

FIRM BROCHURE

Dragoneer Investment Group, LLC

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This brochure provides information about the qualifications and business practices of Dragoneer Investment Group, LLC (“Dragoneer”). If you have any questions about the contents of this brochure, please contact us at 415-539-3105 and/or email: michael@dragoneer.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

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

Dragoneer is registered as an investment adviser with the SEC. SEC registration does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure, dated March 30, 2020, (the “Brochure”) serves as an update to our brochure dated March 29, 2019 (the “Prior Brochure”). This Brochure contains updates to the Prior Brochure, including, but not limited to: (i) additional information on fees and expenses, (ii) additional disclosure on the methods of analysis, investment strategies and risk of loss, (iii) additional disclosure regarding conflicts of interest, and (iv) additional disclosure regarding voting client securities. In addition, we routinely make updates throughout the brochure to improve and clarify the description of our business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices. Please review this Brochure carefully and in its entirety.

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Item 4. Advisory Business

For purposes of this Brochure, “we,” “us” and “our” refer to Dragoneer, together (where the context permits) with its affiliated general partners of the Funds (as defined below) and other affiliates that provide advisory services to and/or receive advisory fees from the Funds. Such affiliates may or may not be under common control with Dragoneer, but possess a substantial identity of personnel and/or equity owners with Dragoneer. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds, or may serve as general partners of the Funds.

Dragoneer is a Delaware limited liability company that was formed in February 2012 and is owned by its members and controlled by Marc Stad.

Dragoneer provides discretionary investment advisory services to (i) privately offered funds or series of privately offered funds for which it acts as sponsor (each such fund or series, a “Fund” and together, the “Funds”) and (ii) persons or entities (including private funds) on a managed account basis for which Dragoneer does not act as sponsor (each such arrangement, a “Managed Account,” and the person(s) or entity(ies) funding a Managed Account, a “Managed Account Client”). For the purposes of this Brochure, a “Client” will refer to a Fund (and not the investors in a Fund) and/or a Managed Account Client.

As of December 31, 2019, Dragoneer had approximately \$8.6 billion in regulatory assets under management.

Funds.

Dragoneer currently serves as investment adviser to a number of Funds. Each Fund is exempt from registration as an investment company pursuant to Section 3(c)(7) of the Investment Company Act of 1940, as amended (the “1940 Act”). Dragoneer provides investment advice with respect to both public and private companies. Dragoneer seeks to construct concentrated investment portfolios for the Funds of high-quality securities and other assets of companies characterized by high growth, defensible competitive positions, and solid financial models.

Some of the Funds are organized in a mini-master feeder structure. The feeder funds are expected to invest substantially all of their assets in their respective master funds.

From time to time, Dragoneer will form capital around a particular investment strategy or theme, or establish, on a transaction-by-transaction basis, investment vehicles, separately managed accounts or other accounts or arrangements through which certain persons generally invest alongside or with one or more Funds or other Clients (each, a “Co-Investment Vehicle”). Where the context requires or is appropriate, the term “Client” may also apply to Co-Investment Vehicles in this Brochure.

Managed Accounts.

Dragoneer works with each of its Managed Account Clients to develop investment guidelines based upon the Client’s specific investment objectives. Managed Account advisory services are governed by written agreements (“Managed Account Agreements”) between

Dragoneer and the Managed Account Client. Managed Account Clients may amend their investment guidelines as their needs change or impose restrictions on investing in certain securities or types of securities.

Further details regarding Dragoneer's management of the Funds and Managed Accounts is provided below in Item 8.

Dragoneer does not participate in any wrap fee programs.

Item 5. Fees and Compensation

Detailed below is a brief summary of certain fees and expenses paid by Clients. Investors and prospective investors in a Fund should review a relevant Fund's offering materials and other constituent documents for an additional discussion of fees and expenses with respect to that Fund. Neither Dragoneer nor any of its supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds.

Funds

Advisory Fees. Dragoneer generally charges asset-based investment advisory fees (which in other contexts are commonly referred to as "management fees") to Funds pursuant to their applicable investment management agreements (each, an "IMA"). Advisory fees paid by a Fund are indirectly borne by its investors. Such advisory fees are deducted from Fund assets and generally payable quarterly in advance or in arrears, depending upon the Fund. The amount of any investment advisory fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of the relevant IMA. Our IMAs generally impose some restrictions on a Fund's ability to terminate the IMA. The specific restrictions may vary depending on the Fund.

Dragoneer establishes and negotiates with investors in the applicable Fund the precise amount of, and the manner and calculation of, the advisory fees. Such Fund's IMA and limited partnership agreement or other constitutional and/or offering documents (collectively, "Governing Documents") received by each investor prior to its investment in the Fund set forth the precise amount of, and the manner and calculation of, the advisory fees. For certain Funds, these advisory fees are and may in the future be charged on the aggregate amount of capital contributions that are invested by a Fund in one or more portfolio investments, and are charged on such aggregate amount until a complete disposition of such applicable portfolio investment by such Fund, without regard to any partial dispositions of such applicable portfolio investment or changes in the value of the underlying portfolio investments.

Certain investors in a Fund, including, for example, the Fund's general partner, its affiliates and their personnel, strategic investors, and certain "friends and family," pay reduced or no advisory fees at the discretion of the Fund's general partner (though these investors generally pay their pro rata share of certain Fund expenses).

Please see Item 11 for a description of the side letter agreements we and our related advisers enter into with certain investors in the Funds that provide such investors with customized terms, including with respect to reduced advisory fees.

Please see Item 6 for more information on incentive compensation.

