fees associated with an investment in the Funds are qualified in their entirety by reference to the applicable Fund Documentation.

This brochure shall not constitute an offer to sell or the solicitation of any offer to buy a security, including without limitation, an interest in any Fund. Any such offer or solicitation may only be made to qualified purchasers pursuant to a confidential private placement memorandum and related subscription documents and only in those jurisdictions where permitted by law.

ITEM 5 – FEES AND COMPENSATION

Fee Schedule – Fund Clients. The Adviser charges the Funds a management fee (the "Management Fee"). The Adviser also is entitled to a performance-based allocation (the "Carried Interest Allocation") of the Funds' profits as described in more detail under Item 6 below.

In general, the Management Fee generally is equal on an annual basis up to 2.00% of the value of each investor's commitment and, after the investment period of a Fund has concluded, on a stepped down basis equal to the cost basis of investment in the Fund, less any write-offs or write-downs, but may be subject to a minimum. Investors that participate in the initial closing of subscriptions for a Fund or meet certain threshold investment amounts may be eligible for a reduced Management Fee percentage. The Management Fee is payable quarterly in advance as of the first day of each calendar quarter. A pro rata

Management Fee is assessed on any investments by an investor made as of a date other than the first day of the calendar quarter.

The Adviser may, in its sole discretion, waive all or a portion of the Management Fee or Carried Interest Allocation (described below in Item 6) or, as agreed to by the investor, charge a Management Fee or Carried Interest Allocation that is lower than, or otherwise on different terms than, those described above. The criteria upon which the Adviser may base its decision to charge a lower or different fee include, without limitation, initial capital contribution amounts, timing of closing in the Fund (first closing versus subsequent closings), and, in the case of Special Purpose Funds, due to the concentrated profile of the investment. Without limiting the foregoing, the Adviser may waive fees and/or allocations or charge lower fees and/or allocations to its members, employees, affiliates and their family members.

A more complete description of the fees to be paid to the Adviser in connection with an investment in a Fund is set forth in the applicable Fund Documentation, which are made available to each prospective investor before, or by the time of, any investment in a Fund. The foregoing description of a Fund's fees is qualified in its entirety by reference to the applicable Fund Documentation. It is possible that lower investment advisory fees may be available from other sources.

Fees and Expenses of Special Purpose Funds. The fees and expenses of each Special Purpose Fund will be determined at the time such Fund is established as set forth in the Fund Documentation applicable to such Special Purpose Fund. It is anticipated that the Adviser will charge each Special Purpose Fund an asset-based management fee and a performance-based fee or allocation. In addition, each Special Purpose Fund generally will bear all of its own organizational and operating expenses in accordance with the Fund Documentation applicable to such Special Purpose Fund.

Investment Management Agreements. Prior to engaging the Adviser to provide investment management services, each Fund must enter into a written agreement with the Adviser (an "Investment Management Agreement") setting forth the terms and conditions of the engagement, including the management fee or other fee arrangements, and describing the scope of the services to be provided. Investors in a Fund do not enter into an Investment Management Agreement with the Adviser. Rather, such investors must complete the applicable Fund's subscription documents. The Investment Management Agreement between the Adviser and each Fund may be terminated by either party upon 60 days' written notice to the other party (or such other notice period as agreed by the parties).

Brokerage & Custodial Fees and Expenses. In addition to entering into an Investment Management Agreement, each Fund must enter into one or more separate written agreements for brokerage and custodial services with a broker-dealer or such other qualified custodian (as provided in Advisers Act Rule 206(4)-2) recommended by the Adviser or with a broker-dealer or other qualified custodian as chosen by the Client. Separate from and in addition to any fees payable or allocations to be made to the Adviser, each Fund will incur brokerage commissions and/or transaction fees from broker-dealers for effecting certain securities transactions and may incur certain charges imposed by third parties such as custodial fees, deferred sales charges, odd-lot differentials, transfer taxes, wire transfer and electronic fund fees, and other fees and taxes on brokerage accounts and securities transactions, none of which are payable to the Adviser.

Item 12 further describes the factors that Adviser considers in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (*e.g.*, commissions).

Other Expenses of the Funds. In addition to the Management Fee, the Carried Interest Allocation, and the brokerage and custodial fees describe above, each Fund bears its own investment and operational

expenses including (without limitation): organizational and offering expenses (including legal, travel, accounting, filing and similar out-of-pocket expenses) incurred in the formation of such Fund through the final closing date; legal, auditing, accounting (third party administration), valuation, investment banking, consulting, finder's, custody, transfer, registration, registered office or other similar fees and expenses; expenses associated with the Fund's tax returns, special meetings of the investors and the advisory committee; expenses incurred in connection with any permitted financing; expenses associated with out-sourcing certain financial and accounting services; costs of financial statements and other reports (including K-1s) to and other communications with investors, as well as costs of all governmental and regulatory returns, reports and filings; due diligence and travel expenses associated with the Fund's investment activities following the grant of preliminary approval by the Investment Committee of the Adviser, which are not reimbursed by portfolio companies; commissions or brokerage fees or similar charges associated with the acquisition, holding and disposition of private investments; any taxes, fees or other governmental charges levied against the Fund or its portfolio holdings; expenses incurred by or on behalf of the Fund developing, negotiating and structuring prospective or potential investments which are not ultimately made; and any extraordinary expenses (such as litigation expenses or indemnification payments).

The Adviser generally is not responsible for any expenses or fees in connection with management of the Funds other than as set forth in the Fund Documentation.

Pre-paid Fees. Unless otherwise agreed and set forth in the Fund Documentation with respect to a Fund, any fees paid in advance to the Adviser by such Fund are refundable on a *pro-rata* basis.

Automatic Fee and Allocation Deduction. The Adviser's Management Fees may be deducted directly from the accounts of each Fund or funded through a capital call, consistent with the relevant Fund Documentation.

ITEM 6 – PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

Performance Fee Schedule – Fund Clients. From each Fund and Special Purpose Fund, the Adviser is entitled to receive a carried interest allocation (the “Carried Interest Allocation”), generally consisting of a percentage of realized profits after all capital and a preferred rate of investment have been returned. The Carried Interest Allocation generally is equal to up to 20% of the net realized gains in accordance with the applicable Fund Documentation, provided that a priority rate of return has been achieved and certain other conditions are met. For most Funds or Special Purpose Funds, the priority rate of return is generally 8% per annum. However, investors participating in the initial closing of subscriptions of a Fund or meeting and maintaining certain minimum investment amounts are eligible for a reduced Carried Interest Allocation percentage or a higher priority rate of return, or both.

The Carried Interest Allocation will not be made directly by Fund investors to the Adviser. Instead, the Carried Interest Allocation will be made directly to the Adviser (or to the special purpose affiliate of the Adviser that serves as the general partner) by the applicable Fund. Carried Interest Allocations, if applicable, are made at the times provided in the applicable Fund Documentation. The Adviser will comply with the applicable requirements of Rule 205-3 under the Investment Advisers Act of 1940 (the “Advisers Act”) in connection with the Carried Interest Allocation.

A more complete description of the Carried Interest Allocation to be made to the Adviser in connection with an investment in a Fund is available in the applicable Fund Documentation, which are made available to each prospective qualified investor before, or by the time of, any investment in a Fund. The

foregoing description of the Carried Interest Allocation applicable to any Fund is qualified in its entirety by reference to the Fund Documentation.

Incentive to Allocate Riskier Investments to Performance-Fee-Paying Clients. Carried Interest Allocations may create an incentive for the Adviser to recommend investments that may be riskier or more speculative than those which would be recommended under a different fee arrangement. Such fee arrangements also create an incentive to favor higher fee-paying accounts over other accounts in the allocation of investment opportunities. Fund Documentation and the Adviser's conflicts of interest policy and procedures provide rules that govern the allocation of investment opportunities among Funds or between accounts in a Fund. The Adviser has procedures designed and implemented to ensure that all Clients (and accounts within each Fund) are treated fairly and equitably, and to prevent this conflict from influencing the allocation of investment opportunities among Clients (and accounts within each Fund).

ITEM 7 – TYPES OF CLIENTS

The Adviser currently provides advice solely to the Funds.

The Adviser generally requires that all investors in the Funds are “accredited investors” as defined in Regulation D under the Securities Act of 1933 and “qualified purchasers” or “knowledgeable employees”, each as defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”). The minimum initial investment in any Fund is generally \$10,000,000. The Adviser, in its sole discretion, may accept investments from Fund investors in lesser amounts based upon certain criteria including, but not limited to, anticipated future earning capacity or anticipated future additional assets, the nature of the prospective investor, or pre-existing relationships. The Adviser may aggregate the investments in a Fund made by family members to meet the minimum investment amount.

ITEM 8 – METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Investment Strategy and Analyses: Value-Based Investment in Global EM Private Markets

The Adviser seeks to identify (i) longer term, private equity investments in companies that the Adviser believes are either positioned for regional or global expansion across the emerging markets or are valued at an excessive discount due to political or other local factors (“Private Equity Investments”), and/or (ii) medium-term, customized structured investments with downside protections and equity-like potential returns, and shorter term, secondary investments in the illiquid securities of companies that the Adviser believes are good operating businesses with unsustainable capital structures or that have been subjected to disproportionate selling pressures (“Credit Strategy Investments” and, together with Private Equity Investments, “Private Investments”). For all Private Investments, the Adviser is actively involved (in governance, credit monitoring and/or through participation in reorganization proceedings) or is available to assist a portfolio company in managing specific non-financial risks. Any such investment is subject to the approval of the Adviser's Investment Committee, which reviews the analyses and due diligence results for each prospective Private Investment, including its risks, expected financial returns (in downside, base and upside scenarios), and its expected contribution to positive social impact, including the UNSDGs.

Attractive Entry Pricing. In pricing investment opportunities for the Funds, the Adviser does not assume that higher growth rates in EM relative to developed markets will lead to corresponding higher returns for the Funds, since economic growth and equity returns are not highly correlated over time. The Adviser believes that current market sentiment is continuously incorporated in valuations, and dilution to pre-existing shareholders runs parallel with growth. Thus, while investments may benefit from growth, the Adviser seeks to avoid paying market multiples (or premiums to market multiples) as an entry price, and seeks to avoid or mitigate risk factors (including the risk of dilution) in its Private Investment structures.