Expenses. Each Fund is generally responsible for all legal, consulting and other expenses incurred in the organization of the Fund and the offering of interests therein including out-of-pocket legal, accounting, printing, administrative, filing, travel and travel-related expenses, and meal and entertainment fees and expenses (including travel and travel-related expenses and meal and entertainment fees and expenses of Dragoneer personnel) of Dragoneer, its affiliates, relevant third parties and their respective personnel. As used throughout this Brochure, “travel”, “travel-related” and similar expenses shall be deemed to include, without limitation, commercial and non-commercial transportation costs (including chartered, private plane, first class or business class travel and private car travel), lodging and accommodations.

Dragoneer is generally responsible for its overhead expenses such as rent, utilities, supplies, secretarial expenses, stationery, charges for furniture, fixtures and office equipment, employee benefits including payroll and other taxes and compensation of its employees.

Except as otherwise set forth in the Governing Documents, each Fund is generally responsible for all other costs, expenses and liabilities incurred, directly or indirectly, by the Fund and Dragoneer, their affiliates (including, without limitation, collector or special purpose vehicles of or with respect to the Fund), and their respective personnel in connection with the Fund’s operations, including, without limitation:

- all investment-related expenses, whether or not an investment is consummated, including, without limitation, expenses in connection with:
 - obtaining third-party market research or market data and analytics, fees and expenses (which may include costs of retainers and transaction-based compensation or success fees, some of which may be discretionary) of consultants (including, without limitation, fees paid to “expert network” firms in connection with potential and existing investments);
 - investment bankers, consultants and other third-party service providers engaged by or in connection with the Fund or its activities (whose fees and expenses may include, without limitation, retainers and transaction-based compensation or success fees, some of which may be discretionary), or an investment;
 - bridge financings (including related expenses which may be payable to a Fund or to Dragoneer or an affiliate thereof);
 - travel and travel-related expenses, meal and entertainment expenses (including, in each case, those of Dragoneer, its affiliates, service providers, relevant third parties and their respective personnel) in connection with research, discovery, sourcing, generating, investigating, diligencing, negotiating, structuring, hedging, making, holding, developing, operating, managing, restructuring, refinancing or disposing

of or monitoring potential and existing investments and expenses related to attending trade association meetings, conferences or similar meetings in connection with the evaluation or generation of investment opportunities or business sector opportunities;

- management, development, profit-sharing or other fees or expenses (including an Operating Partner's (as defined below) operational expenses) charged by or paid to any Operating Partners, advisors or other third parties who manage or source potential or existing investments and who are not otherwise full-time employees of Dragoneer;
 - expenses and liabilities payable to persons other than affiliates of Dragoneer and related to the diligence, purchase, sale, settlement, transfer, servicing or custody of investments, including legal, accounting, commitment, structuring or underwriting fees, brokerage commissions and spreads; and
 - expenses (including interest expenses) incurred in connection with any indebtedness or other credit arrangement, including any line of credit, loan commitment or letter of credit for the Fund or related to one or more Fund investments, and any borrowings by the Fund prior to the receipt of capital contributions of investors.
- the legal, accounting and other expenses incurred in forming, operating, maintaining and winding up any alternative investment vehicle, or special purpose vehicle for making or holding Fund investments (whether or not such investments are consummated);
 - costs and expenses incurred in connection with the administration of the Fund payable to persons other than affiliates of Dragoneer, including the fees associated with legal, accounting, bookkeeping, tax and regulatory compliance (including, without limitation, with regards to FATCA and anti-money laundering rules and regulations) as well as audit, annual registration or other governmental charges, fees and duties;
 - obligations arising from, or in connection with, the EU Directive 2011/61/EU on Alternative Investment Fund Managers (the "AIFM Directive") (which for these purposes shall include any local law, guidance, rule or regulation implementing the AIFM Directive in any European Economy Area ("EEA") Member State and the United Kingdom (the "UK") (to the extent the UK has left the EEA)) or comparable regimes in other jurisdictions (including without limitation, in connection with reporting, disclosures (including pre-sale disclosures and ongoing disclosures), the appointment of a depositary, regulatory filings (including foreign tax withholding and treaty forms), notifications and approvals and any regulatory fees associated with the foregoing (either initially or on an ongoing basis) and the organization or maintenance of any entity used in connection with, the foregoing, as well as any travel and accommodation expenses relating to such entity) (collectively, "Regulatory Expenses");
 - the costs in connection with preparing reports to investors, costs, fees and expenses of communications and meetings with investors, expenses and costs of order management

and portfolio management systems, and expenses and costs of any advisory committee or any other committee formed with respect to the Fund or any investment and fees paid to an independent representative appointed by the Fund's general partner (such appointee, the "Independent Representative");

- fees relating to the appointment of anti-money laundering officers to the Fund;
- expenses incurred in connection with software, databases and other systems or services from data, SAAS or other service providers used in whole or in part in connection with or for the benefit of the Fund, its investors, any feeder fund, a portfolio company, potential portfolio company or other actual or potential investment (including, without limitation, the cost of acquiring, developing, implementing or maintaining any virtual data room, software, database or systems that support the operations, accounting and/or administration of the Fund and order and portfolio management activities and processes);
- fees and expenses related to third-party valuation agents engaged by or in connection with the Fund or any investment or asset thereof;
- costs and expenses related to risk management and assessment; and
- all litigation-related expenses (including in respect of any formal or informal investigations and/or other proceedings or inquiries), indemnification and insurance expenses, including the premiums associated with obtaining insurance (including, without limitation, general partner liability insurance, errors and omissions insurance, directors', shareholders', partners', members', employees', agents' and officers' insurance, financial institution bond insurance, crime/fidelity insurance, cyber-security insurance, and any other applicable insurance).