While the Adviser is wary of relying on EM growth as the driver for investing, it believes that attractive individual deals exist in global EM private markets. Consistent with the Adviser's pursuit of superior risk-adjusted returns and a low correlation to any widely followed market index, each investment must be attractive on a standalone value basis, selected and structured in a centralized, collaborative underwriting process that seeks to address a range of identified risks, including an investment's relative insulation from prevailing EM macro volatility.

Cash-Flow-Generative Companies. In considering investment opportunities for a Fund, the Adviser is biased in favor of businesses that generate strong recurring or contractual cash flows and structures that offer what the Adviser believes to be an asymmetric return profile, especially with traditional and non-traditional infrastructure, infrastructure services and other real assets (but not purely real estate).

Flexible Geographical Mandates. The Adviser seeks to execute deals that it believes are the best from a global opportunity set, in areas experiencing capital shortage, with no requirement to deploy in any given jurisdiction and without allocating capital in advance based on geographical or sectoral criteria. The Adviser does not rely on theoretical portfolio diversification criteria (in terms of the ideal number of deals in a portfolio) for risk management, particularly in geographies experiencing strong capital inflows. Thus, the Adviser does not pursue index replication. Notwithstanding this approach, the Adviser seeks to construct portfolios that are relatively diversified by geography, sector, number of deals and other criteria.

Search for Capital Shortage Avoids Reliance on Market Timing. The Adviser seeks investment opportunities in good companies in markets experiencing capital shortage and seeks to avoid investments that rely on market timing, i.e., using private investments to bet on macro variables such as GDP growth, currency valuations, commodity prices, interest rates, or electoral outcomes. The Adviser believes that successful EM private investing must be anchored by micro-economic criteria, especially an exceptional management team focused on executing a particular business plan to fill an identifiable void in the marketplace and with positive contributions to social impact, balanced by a review of various macro risk factors to which the investment is expected to be exposed, especially currency and political risk, which the Adviser believes are best evaluated on a deal-by-deal basis rather than through a high-level summary rating of a country. The Adviser believes capital shortage is somewhat more likely to arise in the aftermath of heavy downside volatility, but can also arise for a myriad of other reasons such as the generally inefficient nature of EM, idiosyncratic issues experienced by a particular company, developmental gaps in the economic landscape, and misperceptions of the actual level of sovereign (political) risk embedded in a particular opportunity.

Investment Structuring Flexibility. The Adviser often prefers to design structures that provide self-liquidation with seniority in the capital structure to common equity, especially when valuations, macro (including currency) risks, or sovereign (political) country risk are perceived to be high. At times of market dislocation, a Fund may have the option of sourcing deals by initially buying in the secondary market from third-party selling pressure and then becoming actively involved in a restructuring that may result in an eventual shareholding at an attractive underlying valuation. This approach can drive more attractive (and better risk-adjusted) returns than customary bilateral negotiations that arise through more

traditional origination channels. The Adviser generally avoids non-institutional companies better suited to local private equity managers.

In addition, the Adviser generally avoids start-up companies unless, in the Adviser's judgment, they are based on a proven management team and business plan in a clearly unexploited market niche that will benefit directly from the Adviser's participation and provide outstanding risk-adjusted returns.

In certain cases, the Adviser may pursue smaller "toe-hold" investments in order to obtain a strong knowledge base to potentially invest more in subsequent rounds as management achieves certain objective performance milestones.

Specific Private Investment Strategies

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| <i>Private Equity/Longer Term Investments</i> | Value-based thematic private equity investments are expected to be in the form of control positions, either independently or through joint control positions in consortia with like-minded investors and management whose interests are aligned with those of a Fund. The Adviser has established working relationships with a number of prospective deal partners, many of which may again serve as deal partners. |
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The Adviser's approach to private equity is differentiated from traditional private equity in that the Adviser generally prefers not to buy existing businesses at (private) market multiples, since the volatility of the EM asset class can overwhelm the most careful plans to optimize company operations. Rather, the Adviser generally prefers to identify gaps in the marketplace and start a company -- or assist an established company with realistic valuation expectations -- grow in a targeted fashion to address an identifiable market need and with a positive social impact. Together with an identified management team and possibly other consortium partners and like-minded investors, the Adviser often seeks successful templates abroad to build or grow a new company to fill the void.

This approach may have the additional advantages of allowing the Fund to access themes and opportunities relatively early and secure follow-on financing rights at favorable valuations. Moreover, one of the primary risk management benefits of this "build vs. buy" approach is the ability to stage follow-on capital based on management's achievement of milestones (see "toehold" discussion below). By limiting the upfront investment in an EM business, the Adviser seeks to mitigate investment risk without forgoing opportunities.

These investments tend to be longer term in duration.

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| <i>Credit/ Structured Medium Term Investments</i> | Generally, the Adviser structures investments (seeking to preserve relatively senior claims while generating equity-like returns) where (i) the Adviser will not have a control or shared control position, (ii) the portfolio company's shareholders, while seeking flexible risk capital and the prospect of collaboration with the Adviser, have an excessively long-term holding horizon and/or seek to avoid dilution, or (iii) the Adviser chooses not to pay the requisite multiple for future growth embedded in the price of the common equity. |
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The Adviser's objectives include a desire to maintain a priority position in the capital structure, often with a dollar-denominated base interest return (either current or

accreted), which also contributes to management and reduction of potential currency risk, but with material upside through an “equity kicker” component. Covenants are used to manage compliance with the Adviser’s ESG policies.

These instruments, which include convertible debt, mezzanine loans with variable upside rights, or redeemable preferred equity with warrants, among others, generally provide for contractually structured exits (either as the primary means of exit or as a fallback if no trade sale or public offering occurs within a specified period) and generally provide a Fund with significant influence in governance through a combination of both creditor rights (contractual claims for compensatory damages, often secured by collateral) and shareholder rights (negative controls, contractual exits for the equity component, and a greater ability to obtain court-ordered specific performance without regard to compensatory damages).

Use of proceeds from investment in these companies may include acquisition financing, expansion financing, rescue financing, capital restructuring, re-capitalizations and refinancing.

*Secondary
Market
Opportunities/
Shorter Term
Investments*

With secondary market opportunities, the Adviser targets illiquid securities of what the Adviser believes are good operating businesses with badly structured or unsustainable capital structures or that have been subjected to disproportionate selling pressures due to global or local market dislocations, impatience with EM jurisdictional and legal concerns, or similar complexities. In all cases, the Adviser will invest only in secondary market securities of companies that it believes have the current need or prospect of value addition from the Adviser.

The range of these secondary opportunities is expected to primarily include (i) deep value performing and non-performing debt obligations, including syndicated senior bank debt and leveraged loans, bonds, commercial paper, trade claims and other similar assets, typically from a large issue or syndication of private or public companies, with downside protection and disproportionate upside due to market disruption, political events or underlying disputes, and (ii) other deep value securities with the potential for significant value enhancement through quick turnaround situations where strong management or shareholders require rescue by way of restructuring and de-levering, repositioning or recapitalization.

Securities will be evaluated through a process focusing on the risk/reward profile of each security given the liquidity prospects of the issuer and the security’s ranking in the capital structure. Evaluation will include financial cash flow analysis, legal due diligence (including applicable bankruptcy regimes) and the potential exit and liquidity opportunities based on both publicly available information and access to local stakeholders (where available).

Secondary opportunities may have a faster rotation of capital than originated private equity structured investment opportunities. All investments, but especially secondary opportunities, may initially involve accumulating smaller “toe-hold” stakes as a first step towards making core investments in certain of those companies.

B. Risks of Loss

Risks Associated with Investments in Securities Generally

A Fund will invest in a number of securities and obligations that entail substantial inherent risks. Although the Funds will attempt to manage those risks through careful research and ongoing monitoring of investments, there can be no assurance that securities and other investments purchased by the Fund will in fact increase in value or that the Fund will not incur significant losses. The securities in which the Funds will invest may be among the most junior in a portfolio company's capital structure and, thus, subject to the greatest risk of loss. There may be no collateral to protect the Funds' investment once made. Furthermore, the nature of the Funds' investments potentially may result in the Fund incurring significant fees and expenses, such as legal, financial advisory and consulting fees and expenses. Investors in the Fund who are subject to fiduciary obligations will be asked to represent that their investment in The Fund is being made by them as fiduciaries. In addition, all investors will be asked to represent that they are investing in reliance on their own tax, legal, ERISA and financial advisers and not on any advice or recommendation of the Adviser.

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 a 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 a 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 Adviser 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.

Further, recent developments in global financial markets have illustrated that the current environment is one of uncertainty for financial services companies. The existence of such events has had, and the continuation or worsening of any such events, or other events, may have or continue to have, a material adverse effect on the availability of credit to businesses generally and may lead to further overall weakening of the U.S. and global economies, including emerging markets economies. Any resulting economic downturn could adversely affect the financial resources of a Fund's investments in particular those investments that provide credit to third parties or that otherwise participate in the credit markets, which in turn may adversely affect or restrict the ability of a Fund to sell or liquidate investments at favorable times or at favorable prices or which otherwise may have an adverse impact on the business and

operations of a Fund, restrict a Fund's investment activities and/or impede a Fund's ability to effectively achieve its investment objective. In addition, new regulations may be issued in response to economic or political developments that could limit a Fund's activities and investment opportunities or change the functioning of the capital markets.

Emerging markets economies have been and may continue to be adversely affected by economic conditions in the developed countries with which they trade. The interrelatedness of the global economy, particularly with respect to emerging markets countries, has deepened in recent decades, with the effect that economic difficulties in one country often spread throughout a region. A Fund may not be capable of, or successful at, effectively managing the risks presented by such developments and therefore may be unable to preserve the value of its assets or generate positive investment returns.

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.

Recently enacted U.S. federal income tax legislation (the "**2017 Tax Legislation**") treats certain allocations of capital gains to service providers by partnerships such as a Fund as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of the principals, employees, or other individuals associated with the Adviser who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the Adviser and its affiliates to incentivize, attract and retain individuals to perform services for a Fund.

Economic Risks Associated with Investments in the Emerging Markets

The economies of the emerging markets may differ favorably or unfavorably from the economy in the United States and other developed countries with regard to the rate of growth of gross domestic product, the rate of inflation, capital reinvestment, resource self-sufficiency and balance of payments. The economies of many countries in the emerging markets are export driven and may be affected by developments in the economies of their main trading partners. Furthermore, the governments of some countries in the emerging markets have exercised, and continue to exercise, substantial influence over many aspects of the private sector. In some cases, governments own or control many companies, including some of the largest in their respective countries. The availability of investment opportunities for a Fund depends on the continued support of the governments of emerging market countries for liberalization of economic policies and the development of the private sector. There can be no assurance that these governments will continue these policies or that other factors negatively affecting a Fund will not develop. In addition, a number of countries in the emerging markets have been granted Most Favored Nation status by the U.S. Congress, which improves the competitiveness of their exports to the United States. There is no assurance that such favorable foreign policies will continue in the future.

Investment in certain sectors and the securities of issuers in certain nations in the emerging markets is restricted or controlled to varying degrees. These restrictions or controls may at times limit or preclude foreign investment in such sectors or issuers in such nations and increase the costs and expenses of a

Fund. Most countries may restrict investment opportunities in sectors or in certain issuers or industries deemed important to national interests. Some countries require governmental approval for the repatriation of investment income, capital or the proceeds of sales of securities by foreign investors. In addition, if there is a deterioration in a country's balance of payments or for other reasons, a country may impose temporary restrictions on, or altogether change its restrictions on, foreign capital remittances abroad. Repatriation of income from and investments in entities that are organized or domiciled in foreign countries may be affected adversely by local withholding and other foreign tax requirements. Finally, investments in non-U.S. projects, companies, securities or instruments involve certain risks not typically associated with investing in U.S. securities and instruments, including (i) the possible imposition of non-U.S. taxes on income, gains and gross sales or other proceeds recognized with respect to non U.S. securities or instruments (including the imposition of such taxes as a result of the formation by the Adviser of an alternative investment vehicle outside of the United States); (ii) the application of complex U.S. and non-U.S. tax rules to cross-border investments; (iii) possible non-U.S. tax return filing requirements for a Fund and/or certain investors (including as a result of the formation by the Adviser of an alternative investment vehicle outside of the United States); and (iv) the imposition of brokerage taxes levied by non-U.S. governments, the effect of which would be to increase the cost of such an investment and reduce the realized gain (or increase the realized loss) on such an investment at the time of its disposition.

Political and Social Factors Associated with Investments in the Emerging Markets

A Fund will be exposed to the direct and indirect consequences of potential political, economic, social and diplomatic changes in the emerging markets, including social and political instability resulting from, among other things: (i) authoritarian governments or military involvement in political and economic decision making and changes in government through extra-constitutional means, (ii) popular unrest and internal insurgencies associated with demands for improved political, economic and social conditions, (iii) hostile relations with neighboring countries and (iv) ethnic, racial and religious conflict. Further, certain foreign investments involve risks and special considerations of a degree not typically associated with investments in more developed economies. Related risks include (i) price fluctuations, market volatility, less liquidity and smaller capitalization of securities markets, (ii) currency exchange rate fluctuations, (iii) rates of inflation, (iv) controls on, and changes in controls on, foreign investment and limitations on repatriation of invested capital and on a Fund's ability to exchange local currencies for U.S. dollars, (v) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (vi) less extensive regulation of the securities markets, (vii) longer settlement periods for securities transactions, (viii) less developed corporate laws regarding fiduciary duties and the protection of investors, (ix) less reliable judicial systems to enforce contracts and applicable law, (x) certain considerations regarding the maintenance of a Fund's portfolio securities and cash with foreign sub-custodians and securities depositories and (xi) foreign restrictions and prohibitions on ownership by foreign entities of assets in certain sectors and changes in foreign laws relating thereto. In addition, investments in businesses located in or doing business in the emerging markets may require significant government approvals under corporate, securities, exchange control, foreign investment and other similar laws and regulations and may require financing and structuring alternatives and exit strategies that differ substantially from those commonly used in more developed countries. With respect to certain countries where A Fund is expected to invest, there is the possibility of nationalization, expropriation or confiscatory taxation, political changes, governmental regulation, social instability or diplomatic developments (including war and acts of terrorism) that could adversely affect the economies of such countries or the value of a Fund's investments in those countries. In addition, it may be difficult to obtain and enforce a judgment in the courts of many of these countries. The governments in many emerging markets typically participate to a significant degree, through ownership interests or regulation, in local business, often exercising a controlling influence in certain key sectors of the economy, such as

natural resources, telecommunications, banking, air and rail transportation, electrical power, steel and shipbuilding. Generally, a Fund does not intend to obtain political risk insurance for its investments.

Difficulty of Bringing Suit or Foreclosure in Countries in the Emerging Markets

Because the effectiveness of the judicial systems in countries in the emerging markets varies, a Fund (or any portfolio company) may have difficulty in foreclosing on collateral or in successfully pursuing claims in the courts of such countries, as compared to the United States or other developed countries. Further, to the extent a Fund or a portfolio company may obtain a judgment but is required to seek its enforcement in the courts of one of the countries in which a Fund invests, there can be no assurance that such courts will enforce such judgment. The laws of many nations in the emerging markets lack the consistency found in the United States and similar countries with respect to foreclosure, bankruptcy, corporate reorganization or creditors' rights. Although certain nations have recently implemented reforms in their foreclosure and bankruptcy regimes, these bankruptcy systems are still largely unproven.

Risks in Relation to Intervening Countries

Where a Fund's investments in a foreign country are held or made through vehicles established in another country, the value and performance of investments and returns thereof may be affected by the political, economic and regulatory conditions of that country in relation to the foreign country in which the investment is made and in relation to the United States.

Investment Restrictions

Some countries in which a Fund is expected to invest have laws and regulations that, to varying degrees, preclude or restrict direct foreign investment in the securities of resident companies, limit the types of securities that foreigners may buy, or limit foreign investors to special investment structures. In many countries in the emerging markets, foreigners are precluded from investing in certain economic sectors (such as communications or natural resources). Moreover, prior governmental approval for foreign investments may be required in some countries and the extent of foreign investment in domestic companies may be subject to limitation in other countries. Foreign ownership limitations also may be imposed by the charters of individual companies.

Legal and Regulatory Risks

In general, many countries in the emerging markets lack fully developed legal systems and bodies of commercial law and practice normally found in countries with more developed market economies. Laws and regulations, particularly those concerning bankruptcy protection, foreign investment and taxation, can change quickly and unpredictably. The laws in some countries in the emerging markets regulating ownership, control and corporate governance of companies are in the early stages of development and are essentially unproven; legal principles relating to corporate affairs and the validity of corporate procedures, directors' fiduciary duties and liabilities and shareholders' rights may differ substantially from those that may apply in other jurisdictions. Courts in some countries in the emerging markets lack experience in commercial dispute resolution, and many of the procedural remedies for enforcement and protection of legal rights typically found in more developed jurisdictions are not available in such countries. The extent to which local parties and entities, including local governmental agencies, will recognize the contractual and other rights of the parties with which they deal may be uncertain. A Fund (or any portfolio company) may therefore be unable to protect and enforce its rights against local governmental and private entities. Investors' rights under the laws of emerging market countries may not be as extensive as those that exist under the laws of the United States. A Fund may therefore have more

difficulty asserting its rights as a shareholder of an emerging markets issuer in which it invests than it would as a shareholder of a comparable U.S. company.

A Fund (or any portfolio company) may also encounter difficulties enforcing judgments of foreign courts in the emerging markets or courts of the emerging markets in foreign jurisdictions.

Environmental Risks

A Fund may face significant environmental liability in connection with its investment in certain sectors of the emerging markets. The historical lack of environmental regulation in many emerging market countries has led to widespread pollution of air, ground and water resources. The legislative framework for environmental liability may not have been fully established or implemented. The extent of the responsibility, if any, for the costs of abating environmental hazards may be unclear when a Fund is considering an investment. Many countries in the emerging markets have implemented environmental regulations regarding the impact of the development and operation of certain projects in which a Fund will invest. These regulations provide the governments of these countries with the power to take action against companies for failure to comply with such environmental regulations, including the imposition of fines and the revocation of licenses and concessions.

Currency and Market Risks

The investors' capital accounts in a Fund will be denominated in U.S. dollars and distributions generally will be made in U.S. dollars. However, a Fund's investments will be made in the emerging markets, and consequently a Fund's investments may be denominated in currencies other than the U.S. dollar. Changes in the rates of exchange between the U.S. dollar and other currencies will have an effect, which could be adverse, on the performance of a Fund, amounts available for distribution by a Fund and the value of securities distributed by a Fund. Additionally, a particular foreign country may impose exchange controls, devalue its currency and/or take other measures relating to its currency which could adversely affect a Fund. Finally, a Fund will incur costs in connection with conversions between various currencies. Although a Fund has the ability to hedge currency risk associated with its investments denominated in currencies other than the U.S. dollar, it may or may not choose to do so. In the event a Fund chooses to hedge currency risk, it may do so in certain circumstances (for example, if a Fund develops an undesirable concentration in an individual currency), but in such event it does not expect that the full risk of currency fluctuations can be eliminated due to the complexity of the investment characteristics of the portfolio and limitations in the foreign currency market. A Fund is expected to conduct its foreign currency exchange transactions in anticipation of funding investment commitments or receiving proceeds upon dispositions. There can be no guarantee that instruments suitable for hedging market shifts will be available at the time when a Fund wishes to use them or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. Moreover, in many countries in the emerging markets, the markets for hedging instruments are not highly developed and may be restricted by governmental regulation. In many countries in the emerging markets, no such markets currently exist. In some cases, particularly in over-the-counter ("*OTC*") contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled.