A Fund's Governing Documents generally set forth the basic principles of how the Fund's general partner intends to allocate the Fund's expenses amongst the Fund's investors while also permitting the Fund's general partner to specially allocate Fund expenses in any other manner as the general partner determines in its good faith, reasonable discretion (which includes, where the general partner determines, consideration of the administrative burden in determining whether and how to specially allocate an expense). By providing the general partner with broad discretion, a Fund's investors consent to the general partner of the relevant Fund and its affiliates, including but not limited to Dragoneer, making decisions in connection therewith that (i) may vary over time and from time to time; (ii) may be inconsistent with other decisions such persons have made or will make with respect to other types of expenses, or with respect to the allocation of any expenses among some or all investors in the relevant Fund or in other Clients; and (iii) may lead to disparate treatment among different Clients and the investors therein than would have resulted had alternative allocation methodologies had been adopted or if the relevant allocation methodologies been more consistently applied.

Managed Accounts

The Managed Accounts' fee and compensation arrangements are established in the Managed Account Clients' investment management and operating agreements with Dragoneer and its affiliates. These Managed Accounts may have performance incentive fees or allocations and

these Managed Account Clients reimburse certain Dragoneer expenses, generally including the same types of operating expenses listed above for the Funds. Some Managed Account Clients may pay management fees that are calculated with methodologies addressed in the Managed Accounts' client agreements. The amount of any management fee is prorated for periods of less than a full billing cycle at the beginning or end of our provision of investment advisory services, and any prepaid amount in excess of the prorated fee will be returned upon termination of our investment advisory services.

Portfolio Fees

Dragoneer, its affiliates and their respective officers, employees, partners, shareholders, and members may receive consulting, directors', transaction, upfront, monitoring, break-up, advisory or other fees in connection with actual or contemplated Client investments (collectively, "Portfolio Fees"). The amount and timing of Portfolio Fees received by Dragoneer or its affiliates are generally specified in the agreement or other documentation governing the applicable transaction. A payment of Portfolio Fees and reimbursements by portfolio companies and prospective portfolio companies to such persons could create a conflict of interest because the amounts of such Portfolio Fees may be substantial and the relevant Clients and their investors generally would not have a direct interest in these fees. Dragoneer would determine the amount and timing of these Portfolio Fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements would not typically be disclosed to investors in the relevant Clients. As amongst Clients, Portfolio Fees will generally be allocated based on the share of equity invested by the applicable Client (or Dragoneer's estimate of the amount proposed to be invested, in the case of breakup fees and the like) (other than in respect of waived fee amounts allocated to such investment or capital contribution by the general partner of such Client (and such general partner's personnel)) in relation to all equity invested or proposed to be invested by one or more Clients and/or one or more other persons managed, advised, sourced or placed by Dragoneer in the particular transaction. Such Portfolio Fees will be retained by Dragoneer and/or its affiliates, but the portion of such Portfolio Fees attributable to the Client's investment will generally offset the advisory fees otherwise payable by the Client. However, the portion of Portfolio Fees allocable to capital invested by a Client, Co-investment Vehicle or third-party investor that does not pay advisory fees will be retained by Dragoneer and such amounts will not offset any advisory fee. Fees that are allocated to Clients will be shared with such Clients and their investors in accordance with and to the extent required by their Governing Documents, which may permit Dragoneer and/or its affiliates to retain such fees and not share them with such Clients or investors. The Governing Documents from time to time will permit Dragoneer to enter into fee (and/or other economic) sharing arrangements with respect to one or more Clients and/or their investors, the rights of which may not be made available to other Clients or investors. Dragoneer may receive a portion of the monitoring or other fees when investing with third parties that have negotiated for such fees (or otherwise) without providing services to the portfolio company. In addition, the payment of monitoring fees may be accelerated upon certain events, including the occurrence of an initial public offering or strategic exit. Since the monitoring agreements may have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewal), the financial effect of such acceleration may be substantial, particularly in the event such circumstances occur early in the life of a Client's investment in such portfolio company. Notwithstanding the

foregoing, in the event of an initial public offering or other disposition, monitoring fees may continue to be paid.

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

Certain other fees and reimbursements that are generally not considered “Portfolio Fees” and do not reduce the management fees payable by a Client include (but are not limited to) the following: (i) the portion of any fees allocable to capital invested by a Client, Co-investment Vehicle, or third-party investor that does not pay advisory fees or to capital committed by a Client investor that does not pay management fees, (ii) fees or expenses borne by a Client directly, and (iii) any amounts paid by a former portfolio company, such as directors’ fees a former portfolio company pays a Dragoneer professional who remains on the company’s board of directors following the Client’s disposition of its investment in the company.

Payments Made to Operating Partners

Dragoneer and its affiliates also engage and retain senior advisors, advisers, consultants and other similar professionals who are not employees or affiliates of Dragoneer (“Operating Partners”) and who are expected to, from time to time, receive payments from, or allocations or co-investment rights with respect to, portfolio companies, the Clients and/or other entities. In such circumstances, the amounts of such fees, reimbursements, or other compensation received by such persons, which may be substantial and/or discretionary, are generally retained by such persons and such amounts are not considered “Portfolio Fees,” will not be deemed paid to or received by Dragoneer and its affiliates and such amounts will not be subject to the sharing arrangements described above and will not otherwise benefit the Clients or their investors

Expense Reimbursement

Additionally, a portfolio company may reimburse Dragoneer for expenses, including without limitation, travel and travel-related expenses meals and entertainment expenses (including, as applicable, closing dinners and mementos, cars and meals, social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers), expenses relating to training programs, meetings or other events, expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses), indemnification expenses, certain legal expenses and similar out-of-pocket expenses, as well as consulting fees and other cash and non-cash compensation and expenses, incurred by Dragoneer in connection with its performance of services for such portfolio company. Such reimbursed expenses are generally not included in the definition of “Portfolio Fees” under the terms of the applicable Governing Documents and are generally not subject to the sharing arrangements described above. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see Item 11 below.