Withdrawal of the United Kingdom from the European Union

On June 23, 2016, the people of the United Kingdom voted in a referendum to leave the European Union. As at the date of this Memorandum, there has been no change in the status of the United Kingdom as a member of the European Union. Pursuant to the European Union constitution, the only method of withdrawal is via Article 50 of the Treaty of the European Union, which itself provides for a period of up to two years during which the terms of the United Kingdom's ongoing relationship with the European Union will be negotiated. The Article 50 procedure was triggered by the United Kingdom government on March 29, 2017; accordingly, it is currently anticipated that the United Kingdom will cease to be a member of the European Union by the end of March 2019 (subject to any transitional arrangements or extensions which may be agreed). The terms of the United Kingdom's exit from the European Union are not clear, and the shape of the regulatory landscape following exit is not yet defined; the legal, political and economic uncertainty generally resulting from the United Kingdom referendum result and anticipated exit from the European Union may adversely impact United Kingdom-based businesses, and may also result in an economic slowdown and/or a deteriorating business environment in one or more European Union Member States.

Exit Strategies

A number of factors may complicate exit strategies pursued by a Fund. Aggregate trading volumes on securities markets in the emerging markets are substantially lower than trading volumes in more established economies. Securities of most companies in the emerging markets are less liquid and more volatile than securities of comparable companies in the United States economies.

Indirect Change in Control Taxation

Many EM countries have enacted, or may in the future enact, taxation on the deemed capital gains by non-resident beneficial owners of a local company upon the indirect change in control of such company. These laws vary in their timing, triggers for the change in control, valuation methods, and other important features, the net effect of which is to create uncertainty on the amount of these contingent liabilities and dates on which they come due. This can create uncertainty and result in substantial seller indemnification obligations or escrowed holdbacks of proceeds of sale or initial public offerings.

Unspecified Use of Proceeds

Investors in a Fund will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments by a Fund. No assurance can be given that a Fund will be successful in obtaining suitable investments or that, if the investments are made, the objectives of a Fund will be achieved.

Illiquidity

Participation in a Fund will generally be 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 Adviser or its designee) may exceed its income, thereby requiring that the difference be paid from a Fund's capital, including unfunded

Commitments. Investors in a Fund generally will not be permitted to withdraw from a Fund prior to its termination and Interests in a Fund may be assigned or otherwise transferred only under limited circumstances. Furthermore, a Fund may invest in securities and other assets and obligations that are thinly traded, securities and other assets for which no market exists and/or securities which are restricted as to their transferability under applicable securities laws and/or documents governing particular transactions of a Fund. This factor may have the effect of limiting the availability of such securities and other assets for purchase by a Fund and may also limit the ability of a Fund to sell such securities and other assets at their fair market value prior to termination of a Fund or in response to changes in the economy or the financial markets. Due to securities regulations governing certain publicly-traded equity securities, a Fund's ability to sell securities could also be diminished with respect to equity holdings that represent a significant portion of the issuer's securities (particularly if a Fund has designated one or more directors of the issuer). Thus, there can be no assurance as to the timing and amount of distributions from a Fund and any distribution that would require either an in-kind distribution or a forced sale of illiquid assets at a price deemed unattractive by the Adviser may occur after the expiration of the expected life of a Fund. To the extent any investments of a Fund cannot be sold prior to the termination of a Fund, they may be distributed in kind to the investors at termination. The securities and instruments so distributed may not be readily marketable 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 investors. After a distribution of securities is made to the investors, many investors 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 investors may be lower than the value of such securities determined pursuant to the Fund Documentation, including the value used to determine the amount of carried interest available to the Adviser with respect to such investment.

Distribution of Assets Other Than Cash

A Fund may elect, from time to time, to make distributions to the investors of assets other than cash, including securities or other non-cash properties. An investor that receives assets other than cash from a Fund may incur substantial costs and delays in converting those assets to cash. In addition, the direct holding of certain investments may subject the holder to taxes in jurisdictions in which such investments are located.

Valuation of Assets

Valuations of a Fund's portfolio, which will affect a Fund's performance results, may involve uncertainties and judgmental determinations. The process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had a ready market existed for such securities and may differ from the prices at which such securities may ultimately be sold. Further, third party pricing information may at times not be available regarding certain of a Fund's securities. If the Adviser's valuation of a Fund's securities should prove to be incorrect, the net asset value of a Fund's investments could be adversely affected. Absent bad faith or manifest error, valuation determinations will be conclusive and binding. Moreover, because the Adviser will determine in its discretion the value of any such assets, the Adviser will have an apparent conflict of interest in making that determination, given the potential impact of such valuations on a Fund's performance results.

Impact of Government Regulation, Reimbursement and Reform

Certain industry segments in which a Fund intends to invest are (or may become) (i) highly regulated and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various

government (or private) reimbursement programs. While a Fund intends to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable 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.

Changes in U.S. federal, state, and local or foreign tax law, interpretations of existing tax law, or adverse determinations by tax authorities, could increase a Fund's tax burden or otherwise adversely affect a Fund's financial condition or results of operations.

Third Party Involvement

A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take action contrary to the investment objectives of a Fund. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities may be made by the Adviser or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other investors. When and to the extent that employees and related persons of the Adviser make capital investments in or alongside a Fund, the Adviser is subject to conflicting interests in connection with these investments. The Adviser's allocation of co-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.

Leverage

A Fund's investments are expected to include companies whose capital structures may have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry. Additionally, the securities acquired by a Fund may be the most junior in what will typically be a complex capital structure, and thus subject to the greatest risk of loss.

Furthermore, if permitted under Fund Documentation, a Fund may engage in certain investment activities that involve the use of leverage, including through credit default swaps, total return swaps or CLNs. While leverage presents opportunities for increasing a Fund's total return, it may potentially increase losses as well. Accordingly, any event that adversely affects the value of an investment by a Fund would be magnified to the extent leverage is used. The cumulative effect of the use of leverage by a Fund in a market that moves adversely to a Fund's investments could result in a loss to a Fund that would be greater than if leverage had not been used, including loss of the entire investment and also the possibility of loss exceeding the original amount of a particular investment. To the extent that a Fund engages in any leveraging, it will be subject to the risks normally associated with debt financing, including those relating

to the ability to refinance and the insufficiency of cash flow to meet principal and interest payments, which could significantly reduce or even eliminate the value of a Fund's equity investment. Leveraging the capital structure will mean that third parties, such as banks, may be entitled to the cash flow generated by such investments prior to a Fund receiving a return. Also, if an asset of a Fund is mortgaged or otherwise used as collateral to secure repayment of indebtedness and such payments are not made, the asset could be foreclosed upon by the lender or otherwise transferred to the lender.

There are also financing costs associated with leverage and such costs will be borne by a Fund and therefore may adversely affect the rate of returns obtained by a Fund. In addition, each leveraged investment will involve interest rate risk, including to the extent that financing charges for such leveraged investment are based on a predetermined interest rate. A Fund's assets, including any investment made by a Fund and any capital held by a Fund, are available to satisfy all liabilities and other obligations of a Fund. If a Fund defaults on secured indebtedness, the lender may foreclose and a Fund could lose its entire investment in the collateral for such loan. If a Fund itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to a Fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability. Furthermore, to the extent that a Fund draws capital from a subscription line to fund investments (rather than drawing down capital from the investors' undrawn Capital Commitments), the amount and timing of contributions and distributions to the investors may be affected in a manner that in some circumstances could be potentially adverse to the investors.

No assurance can be given that financing for a Fund's investments will be obtained by a Fund, or obtained on favorable or acceptable terms. In addition, once initial financing is obtained by a Fund, no assurance can be given that such financing will subsequently be available throughout the life of a Fund or any individual investment, or that replacement financing can be obtained as intended by the Adviser. If a Fund is unable to obtain financing, this may have a material adverse effect on a Fund's ability to achieve its investment objectives and the return on invested capital.

Tax exempt investors should note that the use of leverage by a Fund or by portfolio companies that is guaranteed by a Fund may give rise to UBTI.

Risk of Investment Concentration

Although the Adviser intends to diversify a Fund with respect to major regions within the emerging markets and sector exposure, a Fund generally may invest up to 20% of total capital commitments in any single portfolio company. Unfavorable performance by a small number of investments could materially affect the aggregate returns realized by the investors.

A Fund may provide bridge financing to facilitate portfolio company investments. It is possible that all or a portion of a bridge financing will not be recouped within the time period specified in the Fund Documentation, in which case the investment would be treated as a permanent investment of a Fund. As a result, a Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under a Fund's investment limitations, which exclude Bridge Financing investments.

Potential for Insufficient Investment Opportunities

The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. the Adviser may not be able to identify and obtain a sufficient number of investment opportunities to invest the full amount of capital that may be committed to a Fund.

However, investors generally will be required to bear Management Fees through a Fund during the Investment Period based on the entire amount of the investors' commitments and other expenses, as set forth in the Fund Documentation.

Accounting Standards; Limited Availability of Information; Due Diligence

The availability of information within countries in the emerging markets, including information concerning their economies and the securities of companies in such countries, generally is more limited than is the case in the United States. The accounting, auditing and financial reporting standards and practices of certain countries generally are not equivalent to those employed in the United States and may differ in fundamental respects. There is typically less information available about companies in the emerging markets than about companies in the United States and there is generally less government supervision and regulation of private companies than in the United States. The financial information appearing on the financial statements of the companies in those countries may not reflect financial position or results of operations in the way they would be reflected if the financial statements had been prepared in accordance with generally accepted international accounting principles. Investors in such companies generally have access to less reliable information than investors in more economically sophisticated countries. In addition, the scope and nature of a Fund's due diligence activities in connection with portfolio investments in certain countries in the emerging markets will be more limited than due diligence reviews conducted in more developed economies because reliable information is often unavailable or prohibitively costly to obtain. The lower standards of due diligence and financial controls in investments in certain countries in the emerging markets increases the likelihood of material losses on such investments. Furthermore, a Fund may not be in a position to take legal or management control of its investments in certain countries. It may have limited legal recourse in the event of a dispute, and remedies might have to be pursued in the courts of the country in question where it may be difficult to obtain and enforce a judgment.

Inflation

Certain countries in the emerging markets have experienced substantial, and in some periods extremely high, rates of inflation for many years. Inflation and rapid fluctuations in inflation rates have had and may continue to have very negative effects on the economies and securities markets (both public and private) of certain countries in which a Fund may invest. There can be no assurance that high rates of inflation outside the United States will not have a material adverse effect on the investments of a Fund.

Collateral Security Foreclosures

To the extent available under applicable laws, the Adviser may be required for business or other reasons to foreclose on collateral security held in a Fund's portfolio. Such proceedings can be lengthy and expensive and borrowers often assert claims, counterclaims and defenses to delay or prevent such actions. At any time during the proceedings, the borrower may file for bankruptcy, which would have the effect of staying the foreclosure action and further delaying the process, and materially increasing the expense thereof which expenses may or may not be recoverable by a Fund. See "**Nature of Bankruptcy Proceedings**" below. In addition, anti-deficiency and related laws in certain countries limit recourse and remedies available against borrowers in connection with or as a result of foreclosure proceedings or other enforcement actions taken with respect to such borrowers. Such laws can result in the loss of liens on collateral or personal recourse against a borrower altogether.

Nature of Bankruptcy Proceedings

To the extent available under applicable law, there are a number of significant risks when investing in securities of companies involved in bankruptcy proceedings, including the following: First, many events in a bankruptcy are the product of contested matters and adversary proceedings which are beyond the control of the creditors. Second, a bankruptcy filing may have adverse and permanent effects on a company and its business. For instance, the company may lose its market position and key employees and otherwise become incapable of restoring itself as a viable entity. Further, if the proceeding is converted to a liquidation, the liquidation value of the company may not equal the liquidation value that was believed to exist at the time of the investment. Third, the duration of a bankruptcy proceeding is difficult to predict. A creditor's return on investment can be impacted adversely by delays while the plan of reorganization is being negotiated, approved by the creditors and confirmed by the bankruptcy court, and until it ultimately becomes effective. Fourth, certain claims, such as claims for taxes, wages and certain trade claims, may have priority by law over the claims of certain creditors. Fifth, the administrative costs in connection with a bankruptcy proceeding are frequently high and will be paid out of the debtor's estate prior to any return to creditors. Sixth, creditors can lose their ranking and priority in a variety of circumstances, including if they exercise "domination and control" over a debtor and other creditors can demonstrate that they have been harmed by such actions. Seventh, a Fund may seek representation on creditors' committees and as a member of a creditors' committee it may owe certain obligations generally to all creditors similarly situated that the committee represents and it may be subject to various trading or confidentiality restrictions. If the Adviser concludes that a Fund's membership on a creditors' committee entails obligations or restrictions that conflict with the duties it owes to investors, or that otherwise outweigh the advantages of such membership, a Fund will not seek membership in, or will resign from, that committee. Because a Fund will indemnify the Adviser, the Adviser, or any other person serving on a committee on behalf of a Fund for claims arising from breaches of those obligations, indemnification payments could adversely affect the return on a Fund's investment in a company undergoing a reorganization.

Loans and Participations

A Fund's investment program may include investments in loans (which may include collateral security) and participations. These obligations are subject to unique risks, including: (i) the possible invalidation of investment transactions as fraudulent conveyances or preferences under relevant creditors' rights laws, (ii) so-called lender-liability claims by the issuer of the loan obligations, (iii) environmental liabilities that may arise with respect to any real property securing the obligations and (iv) limitations on the ability of a Fund to directly enforce its rights with respect to loan participations. In analyzing each loan or participation, the Adviser compares the relative significance of the risks against the expected benefits of the investment. Successful claims by third parties arising from these and other risks, absent certain conduct by the Adviser, the Adviser, their respective affiliates and certain other individuals, will be borne by a Fund.

Bridge Financing

A Fund may provide bridge financing in connection with one or more of its investments. A Fund will bear the risk of any changes in capital markets, which may adversely affect the ability to refinance any bridge investments.

Projections

A Fund may rely upon projections developed by the Adviser or a portfolio company concerning the portfolio company's future performance and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of the Adviser and the portfolio company. The inaccuracy of certain

assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values and cash flow.

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. Different assumptions may produce different results. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values and cash flow. There can be no assurance that a Fund will be able to effectively implement its investment objective or 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.

Board Participation

The size of a Fund's equity holdings in a particular company, or contractual rights obtained by a Fund connection with an investment, may enable a Fund to designate one or more directors to serve on the boards (or comparable governing bodies) of companies in which a Fund invests. While such representation may enhance a Fund's ability to manage its investments, it may also have the effect of impairing the ability of a Fund to sell the related securities when, and upon the terms, it might otherwise desire, as it may subject a Fund to legal claims it would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other board-related claims. 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. A Fund will indemnify the Adviser, the Adviser or any person designated by the Adviser or the Adviser for claims arising from such board representation. A Fund will attempt to balance the advantages and disadvantages of such representation when deciding whether and how to exercise its voting or contractual rights, but changes in circumstances could produce adverse consequences in particular situations.

Control Person Liability

In certain circumstances, a Fund may have controlling interests in and the ability to significantly influence a company or investment. The exercise of control of, or significant influence over, a company or investment may impose additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations (including securities laws) or other types of liability in which the limited liability generally characteristic of business ownership may be ignored. If these liabilities were to arise, a Fund might suffer a significant loss.

Contingent Liabilities on Disposition of Investments

In connection with the disposition of an investment, a Fund may be required to make 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. A Fund also may be required to indemnify the purchasers of such investment with respect to certain matters, including the accuracy of such representations or similar representations made by another person or entity. These arrangements may result in contingent liabilities for which the Adviser may establish reserves or escrows. In that

regard, investors may be required to return amounts distributed to them to fund a Fund's indemnity obligations.

Third Party Litigation

A Fund's investment activities subject it to the risks of becoming involved in litigation by third parties. This risk is somewhat greater where a Fund exercises control of, or significant influence in, a company's direction. The expense of defending against claims by third parties and paying any amounts pursuant to settlements or judgments would, absent certain conduct by the Adviser or its personnel, be borne by a Fund and would reduce net assets and could require investors to return to a Fund distributed capital and earnings. The Adviser and others are entitled to be indemnified by a Fund connection with such litigation, subject to certain conditions.

Exculpation of the Adviser and the Adviser Parties

The investment management agreement applicable to a Fund and the Fund Documentation each contain broad exculpatory provisions which limit the right of an investor to maintain an action against the Adviser (as the investment manager of a Fund), and any affiliate of the Adviser, or any of their respective owners, trustees, members, managers, shareholders, partners, directors, officers, employees, agents, advisors, assigns, representatives and affiliates (and their respective owners, trustees, members, managers, shareholders, partners, directors, officers, employees, agents, advisors, assigns, representatives and affiliates) (each, an "*the Adviser Party*") to recover losses or costs incurred by a Fund as a result of the Adviser's or such other the Adviser Parties' action or failure to act. As a result, investors may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, the Fund Documentation will provide that a Fund will indemnify the Adviser and its affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of a Fund. Such indemnification obligations could materially impact the returns to investors.

Diverse Investor Group

The investors may have conflicting investment, tax, and other interests with respect to their investments in a Fund. Conflicts may arise in connection with decisions made by the Adviser regarding an investment that may be more beneficial to one investor than another, especially with respect to tax matters. In selecting and structuring investments appropriate for a Fund, the Adviser will consider the investment and tax objectives of a Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

Regulatory Compliance

Acquisition by a Fund of debt and equity securities may result in reporting and compliance obligations under applicable law. The costs of compliance will be borne by a Fund. In addition, investments by a Fund in the emerging markets are or may become subject to regulation by various agencies in such countries. New and existing regulations, changing regulatory regimes, and the burdens of regulatory compliance all may have a material negative impact on the performance of portfolio companies that operate in the emerging markets. The Adviser cannot predict whether new legislation or regulation in the emerging markets will be enacted by legislative bodies or governmental agencies, nor can it predict what effect such legislation or regulation might have. There can be no assurance that new legislation or regulation, including changes to existing laws and regulation, will not have a material negative impact on a Fund's investment performance.

Side Letters

A Fund and/or the Adviser, on its own behalf and/or on behalf of a Fund, may from time to time enter into letter agreements or other similar agreements (collectively, “**Side Letters**”) with one or more investors which provide such investors with additional or different rights than such investors have pursuant to the Fund Documentation, so long as such side letters do not cause the Adviser to violate its duties under applicable law. As a result of such Side Letters, certain investors may receive additional benefits that other investors will not receive. Neither the Adviser nor a Fund will be required to notify any or all of the other investors of any such Side Letters or any of the rights or terms or provisions thereof, nor will the Adviser or a Fund be required to offer such additional or different rights or terms to any or all of the other investors. The Adviser and/or a Fund may enter into such Side Letters with any party as the Adviser may determine in its sole and absolute discretion at any time. The other investors will have no recourse against the Adviser, a Fund, or any of their affiliates in the event that certain investors receive additional or different rights or terms as a result of such Side Letters.

Dependence on the Adviser and Key Personnel

A Fund has no operating history and will be dependent on the Adviser. Control over the operation of a Fund will be vested with the Adviser or its affiliates. The success of a Fund depends on the expertise and the continued services of the Adviser and its personnel. Loss of the services of key personnel could materially and adversely impact a Fund. 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 more than one Fund, and the principals may need to devote substantial amounts of their time to the investment activities of such Funds, which may pose conflicts of interest in the allocation of the time of the principals. Investors generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend on the actions of the Adviser.

Dilution from Subsequent Closings

investors subscribing for Interests in a Fund at subsequent closings will participate in existing investments of a Fund, diluting the interest of existing investors therein. Although such investors will contribute their pro rata share of previously made Fund draws, there can be no assurance that this payment will reflect the fair value of a Fund’s existing investments at the time such additional investors subscribe for Interests in a Fund.