Calculation and Allocation of Certain Costs and Expenses

A conflict of interest could arise with respect to Dragoneer's determination of whether certain costs or expenses (or portions thereof) that are incurred are expenses for which the Client is responsible, or are expenses that should be borne by one or more other Clients, a portfolio company, co-investors, a third-party and/or Dragoneer (each, an "Allocable Party"). Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party, or fees, costs and expenses may be allocated among multiple Allocable Parties. Dragoneer allocates fees, costs and expenses in accordance with a Client's Governing Documents. Each Client will generally be reliant on the determinations of Dragoneer with regard to the allocation of investment expenses and any common expenses as between the Client and any other Allocable Parties. Such allocations require judgments as to methodology that Dragoneer makes in good faith but in its sole discretion. Such allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. To the extent not explicitly addressed in the Governing Documents of a Client, Dragoneer will use a variety of methodologies to allocate expenses among Allocable Parties, depending on the circumstances, which will take into account factors such as Dragoneer's judgment of what it believes is appropriate, including sales to and negotiations with third-party co-investors, counterparties, service providers or others and operational efficiencies and historical practices. For example, where multiple investments have been made in a single portfolio company over time by multiple Clients, Dragoneer generally allocates expenses relating to such portfolio company based on the cost of each Client's (or series thereof's) investment, and there will likely be circumstances where the amount of expense borne by a Client (or series thereof) would have been lower if fair market value of each Client's (or series thereof's) investment had been used (especially where that Client (or series thereof) has experienced less appreciation or more depreciation in that investment than other Clients (or series thereof)). Furthermore, prospective investors should note that certain Regulatory Expenses may benefit Dragoneer and/or its affiliates in connection with the offering of interests in the Client. In addition, if a Client borrows in order to make an investment that is then syndicated to co-investors or otherwise warehoused for a party other than the Client, such Client will generally bear the entire interest cost from the borrowing, notwithstanding that the co-investor or party for whom the investment is warehoused receives an indirect benefit from such borrowing. For a discussion of how such conflicts of interest related to allocation of expenses may be resolved, please see "Resolution of Conflicts" in Item 11 below.

Fees and expenses incurred in connection with "broken deals," or potential investments that Dragoneer considers but does not consummate, will generally be allocated to one or more Clients in whole or in part, unless a third party is contractually obligated to reimburse Dragoneer and/or its affiliates for such amounts. Allocation decisions with respect to such fees and expenses may be made based upon several factors Dragoneer deems relevant but that are difficult to predict in advance, including, without limitation, Dragoneer's estimate at any time of which Clients would have ultimately been allocated the investment opportunity, which, in turn, may be founded on various considerations, including without limitation, the size of the relevant Clients, the current or expected size of the portion of the Client attributable to a particular investment type, the relevant Clients' investment objectives and strategies and the size of the contemplated transaction. Further, Dragoneer may determine not to allocate, and frequently will not allocate, any fees and expenses for a "broken deal" to co-investors, including Co-investment Vehicles affiliated with Dragoneer (if any). Broken or "dead deal" costs may include, among other things, legal, accounting, advisory,

consulting, expert network or other third-party expenses, any travel and travel-related expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investment, any break-up fees, reverse termination fees, topping, termination or other similar fees, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated. Similarly, co-investors and co-invest vehicles are not typically allocated any share of break-up fees paid by Clients or received by Dragoneer in connection with an unconsummated transaction.

Insurance Expenses

A Client will generally bear some or all of the expenses of insurance policies, including insurance policies covering multiple Clients, a Client's general partner, and the activities of Dragoneer and its affiliates and various other persons, that Dragoneer considers necessary or appropriate, including key personnel insurance policies and insurance policies covering any person individually against all claims and liabilities of every nature arising by reason of being, or holding, having held, or having agreed to hold office as, a partner, officer, member of a Client's advisory committee, a Client's Independent Representative, employee, agent, investment adviser or manager, or independent contractor of the Clients, or being, serving, having served, or having agreed to serve at the request of the Clients as a partner, director, trustee, officer, member, employee, agent or independent contractor of another partnership, limited liability company, corporation, joint venture, trust or other enterprise, or by reason of any action alleged to have been taken or omitted by any such person in any of the foregoing capacities, whether or not in the case of insurance the Client would have the obligation to indemnify such person against such liability. A Client's share (as determined by Dragoneer in its sole discretion) of fees and expenses incurred in connection with obtaining and maintaining any such insurance policy or policies, including any commissions and premiums and any expenses incurred in connection with the investigation, prosecution, defense, judgment or settlement of litigation related to such insurance policies, will be borne by the relevant Clients. Such shared insurance policies have an overall cap on coverage for all the insured parties thereunder for each policy period. To the extent insurable claims exceed such cap, a Client may not receive as much in insurance proceeds as it would have received if separate insurance policies had been purchased for each insured party for that policy period. Similarly, multiple insured claims may be made during a single policy period and subject to a single overall cap. To the extent insurance proceeds for one such claim (including claims related a Client's general partner and the activities of Dragoneer and its affiliates) are applied towards a cap and a Client later experiences an insurable claim within the same policy period, such Client's receipts from such insurance policy may also be diminished.

Brokerage Fees

When a broker is used in connection with an investment by a Client, such Client will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

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

The Funds generally allocate a portion of their investment profits or gains (for certain Funds and in certain circumstances, whether realized or unrealized) to their general partners, which are affiliated with Dragoneer, as a carried interest or a performance allocation, as set forth in each Fund's Governing Documents. Managed Account Clients may similarly pay performance fees, carried interest or a performance allocation to Dragoneer or our affiliates, as set forth in the Managed Accounts' client agreements. Co-Investment Vehicles also may, in some cases, allocate a portion of their investment profits to their general partners, which are affiliated with Dragoneer, as a carried interest, as set forth in the relevant organizational documents for each Co-Investment Vehicle. Such entitlement to performance-based distributions or fees creates an incentive for us to take risks in managing the Clients and Co-Investment Vehicles that we would not otherwise take in the absence of such arrangements.