Penalty for Failure to Make Capital Contributions

Failure of an investor to meet a capital call will result in such investor becoming a “Defaulting Partner” and, among other things, potentially forfeiting such investor’s entire interest in a Fund.

Need for Follow-On Investments

Following its initial investment in a given portfolio company, a Fund 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 a 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 a Fund to increase its participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Material, Non-Public Information

By reason of their responsibilities in connection with the Funds, personnel of the Adviser may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. A Fund will not be free to act upon any such information. Conversely, due to these restrictions, a Fund may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

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 Adviser's principals, and increased costs associated with each of the aforementioned risks.

Business Risks

A Fund's investment portfolio is expected to consist primarily of securities issued by privately held 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.

Distressed Investments

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

Shareholder-Directorship Appointments to Portfolio Companies

In the normal course of its investment program for a Fund, the Adviser may negotiate the right to nominate or appoint one or more members of its investment team or another Albright Party to the board

of directors of a portfolio company. This dual role creates an ongoing obligation for the appointed individual to consider the needs of both parties independently, and to ensure that any information received from either party is not shared inappropriately.

Additionally, a portfolio company typically will reimburse the Adviser or service providers retained at the Adviser's discretion for expenses (including, without limitation, travel expenses) incurred by the Adviser or such service providers in connection with the performance of services for such portfolio company. This subjects the Adviser to conflicts of interest because a Fund generally does not have an interest in or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Fund Documentation and its internal reimbursement policies and practices, the Adviser determines the amount of these reimbursements for such services in its own discretion.

The Adviser may also, from time to time, employ personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by a Fund or other funds or investment vehicles advised by the Adviser; conversely, former personnel or executives of the Adviser may serve in significant management roles at portfolio companies or service providers recommended by the Adviser. Similarly, the Adviser and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Adviser, and/or a Fund, other funds or other investment vehicles the Adviser advises. The Adviser may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to a Fund or a portfolio company owned by a Fund 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 the Adviser advises, will provide the Adviser information about markets and industries in which the Adviser operates (or is contemplating operations) or will provide other services that are beneficial to the Adviser. The Adviser may have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for a Fund and other funds and investment vehicles that the Adviser advises, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

Over the life of a Fund, the Adviser generally expects to exercise its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) the Adviser (or an affiliate, which may include other portfolio companies of a Fund or other investment funds sponsored by the Adviser) and at rates determined or substantively influenced by the Adviser; (ii) an entity with which the Adviser or its affiliates or current or former members of their personnel has a relationship or from which such person derive a financial or other benefit; or (iii) an investor (or a limited partner of another fund) or its affiliates. This subjects the Adviser to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance, the Adviser may have an incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that the Adviser, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Adviser, a Fund or other investment funds sponsored by the Adviser or its affiliates), may favor such retention or continuation even if a better price and/or quality of service provider could be obtained from another person. Whether or not the Adviser has a relationship with 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.

While it is generally the case that the interests of the Adviser, a Fund and the portfolio company are well aligned, that alignment may break down in certain instances where, for example, the portfolio company may be seeking additional funding as a result of financial distress.

In such circumstances, in accordance with corporate or company law in the applicable jurisdiction, the Adviser's nominated representative who serves as a director of the portfolio company must either:

- Observe the primary fiduciary duty owed by him/her to the portfolio company and serve on the board to the best of his/her ability, in which case the Adviser will instruct another member of its staff to monitor the portfolio company on behalf of a Fund, leaving the Adviser's board representative free to fulfill those duties owed to the portfolio company; or
- Where (i) a Fund holds both common equity and more senior securities in the capital structure of a portfolio company and (ii) the Adviser may seek to cause a Fund to take legal action as a senior creditor or preferred equity shareholder to protect its interests of a Fund: recuse him- or herself from all board deliberations relating to the underlying circumstances giving rise to the possible legal action and all related matters.

Possible Adverse Tax Consequences; Audit

While a Fund is advised in tax matters by counsel and accountants, the positions of a Fund as to the tax consequences of the investment strategies are not binding on, and may not be accepted by, the U.S. Internal Revenue Service or any court. A Fund's information returns, if any, could be audited by the U.S. Internal Revenue Service and adjustment to a Fund's returns could occur as a result. Any such adjustments could subject a Fund to additional tax, interest and penalties, as well as incremental accounting and legal expenses.

Tax Information Exchange Regimes; FATCA Withholding Tax on Certain Non-U.S. Entities

The United States, pursuant to the "*Foreign Account Tax Compliance Act*" or "*FATCA*" has entered into numerous intergovernmental agreements with various jurisdictions concerning the exchange of information as a means to combat tax evasion. The Organization for Economic Co-operation and Development (the "*OECD*") has established a worldwide tax information exchange standard in which many countries have agreed to participate. One or more of these information exchange regimes apply to a Fund and/or Alternative Investment Vehicles, and require the Adviser to collect and share with applicable taxing authorities certain financial, tax and other information ("*Tax Reporting Information*") concerning investors (including identifying information and amounts of certain income allocable or distributable to them). Accordingly, each investor is required to provide a Fund on a timely basis with any certification or other evidence of any Tax Reporting Information the Adviser may request. A Fund (and any authorized agent on its behalf) will have the power to release, report or otherwise disclose to any applicable tax authority any Tax Reporting Information, or any other information relating to the investor's investment in a Fund, in connection with the information exchange regimes described above, including, without limitation, the identity, address, tax identification number, tax status and interest of the investor (and any of its direct or indirect owners or affiliates). An investor's failure to provide required information may result in withholding taxes, government-imposed penalties, expulsion from a Fund and/or alternative investment vehicles or other potential remedies. In addition, FATCA generally imposes a withholding tax of 30% on a non-U.S. entity's (including a Fund's) share of most payments attributable to investments in the United States, including dividends, interest, and, potentially in the future, on the gross proceeds of a disposition of any stock, debt instrument, or other property that can produce U.S.-source dividends or interest, unless an exception applies. This withholding tax could, under certain limited circumstances, apply to a Fund if it fails to comply with certain reporting obligations.

Alternative Investment Fund Managers Directive

The European Union ("*EU*") Alternative Investment Fund Managers Directive (the "*AIFMD*") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area ("*EEA*").

A Fund is an alternative investment fund, and the Adviser is a non-EU alternative investment fund manager ("*non-EU AIFM*"), for the purposes of the European Union's AIFMD. In relation to non-EU AIFMs, the AIFMD will require compliance with reporting, disclosure and notification requirements. These are likely to increase the costs and expenses associated with operating a Fund and making investments, and it is possible that the AIFMD may restrict a Fund from being operated in the manner and on the terms envisaged in this Memorandum. The AIFMD will also restrict certain activities of a Fund in

relation to EEA portfolio companies, including, in some circumstances, a Fund's ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership, which may in turn affect operations of a Fund generally.

In the future, it may be possible for non-EEA alternative investment fund managers ("*AIFMs*") to market an alternative investment fund ("*AIF*") within the EEA pursuant to a pan-European marketing "passport", instead of under national private placement regimes. Access to this passport may be subject to the non-EEA AIFM complying with various additional requirements under the AIFMD, which may include one or more of the following: additional conduct of business and organizational requirements; rules relating to the remuneration of certain personnel; minimum regulatory capital requirements; restrictions on the use of leverage; additional disclosure and reporting requirements to both investors and EEA home state regulators; independent valuation of an AIF's assets; and the appointment of an independent depositary. Certain EEA Member States have indicated that they will cease to operate national private placement regimes when, or shortly after, the passport becomes available, which would mean that non-EEA AIFMs to whom the passport is available would be required to comply with all relevant provisions of the AIFMD in order to market to professional investors in those jurisdictions. As a result, if in the future non-EEA AIFMs may only market in certain EEA jurisdictions pursuant to a passport, the Adviser may not seek to market interests in a Fund in those jurisdictions, which may lead to a reduction in the overall amount of capital invested in a Fund. Alternatively, if the Adviser sought to comply with the requirements to use the passport, this could have adverse effects including, amongst other things, increasing the regulatory burden and costs of operating and managing a Fund and its investments, and potentially requiring changes to compensation structures for key personnel, thereby affecting the Adviser's ability to recruit and retain these personnel.

Ongoing Compliance with Anti Money Laundering Requirements

The Adviser will be authorized, without the consent of any person, including any investor, to take such action as the Adviser determines in its discretion to be reasonably necessary or advisable to comply, or to cause a Fund to comply, with any anti money laundering or anti-terrorist laws, rules, regulations, directives or special measures. In addition, the Adviser may disclose any information concerning a Fund and one or more of its Investors necessary or advisable to comply with applicable laws and regulations, including any money laundering or anti-terrorist laws or regulations to governmental authorities, self-regulatory organizations and financial institutions (in certain circumstances without notifying any investor or Investor that the information has been so provided), and each investor will be required to provide the Adviser all information that the Adviser determines in its discretion to be advisable or necessary to comply with such laws and regulations. The Adviser may be required by applicable law to "freeze" an investor's capital account (e.g., by prohibiting additional capital contributions from such investor or suspending other rights such investor may have under the Fund Documentation) or cause such investor to withdraw or be compulsorily redeemed from a Fund.

Limitations of Risk Disclosures

The above discussions of the various risks associated with a Fund are not, and are not intended to be, a complete enumeration or explanation of the risks involved in an investment in a Fund. Prospective investors should read the Fund Documentation of a Fund and consult with their own advisors before deciding whether to invest in a Fund. In addition, as a Fund's investment program changes or develops over time, an investment in a Fund may be subject to risk factors not described in the Fund Documentation.

Cyber Security Breaches and Identity Theft

The Adviser and its personnel, a Fund and a Fund's investments generally rely on information technology systems for current and planned operations. Information and technology systems of the Adviser and a Fund's companies and projects may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, the Adviser, a Fund, a company or project may have to make a significant investment to fix or replace them. Any disruption in any of these systems or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect a Fund's investment results and its ability to make distributions to its investors. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Adviser's, a Fund's, a company's and/or a project's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Adviser's, a Fund's, a company's and/or a project's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

GDPR - Compliance Risk

Data protection and regulations related to privacy, data protection and information security could increase costs, and a failure to comply could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations of a portfolio company.

Portfolio companies are subject to regulations related to privacy, data protection and information security in the jurisdictions in which they do business. As privacy, data protection and information security laws are implemented, interpreted and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

On May 25, 2018, the General Data Protection Regulation (EU 2016/679) (the "**GDPR**") replaced existing data protection legislation. The GDPR seeks to harmonize national data protection laws across the EU, whilst at the same time, modernizing the law to address new technological developments. As a regulation, the GDPR was immediately binding on data controllers and data processors in all EU member states without the need for implementation in each member state. The GDPR notably has a greater extra-territorial reach and has or will have a significant impact on data controllers and data processors either with an establishment in the EU, or which offer goods or services to EU data subjects or monitor EU data subjects' behavior within the EU. The new regime imposes more stringent operational requirements on both data controllers and data processors, and introduces significant penalties for non-compliance with fines of up to 4% of total annual worldwide turnover or €20 million (whichever is higher), depending on the type and severity of the breach.

The current ePrivacy Directive, will also be repealed by the EU Commission's Regulation on Privacy and Electronic Communications (the "**ePrivacy Regulation**") which aims to reinforce trust and security in the digital single market by updating the legal framework on ePrivacy. The ePrivacy Regulation is in the process of being finalized and is due to come into force in early 2019.

Compliance with current and future privacy, data protection and information security laws could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and some of the Adviser's current and planned business activities. A failure to comply with such laws could result in fines, sanctions or other penalties,

which could materially and adversely affect results of operations and overall business, as well as have an impact on reputation.

GDPR - Fair Processing Information / Data Protection

Prospective investors should be aware that, in considering and/or making an investment in a Fund, and interacting with a Fund, its affiliates, agents, advisers and/or delegates by (i) submitting the subscription materials, (ii) communicating through telephone calls, written correspondence and emails (all of which may be recorded) or (iii) providing personal data concerning individuals connected with the investor (such as directors, trustees, employees, representatives, shareholders, investors, clients, beneficial owners, advisers and/or agents), they will be providing a Fund, its affiliates, agents, advisers and/or delegates with personal data (as such term is defined in applicable EU data protection legislation).

The Adviser's affiliate has prepared a privacy notice, which provides further information regarding the personal data collected and used by it including in relation to a Fund, and the purposes for which such personal data is processed. The privacy notice is included in a Fund subscription booklet. Prospective investors should read the privacy notice carefully before sharing any personal data in accordance with the steps described above.

Delayed Tax Information

A Fund may not be able to provide final annual tax filing information to investors for any given fiscal year until after the initial tax filing deadlines for investors' tax returns. The Adviser will endeavor to provide investors with final annual tax information or with estimates of the taxable income or loss allocated to their investment in a Fund on or before such date, but final annual tax information may not be available until a Fund has received tax-reporting information from its portfolio companies necessary to prepare final annual tax information. Investors may be required to obtain extensions of the filing dates for their U.S. federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in a Fund.

Special Purpose Funds

The risks investing in any Special Purpose Fund relate to a specific, concentrated investment in the securities of one issuer and thus will be far more specific than the general risk factors described above. Such risks will be disclosed to investors in any Special Purpose Fund pursuant to the Special Purpose Fund's offering memorandum or other disclosure and due diligence materials, but investors in Special Purpose Funds will need to consult with their own legal, tax and other advisers to determine the suitability of an investment in such highly concentrated investments.

ITEM 9 – DISCIPLINARY INFORMATION

The Adviser has no information required to be disclosed pursuant to this Item.

ITEM 10 – OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Albright Securities LLC (the "BD Subsidiary"), an SEC-registered broker-dealer and a member of the Financial Industry Regulatory Authority, Inc., is wholly owned by the Adviser. The BD Subsidiary assists the Adviser in the private placement of interests in the Funds and interests in private portfolio companies of the Funds, for which the BD Subsidiary may periodically receive fees for services rendered,

subject to the requirements under the Fund Documentation with respect to the offset of such fees against the Management Fees that are otherwise payable to the Adviser. The BD Subsidiary does not and will not perform any other service for the Adviser or any Fund.

The Adviser (or a special purpose controlled affiliate of the Advisor) serves as the general partner of each Fund that is organized as a limited partnership.

ITEM 11 – CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND CROSS TRADES

Code of Ethics. The Adviser has adopted a Code of Ethics (the “Code”) that establishes formal standards of business conduct and professionalism for certain employees, officers, directors, and similar persons of the Adviser and certain of its affiliates (all such persons, “Subject Persons”). In addition, the Adviser’s Code incorporates, by reference, the Adviser’s Policy Statement Against Insider Trading (the “Policy Statement”). Upon employment, and annually thereafter, all Subject Persons are required to certify compliance with the Code and Policy Statement. The Code complies with the requirements of Rule 204A-1 under the Advisers Act regarding codes of ethics and contains certain provisions that are more restrictive than those mandated by such rule.

The Code sets forth, among other things, the following as required under Rule 204A-1. The Code holds Subject Persons to high standards of ethical conduct and places upon them a duty to act for the Client’s benefit as well as to place the financial interests of the Adviser’s Clients ahead of their own interests at all times. The Code also requires Subject Persons to comply with applicable federal securities laws and to report any violations of the Code promptly to the Adviser’s Chief Compliance Officer. In addition, the Code imposes certain restrictions on access persons (as such persons are defined in Rule 204A-1), including trading limitations and/or prohibitions on “covered securities,” defines holding and blackout period limitations, requires pre-clearance for particular personal securities transactions, and mandates initial holdings reports and at least quarterly transaction and annual holdings reporting. The term “covered securities” generally includes all securities except direct obligations of the United States government, money market funds and shares of open-end investment companies registered under the Investment Company Act (other than investment companies, if any, for which the Adviser acts as a subadviser or adviser), bankers’ acceptances and certificates of deposit, commercial paper, high quality short-term debt obligations, repurchase agreements and other money market instruments. If a personal securities transaction is approved, the access person may proceed with the approved trade on the date clearance is granted. Any personal securities trading required to be pre-cleared that has not gone through the approval process is a violation of the Code, and may be subject to penalties or fines. The Adviser’s Chief Compliance Officer reviews quarterly (or monthly) and annual holdings reports to ensure appropriate pre-approvals were obtained and to identify potential conflicts of interest.

In addition to the above restrictions, the Policy Statement includes policies to monitor, restrict (if necessary), and educate employees of the firm and certain of its affiliates with respect to acquiring and investing when in possession of material, non-public information. The Adviser maintains a “restricted list” of certain securities and has related pre-clearance procedures for securities trading.

Copies of the Adviser’s Code and Policy Statement are available to any prospective or existing Client upon request to the Adviser’s Chief Compliance Officer, Albright Capital Management LLC, 601 Thirteenth St., N.W., Suite 1000 South, Washington, DC, 20005

Participation or Interest in Client Transactions. The Adviser does not buy or sell securities for its own

account. However, the Adviser Parties may have an interest, as general partner or otherwise, in one or more of the Funds and officers, managers and employees of the Adviser may invest in one or more of the Funds either directly or through the special purpose general partners of such Funds. Officers, managers and employees of the Adviser are not permitted to own, buy and/or sell securities that the Adviser recommends to the Funds except indirectly through the Funds. Such transactions by officers, managers and employees of the Adviser are subject to, and must be made by each such person in accordance with, the Code (as discussed above). In addition, no Adviser Party will be permitted to co-invest with a Fund outside of a Fund without the approval of that Fund's limited partner advisory committee.

Cross Trades. Currently, the Funds are all private investment funds so the possibility of cross-trades is remote. However, it is possible that the Adviser may determine that it is appropriate and in the best interest of each Fund, if one Client purchases a security while another Client is selling the same security. To the extent permitted by law and applicable policies and procedures, the Adviser may effect "cross trades" involving Fund accounts in which a security is sold from one account or Client advised by the Adviser and bought for another such advised account or Fund, either through a book-entry or custodial transfer or through a broker-dealer. For example, cross trades may occur when accounts have different objectives or there are other factors specific to a Fund or when the Adviser is rebalancing Fund portfolios. In such circumstances, the Adviser may be able to reduce or eliminate transaction costs by arranging for one Fund account to buy or sell a portfolio security directly from or to another Fund account. No such transactions will be effected unless the Adviser determines it is in the best interest of each account in accordance with the Adviser's policy on the avoidance of conflicts of interest, including the approvals required under the applicable Fund Documentation. No such transactions will be permitted with respect to any account governed by the Employee Retirement Income Security Act of 1974. The Adviser will generally only effect cross trades in securities where a third-party mark is available.

Investment Allocation

Investment allocation issues may arise between (i) a Fund (which may have additional capacity for further investment in private investments) and (ii) a successor Fund. As provided in the Conflict of Interest Policy of the Adviser, in the case of a preceding fund with limited remaining capacity for investment (excluding prudential reservation of capital commitments for expenses and follow-on investment beyond the investment period), the Adviser may give priority to allocating all suitable investment opportunities to the preceding Fund (subject to any applicable concentration limits) until such available capacity has been used. This approach hastens the end of the preceding Fund's investment period and best meets the investment fund life cycle expected by investors in the preceding Fund. the Adviser prefers this approach since it minimizes the instances in which the Adviser must determine the most appropriate timing to exit a portfolio investment, which may itself create a conflict of interest.