There is a reduced allocation or no allocation of carried interest, incentive allocation, excess cash flow or performance allocations, as applicable, with respect to certain investors in certain Funds, including, for example, the Fund's general partner, its affiliates and their personnel and certain "friends and family" and strategic investors.

Additionally, the allocation of carried interest, incentive allocation or performance allocations or the payment of performance fees, as applicable, at different rates creates an incentive for us or our affiliates to disproportionately allocate time, services or functions to Clients and vehicles allocating or paying such amounts at a higher rate, or to allocate investment opportunities to such Clients and vehicles. We have adopted policies and procedures that, among other things, seek to ensure that investment opportunities are allocated in a manner that we believe is consistent with the relevant Governing Documents and otherwise fair and reasonable over time, considering such factors as we deem relevant, but in our sole discretion. See Item 11 below for additional information relating to how we generally address conflicts of interest.

Item 7. Types of Clients

Dragoneer intends to provide investment advice to Funds and the Managed Account Clients, as discussed in Item 4 above. Dragoneer may advise different types of clients in the future.

Each investor in the Funds must generally be an "accredited investor" as defined in Regulation D promulgated under the Securities Act of 1933, as amended ("1933 Act"), and either (1) a "qualified purchaser" under the 1940 Act, (2) a "qualified client," as defined in Rule 205-3 under U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act"), or (3) a "knowledgeable employee" as such term is defined in Section 2(a)(51) of the 1940 Act. Additional restrictions may apply, and are set forth in the Governing Documents for each Fund.

Some (but not all) of the Funds impose a minimum initial investment requirement of up to \$25 million, which may be waived at the discretion of Dragoneer.

Each Managed Account will typically be structured to accommodate the investment guidelines and control requirements of its particular investors. The conditions for starting and maintaining a Managed Account will vary with the circumstances of each Managed Account and be negotiated and set forth on an individual basis in the relevant Managed Account Agreement.

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

The methods of analysis and significant investment strategies used by Dragoneer with regard to the Funds are set forth below. The methods of analysis and significant investment strategies used by Dragoneer with regard to Managed Account Clients vary depending on the needs of each Managed Account Client, but are expected to be generally comparable to those described below for the Funds.

Returns on investments in the Funds and Managed Accounts are not guaranteed; the instruments in which the Funds and Managed Accounts invest may lose value. An investment in a Fund or Managed Account involves a risk of total loss that an Investor or Managed Account Client should be prepared to bear.

Significant Strategies and Methods of Analysis. Dragoneer will seek to achieve the investment objective of each Fund and Managed Account by utilizing a multi-disciplined investment approach, the foundation of which is rigorous company-specific fundamental analysis. Dragoneer invests in both public and private companies and other assets, depending on the strategy of the Client.

Dragoneer seeks to construct concentrated investment portfolios of high-quality securities and other assets of companies characterized by high growth, defensible competitive positions, and solid financial models. Dragoneer conducts primary research, seeking to understand the economics, competitive dynamics, and long-term prospects of the companies in which Dragoneer seeks to invest. Investments are made in the open market or in negotiated placements. While these investments are frequently passive, Dragoneer's research efforts and long-term orientation often lead to lasting relationships with corporate management teams. Dragoneer may, in its discretion, create co-investment structures designed to facilitate specific investments.

For Funds and Managed Accounts comprised of publicly-traded securities, Dragoneer employs a long-biased strategy focusing primarily on investing and reinvesting each Fund's assets principally in equities (but may invest in options, warrants, and debt securities) of U.S. and non-U.S. corporations traded on U.S. and non-U.S. securities exchanges.

Dragoneer's strategy is a research-intensive approach that requires the identification and detailed evaluation of securities offering a favorable risk/return profile. Dragoneer believes that intense, thorough analysis will provide the Funds with a competitive advantage. In many cases, independent, fundamental analysis and a deep network of contacts help create the potential to find and capitalize on investment opportunities that are not easily accessible or are misunderstood or overlooked by large institutions and other market participants. In certain cases, this research will help identify which companies are suitable to be held as long-term positions and which companies are more appropriately considered as shorter-term opportunities.

The fundamental research required by this strategy typically includes an analysis of a company and certain competitors' financial positioning, as well as meetings with and/or diligence on a company's management, its competitors, customers and suppliers. Other sources of information to be considered include industry consultants, trade shows and publications. In many cases, these sources coupled with the investment professionals' experience offer a different

perspective on a situation than “the market” offers, and allows Dragoneer to reach an independent assessment surrounding value.

There can be no assurance that the Funds and Managed Accounts will achieve their investment objectives or avoid substantial losses.

Certain Material Risks. Some of the material risks of investing in the Funds and Managed Accounts include (but are not limited to) the following:

- *Risks Associated with Valuation.* There is no actively traded market for many of the securities owned by the Clients, in particular securities issued by private companies. When estimating fair value, Dragoneer will apply a methodology based on its judgment of what is appropriate in light of the nature, facts and circumstance of the investments. Because such valuations, and particularly valuations with respect to debt instruments and securities of private companies, are inherently uncertain, may fluctuate over shorter or longer periods of time and may be based on estimates and imperfect information, Dragoneer’s determinations of the fair value of one or more investments may differ materially from the actual realizable values of such investments. 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 by other investors or firms or had an active market existed for such securities and will likely differ from the prices at which such securities may ultimately be sold. Additionally, securities of private companies are marked less frequently than public securities and typically rely on lagged company data, which presents challenges to the valuation of such securities when the fundamentals of the company’s business are rapidly changing and, as a result, could make the valuations of such securities (and thus the performance of the applicable Client holding such security) appear at times more stable even if the company itself is not similarly stable. A Client’s financial condition and results of operations could be adversely affected if the fair value determinations with respect to such investments were materially higher than the values that such Client ultimately realizes upon the disposition of such investments. In addition, Dragoneer may rely on information provided by outside parties (including but not limited to the private companies in which the Clients invest and any vehicles in which a Client invests to facilitate its co-investment with third parties), and such persons may provide inaccurate, incomplete, not current or otherwise unreliable information. Dragoneer may be unable to detect an error contained in the valuation information. To the extent the information received by a Client is inaccurate or unreliable, the valuation of such Client’s assets and liabilities may be inaccurate. Furthermore, third-party pricing information may at times not be available regarding certain of a Client’s assets. With respect to the Clients, the exercise of discretion in valuation by Dragoneer will give rise to conflicts of interest, as the advisory fees, performance allocation, net asset value for purposes of subscriptions and redemptions, and internal rates of return (“IRRs”) of certain Clients are calculated based, in part, on these valuations, and such valuations therefore affect the amount and timing of performance allocations and calculation of advisory fees, as well as Dragoneer’s track record and marketing materials.

- *Risks from Dispositions of Investments.* In connection with the disposition of an investment, a Client may be required to make representations about the business and financial affairs of a portfolio company, or may be responsible as a selling stockholder for the contents of disclosure documents under applicable securities laws. The Client may also be required to indemnify the purchasers of such investments or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading or for other reasons. If the assets of the Client are insufficient to pay such indemnification obligations, the investors in the Client could be required to contribute distributions received by them to pay such obligations.
- *Broad Indemnification.* A Client may frequently enter into agreements containing various provisions limiting the liability of the service providers to the Client (including, without limitation, to Dragoneer, any administrator, any placement agent and their respective affiliates, employees, officers and directors) and other persons, and provide broad indemnification to such persons (including a Client's general partner, "partnership representative" within the meaning of Section 6223(a) of the U.S. Internal Revenue Code of 1986, as amended (the "Tax Code"), "designated individual" (under Chapter 63 of the Tax Code), and members of a Client's advisory committee and a Client's Independent Representative) U.S. federal and state securities laws impose liabilities under certain circumstances on persons that cannot be waived by contract, other agreements or documents. Therefore, nothing in those agreements should be deemed or construed in a manner that purports to waive or limit any right to the extent prohibited by law. A Client may frequently provide broad indemnities, representations, warranties and covenants in connection with the acquisition, management and disposition of investments or otherwise in connection with the Client's investment program. Indemnification claims may be material and have a material adverse effect on a Client's returns. The indemnification obligations of a Client would be payable from the assets of the Client. As noted above, if the assets of the Client are insufficient to pay such indemnification obligations, the investors in the Client could be required to contribute distributions received by them to pay such obligations. The Client's general partner may cause the Client to purchase, at such Client's expense, insurance for the benefit of, among others and without limitation, the Client, Dragoneer, Dragoneer's affiliates and their respective employees, officers, directors, agents and representatives.
- *Third-Party Litigation and Investigations by Regulators.* The Clients, Dragoneer, their affiliates and each of their respective direct and indirect partners, members, managers, officers, directors, employees and agents may become involved in litigation because of their connection to Client activities. Such involvement could, by way of example and without limitation, involve litigation with third parties (including investors, co-investors, owners and other stakeholders of portfolio companies and companies in which an investment was contemplated but not ultimately consummated), formal and informal proceedings related to actual or potential litigation (including being called as a witness, being deposed and being required to comply with extensive document production requests) or investigations by regulators in connection with the Client's investment activities or matters involving actual or potential investments. These risks are elevated where the Client exercises control or significant influence over an issuer's

direction, becomes involved in official or unofficial creditor committees or becomes involved in activities that may be considered hostile in nature to an issuer. Any expense incurred in connection with any actual or potential third-party claims or litigation, regulatory inquiries or any other of the foregoing, will be borne by the applicable Client, including without limitation any settlement, disgorgement or judgment, as well as fees and expenses associated with engaging experts and other providers in connection with such matters.

A portfolio company may, from time to time, receive notices from others claiming such portfolio company has infringed their intellectual property rights. The number of these claims may grow because of constant technological change in the software industry, increased user-generated content, the extensive patent coverage of existing technologies, and the rapid rate of issuance of new patents. Additionally, portfolio companies may use “open source” software in their products, or may use such software in the future. Such open source software is licensed by its copyright holders under licenses that in some cases may require disclosure of the company’s code to third parties. Copyright owners or third parties may allege that a portfolio company has not complied with the requirements of one or more of these licenses and that confidential code must be publicly disclosed and freely licensed. To resolve these and other intellectual property infringement claims, the Clients and/or portfolio companies may enter into royalty and licensing agreements on terms that are less favorable than currently available, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers. These outcomes would likely cause operating margins to decline. In addition to money damages, in some jurisdictions plaintiffs can seek injunctive relief that may limit or prevent importing, marketing and selling products that have infringing technologies. In some countries, such as Germany, an injunction that may block the sale or licensing of products and services can be issued before the parties have fully litigated the validity of the underlying patents.

- *Material Non-Public Information.* Dragoneer expects to come into possession of material non-public information concerning certain private and, from time to time, public companies (in which Clients may or may not be invested or evaluating an investment). Under applicable securities laws, this may limit Dragoneer’s ability to buy or sell securities issued by such companies on behalf of Clients. Alternatively, Dragoneer may decline to receive material non-public information in order to avoid investment restrictions, even though access to such information might have been advantageous and other market participants are in possession of such information.
- *Business, Legal, Tax and Other Regulatory Risks.* Clients will be subject to a variety of legal, tax and regulatory requirements in the United States and other jurisdictions (including in certain cases, the Cayman Islands) that may limit the scope of their operations or impose material compliance costs and other burdens. Changes to these legal, tax and regulatory requirements could occur during the term of a Client that may adversely affect such Client. New (or revised) laws or regulations, or interpretations of existing laws may be issued by the IRS, the SEC, the U.S. Commodity Futures Trading Commission (“CFTC”), the U.S. Treasury Department, the U.S. Federal

Reserve or other banking regulators, or other U.S. or non-U.S. governmental regulatory authorities or self-regulatory organizations that could adversely affect such Client. In particular, these agencies are empowered to promulgate a variety of new rules pursuant to financial reform legislation in the United States. A Client may also be adversely affected by changes in the enforcement or interpretation of existing statutes and rules by these governmental regulatory authorities or self-regulatory organizations. For example, there has been an increase in governmental, as well as self-regulatory, scrutiny of the alternative investment industry. It is impossible to predict what, if any, changes in regulations may occur, but any regulation that restricts the ability of such Client to execute its investment strategy could have a material adverse impact on the Client's performance. In addition, the securities and futures markets are subject to comprehensive statutes, regulations and margin requirements. The CFTC, the SEC, the Federal Deposit Insurance Corporation (the "FDIC"), other regulators and self-regulatory organizations and exchanges are authorized to take extraordinary actions in the event of market emergencies. The regulation of securitization and derivatives transactions and funds that engage in such transactions is an evolving area of law and is subject to modification by government and judicial action.

SEC Investigations. There can be no assurance that a Client, Dragoneer or any of their affiliates or personnel will avoid regulatory examination and possible enforcement actions in the future. The SEC or any other governmental authority, regulatory agency or similar body may take issue with past, present or future practices of Dragoneer or any of its affiliates or personnel, which may adversely affect a Client.

Tax Reform Risks. The United States enacted into law a broad-based reform of the Tax Code in December 2017 (the "Tax Act"). There are significant uncertainties regarding the interpretation and application of the Tax Act. While additional guidance on the Tax Act is expected, the timing, scope and content of such guidance are not known. Changes to the Tax Code made by the Tax Act and any further changes in tax laws or interpretation of such laws may be adverse to the Clients and their investors. While it is inherently uncertain what position the current administration or future administrations will take going forward, the Tax Act provides, among other things, that if certain holding period requirements are not met, carried interest and gain on the sale of investment services partnership interests will be subject to higher rates of U.S. federal income tax than was the case under prior law. This new holding period requirement could affect investment decisions, including with respect to decisions on the timing and structure of dispositions and whether to pursue other realization events during the holding period of an investment, such as non-liquidating distributions. For example, the Tax Act gives Dragoneer an incentive to cause its Clients to hold an investment for longer than three years in order for the Client's general partner to obtain a preferential tax rate on income allocated with respect to carried interest, even if there are attractive realization opportunities prior to that time. In resolving such conflicts, Dragoneer may often take into account the tax position of the Client's general partner and its affiliates, including positions precipitated by the Tax Act, and there is no assurance that Client returns will not be adversely affected relative to what returns would have been absent such considerations. In addition, these new holding period requirements could subject employees or other individuals who hold direct or indirect

interests in Dragoneer to higher rates of U.S. federal income tax on such carried interest than was the case under prior law. This could make it more difficult for Dragoneer to incentivize, attract and retain individuals to perform services for the Clients.

Changes to Derivatives Regulation. Through comprehensive new global regulatory regimes impacting derivatives (e.g., the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the “Dodd-Frank Act”), the European Market Infrastructure Regulation, Markets in Financial Instruments Regulation/Markets in Financial Instruments Directive (II)), certain over-the-counter derivatives transactions in which some Clients may engage are either now or will soon be subject to various requirements, such as mandatory central clearing of transactions which include additional margin requirements and in certain cases trading on electronic platforms, pre- and post-trade transparency reporting requirements and mandatory bi-lateral exchange of initial margin for non-cleared swaps. Because these requirements are new and evolving (and some of the rules are not yet final), their ultimate impact remains unclear. However, even if a Client itself is not located in a particular jurisdiction or directly subject to the jurisdiction’s derivatives regulations, such Client may still be impacted to the extent such Client enters into a derivatives transaction with a regulated market participant or counterparty that is organized in that jurisdiction or otherwise subject to that jurisdiction’s derivatives regulations.

Based on information available as of the date of this Brochure, the effect of such requirements will be likely to (directly or indirectly) increase a Client’s overall costs of entering into derivatives transactions. In particular, new margin requirements, position limits and significantly higher capital charges resulting from new global capital regulations, even if not directly applicable to a Client, may cause an increase in the pricing of derivatives transactions entered into by market participants to whom such requirements apply or affect the overall ability of such Client to enter into derivatives transactions with certain counterparties. Such new global capital regulations and the need to satisfy the various requirements by counterparties have resulted in increased funding costs, increased overall transaction costs, and significant balance sheets effects, thereby resulting in changes to financing terms and potentially impacting a Client’s ability to obtain financing. Administrative costs, due to new requirements such as registration, recordkeeping, reporting, and compliance, even if not directly applicable to a Client, may also be reflected in such Client’s derivatives transactions. New requirements to trade certain derivatives transactions on electronic trading platforms and trade reporting requirements may lead to (among other things) fragmentation of the markets, higher transaction costs or reduced availability of derivatives, and/or a reduced ability to hedge, all of which could adversely affect the performance of certain of a Client’s trading strategies. In addition, changes to derivatives regulations may impact the tax and/or accounting treatment of certain derivatives, which could adversely impact a Client. Additionally, the U.S. government and the European Union have adopted mandatory minimum margin requirements for bilateral derivatives. As a general matter, under such requirements, a Client’s transactions are subject to variation margin requirements and, depending on the aggregate notional value of bilateral derivatives entered into by such Client, initial margin requirements may apply in the near future. Such requirements could increase

the amount of margin a Client needs to provide in connection with its derivatives transactions and, therefore, make derivatives transactions more expensive.