ITEM 12 – BROKERAGE PRACTICES

Execution with Broker Dealers and Financing Sources

With respect to its Funds, conflicts of interest may exist with respect to the Adviser's selection of brokers, dealers and transaction agents and counterparties (collectively "**Broker Dealers**") and financing sources for the execution of transactions by a Fund. When engaging the services of Broker Dealers and financing sources, the Adviser may, subject to best execution, take into consideration a variety of factors, including, to the extent applicable, the ability to achieve prompt and reliable execution, competitive pricing, transaction costs, operational efficiency with which transactions are effected, access to deal flow and precedent transactions, and the financial stability and reputation of the particular Broker Dealer, as well as

other factors that the Adviser deems appropriate to consider under the circumstances. Broker Dealers and financing sources may provide other services that are beneficial to the Adviser and its affiliates, but that are not necessarily beneficial to a Fund, including capital introductions, other marketing assistance, client and personnel referrals, consulting services, and research related services. These other services and items may influence the Adviser's selection of Broker Dealers and financing sources.

The Adviser does not utilize the services of the BD Subsidiary, its affiliated broker-dealer, in connection with the execution, settlement or clearing of securities transactions on behalf of any Fund.

In selecting brokers and dealers to effect portfolio transactions for a Fund that invests in public securities markets, the Adviser generally will seek prompt execution of orders at the most favorable prices reasonably obtainable under the circumstances. The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular portfolio transaction or to select any broker-dealer on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the commissions of eligible broker-dealers and to minimize the expenses incurred for effecting Client transactions to the extent consistent with the interests and policies of the accounts. Although the Adviser generally seeks competitive commission rates, it will not necessarily pay the lowest commission. Transactions may involve specialized services on the part of the Broker Dealer involved and thereby entail higher commissions than would be the case with other transactions requiring more routine services. Transactions in emerging market securities are typically executed at commissions higher than those available in U.S. securities markets and frequently involve settlement on other than a "delivery-versus-payment" basis, which could subject the Client to a risk of loss.

The Adviser maintains a list of brokers and counterparties that have been approved for trading Fund assets based on the criteria described below. In seeking best execution, the determinative factor is not the lowest possible cost, but whether the transaction represents the best qualitative execution, taking into consideration the full range of a broker-dealer's services, including, but not limited to, the following:

- A broker's trading expertise, including the broker's ability to complete trades; execute and settle difficult trades; obtain liquidity to minimize market impact and accommodate unusual market conditions; maintain anonymity; and account for its trade errors and correct them in a satisfactory manner.
- A broker's infrastructure, including order-entry systems; adequate lines of communication; timely order execution reports; an efficient and accurate clearance and settlement process; and capacity to accommodate unusual trading volume.
- A broker's ability to minimize total trading costs while maintaining its financial health, such as whether a broker can maintain and commit adequate capital when necessary to complete trades; respond during volatile market periods; and minimize the number of incomplete trades.
- A broker's ability to provide research and execution services, including advice as to the value or advisability of investing in or selling securities; analyses and reports concerning such matters as companies, industries, economic trends and political factors; or services incidental to executing securities trades, including clearance, settlement and custody.
- A broker's ability to provide services to accommodate special transaction needs; participate in underwriting syndicates; and obtain initial public offering shares.

Research and Other Soft Dollar Benefits. The Adviser may enter into "soft dollar" arrangements. Although the Adviser's use of soft dollars to pay for research and execution products or services has, to date, generally been conducted in accordance with the safe harbor created by Section 28(e) of the U.S.

Securities Exchange Act of 1934, the Adviser may on occasion use soft dollars for purposes outside of the safe harbor in a manner consistent with its fiduciary duties to the Funds.

Where more than one broker-dealer is believed to be capable of providing the best combination of price and execution with respect to a particular portfolio transaction, the Adviser may select a broker-dealer that furnishes products and/or research services. In addition, if the Adviser determines in good faith that the commission charged by a broker-dealer is reasonable in relation to the value of brokerage and research services provided by such broker-dealer, the Adviser may cause a Fund to pay such a broker-dealer an amount of commission greater than the amount another broker-dealer may charge, but generally within a competitive range for full service brokers.

The Adviser may also enter into arrangements with brokers regarding the allocation of minimum annual amounts of brokered transactions to such brokers. In exchange, the Adviser would receive from such brokers' research products and/or services and research-related software. A transaction would be placed with such brokers only if consistent with the best execution policies described above (which would take into account the provision of research and related services) and the Adviser would terminate any such arrangement or compensate the broker in cash for such research or software to the extent it could not fulfill the arrangement consistent with such policies.

Some "mixed-use" products or services could be used by the Adviser for both research/execution and non-research purposes, such as administration or marketing. If these products or services are obtained with soft dollars, the Adviser will allocate their cost between research and non-research uses. The Adviser will use its own "hard dollars" to pay that part of the cost which is attributable to non-research uses.

Brokerage and research services received could benefit Funds other than the Fund generating the soft dollar credits. The Adviser's receipt of research services will not reduce a Fund's management fee or Carried Interest Allocations or fees.

In exchange for using the services of certain broker-dealers or custodians, the Adviser may receive from such broker-dealers or custodians, without cost, computer software and related systems support, which allow the Adviser to better monitor Client accounts maintained with them. In addition, the Adviser may receive the following benefits from such broker-dealers: duplicate Client confirmations and bundled duplicate statements; access to a trading desk that exclusively services institutional brokerage group participants; access to block trading services which provide the ability to aggregate securities transactions and then allocate the appropriate shares to Client accounts; and/or access to an electronic communication network for Client order entry and account information. The Adviser currently has such an arrangement with the entity that serves as the Funds' prime broker. Although the Adviser receives these services and generally may direct trading for the Funds through the prime broker, they are not considered by the Adviser to be "soft dollar" benefits because the services are not provided in exchange for the Adviser's Clients paying higher transaction commissions or fees than those obtainable from other brokers in return for similar products and services.

See Item 10 for a discussion of the Advisor's relationship with the BD Subsidiary.

Brokerage for Client Referrals. Neither the Adviser nor any related person receives, or seeks to receive, Client referrals from a broker-dealer or other service provider to the Clients.

Directed Brokerage. The Adviser is retained on a discretionary basis and is authorized to determine which securities to buy or sell (including the amount thereof) and to direct execution of portfolio

transactions within the Client's specified investment objective without consultation with the Client on a transaction-by-transaction basis. The Adviser prefers to select or recommend the broker-dealers that will execute portfolio transactions, and generally the Client leaves that selection or recommendation to the Adviser.

Balancing the Interests of Multiple Client Accounts. The Adviser may manage multiple Funds with the same or similar investment objectives and strategies or may manage Funds (or Fund accounts) with different objectives or strategies that may trade in the same securities. Despite similarities, the Adviser's portfolio decisions about each Fund's or Fund accounts' investments and the performance resulting from these decisions may differ from those of other Funds or accounts within the same Fund.

ITEM 13 – REVIEW OF ACCOUNTS

Review of Accounts. At least quarterly, and more often as required by special circumstances (such as a relevant development in market conditions affecting one or more of the portfolio securities or markets in which the Fund invests), the Adviser's Investment Committee, the Chief Investment Officer and each portfolio manager for a particular strategy with the title of Managing Director (individually or as part of a group) will review the Fund's performance.

Reports to Investors. Depending on the applicable Fund Documentation, each investor in a Fund will receive: (i) quarterly valuation reports for the Fund's private investments, with mark-to-market information; (ii) periodic commentary for the applicable Fund's portfolio of private investments; (iv) the Fund's annual audited financial statements; and (v) necessary U.S. federal tax information. In addition, certain investors who have appointed members to advisory or equivalent committees (or who have negotiated enhanced tax, ESG or similar special reporting) in the Funds receive more frequent and more detailed reporting with respect to these matters.

ITEM 14 – CLIENT REFERRALS AND OTHER COMPENSATION

Client Referrals. The Adviser may employ third party marketing personnel as well as employees of the Adviser or an affiliate of the Adviser (e.g., the BD Subsidiary) who would be compensated for soliciting referrals of investors in the Funds. Any such referral arrangements will be in compliance with Rule 206(4)-3 under the Advisers Act.

ITEM 15 – CUSTODY

The Adviser (or its special purpose controlled affiliate) is deemed to have custody over the assets of the Funds because of its authority over the Funds in its capacity as general partner of the Funds. All funds and securities of the Funds, other than certain privately offered securities, are held in custody by qualified custodians. As noted in Item 13 above, investors in the Funds receive the applicable Fund's annual financial statements audited by an independent public accounting firm within 90 or 120 days following the end of the fiscal year, depending on the Fund. Investors in the Funds are urged to carefully review such statements.

ITEM 16 – INVESTMENT DISCRETION

The Adviser provides investment management services to the Funds on a discretionary basis. When selecting securities and determining amounts, the Adviser observes the investment policies, limitations and restrictions set forth in the relevant Fund Documentation.

ITEM 17 – VOTING CLIENT SECURITIES

In the event a Fund holds listed securities, the Adviser has authority to vote proxies on behalf of a Fund in accordance with the Adviser's Proxy Voting Procedures and Guidelines. Such proxies will be voted for the exclusive benefit of such Fund.

A copy of the Adviser's Proxy Voting Procedures and Guidelines, as well as records for all votes taken on behalf of each Fund, are available to each investor in the Fund upon request. Requests should be addressed to the Adviser's Chief Compliance Officer, Albright Capital Management LLC, 601 Thirteenth St., Suite 1000 South, Washington, DC 20005. Under the Adviser's Voting Procedures and Guidelines, the Adviser is responsible for the following:

- Overseeing the process by which the Adviser votes proxies to be sure they are being voted in accordance with the Adviser's guidelines and procedures and any special restrictions imposed by clients;
- Identifying conflicts that may exist between the interests of the Adviser and its clients by reviewing the relationship of the Adviser with the issuer of any security for which a proxy is being voted to determine if the Adviser or its employees has a financial, business or personal relationship with the issuer;
- When a material conflict of interest has been identified, taking the necessary steps to resolve the matter in accordance with the Adviser's Voting Procedures and Guidelines;
- Coordinating with outside parties, if any, who have been retained to vote on behalf of the Adviser; and
- Reviewing the Voting Procedures and Guidelines periodically to assess their adequacy, including consulting with outside counsel to stay abreast of the regulations affecting the Adviser's proxy voting obligations.

ITEM 18 – FINANCIAL INFORMATION

The Adviser has no information required to be disclosed pursuant to this Item.