The CFTC and certain futures exchanges have established limits, referred to as “position limits,” on the maximum net long or net short positions which any person may hold or control in particular options and futures contracts. All positions owned or controlled by the same person or entity, even if in different accounts, may be aggregated for purposes of determining whether the applicable position limits have been exceeded. Thus, even if a Client does not intend to exceed applicable position limits, it is possible that different clients managed by Dragoneer and its affiliates may be aggregated for this purpose. It is possible that the trading decisions of Dragoneer may have to be modified and that positions held by a Client may have to be liquidated in order to avoid exceeding such limits. The modification of investment decisions or the elimination of open positions, if it occurs, may adversely affect the profitability of a Client.

Changes to U.S. Risk Retention Requirements. Six federal agencies (the FDIC, the Comptroller of the Currency, the Federal Reserve Board, the SEC, the Department of Housing and Urban Development, and the Federal Housing Finance Agency) have adopted joint final rules implementing the credit risk retention requirements of Section 941 of the Dodd-Frank Act (the “Final U.S. Risk Retention Rules”). Subject to certain exceptions, the Final U.S. Risk Retention Rules require the “sponsor” of a securitization transaction (or a majority-owned affiliate of the sponsor) to retain, unhedged, at least 5% of the credit risk associated with the securitization until the latest of (x) the date that the securitization has paid down its securities to 33% of their original principal amount, (y) the date that the securitization has sold down its assets to 33% of their original principal amount and (z) the date that is two years after closing. In general, the retained risk must be held in the form either of (i) an “eligible vertical interest,” defined as either (x) a single vertical security or (y) an interest in each class of asset-based securities of the issuing entity that constitutes the same proportion of each class, in each case representing at least 5% of the total securities of each class, (ii) an “eligible horizontal interest,” defined as the most subordinated class of the issuer’s asset-based securities, representing at least 5% of the aggregate fair value of all of the issuer’s asset-based securities, as determined on the closing date of the transaction or (iii) a combination of the two. In general, there is limited guidance on the application of the Final U.S. Risk Retention Rules to specific securitization structures. On February 9, 2018, however, the United States Court of Appeals for the District of Columbia Circuit (the “D.C. Circuit Court”) invalidated the Final U.S. Risk Retention Rules as they apply to the investment managers of certain collateralized loan obligation (“CLO”) transactions. As of the date of this Brochure, the implications of the D.C. Circuit Court’s decision for securitization structures other than the specific types of CLO transactions described in the decision are uncertain. As a result, the future impact of these rules on the securitization markets more generally and on the future performance of a Client is uncertain. It is likely, however, that the requirements imposed by these rules will increase the costs to originators and securitizers of many asset-backed securities relative to the costs that such parties would face if the Final U.S. Risk Retention Rules were not in place, and these increased costs could be passed

along to a Client if it were to invest in such securitized products. In addition, particularly in a situation where such Client securitizes existing investments by creating a special purpose vehicle and contributing a pool of Client assets to it or a related entity, it is possible that such Client could be considered to be a sponsor of such securitization and as a result required to comply with the risk retention requirements of the Final U.S. Risk Retention Rules. Such a requirement would increase the costs to such Client of structuring and investing in securitizations.

Future Use of LIBOR. The elimination of the London Inter-Bank Offered Rate (“LIBOR”) may adversely affect the interest rates on and value of assets and liabilities of the Clients. In 2017, the Chief Executive of the UK Financial Conduct Authority (“FCA”), announced the FCA’s intention to cease sustaining LIBOR from the end of 2021. However, it remains unclear if, how and in what form, LIBOR will continue to exist. Actions by regulators have resulted in the establishment of alternative reference rates to LIBOR in most major currencies. In early 2018, The U.S. Federal Reserve, based on the recommendations of the New York Federal Reserve’s Alternative Reference Rate Committee (comprised of major derivative market participants and their regulators), began publishing a Secured Overnight Funding Rate (“SOFR”) that is intended to replace U.S. dollar LIBOR. The Bank of England followed suit soon after by publishing its proposed alternative rate, the Sterling Overnight Index Average (“SONIA”). Both SOFR and SONIA significantly differ from LIBOR – both in the actual rate and how it is calculated – and therefore it is unclear whether and when markets will adopt either of these rates as a widely accepted replacement for LIBOR. Proposals for alternative reference rates for other currencies have also been announced or have already begun publication. It is possible that the LIBOR administrator, ICE Benchmark Administration Limited, and the panel banks could continue to produce LIBOR on the current basis after 2021, if they are willing and able to do so. However, the survival of LIBOR in its current form, or at all, is not guaranteed after 2021. The transition process away from LIBOR may involve, among other things, increased volatility or illiquidity in markets for instruments that currently rely on LIBOR. The transition may also result in a reduction in the value of certain Portfolio Investments held by a Client or reduce the effectiveness of related Client transactions such as hedges. Any such effects of the transition away from LIBOR, as well as other unforeseen effects, could adversely impact the performance of a Client. Markets are slowly developing in response to these new rates, and questions around liquidity in these rates and how to appropriately adjust these rates to eliminate any economic value transfer at the time of transition remain a significant concern. The effect of any changes to or discontinuation of LIBOR on the Clients will vary depending on (1) existing fallback provisions in individual contracts and (2) whether, how, and when industry participants develop and widely adopt new reference rates and fallbacks for both legacy and new products or instruments. Accordingly, it is difficult to predict the full impact of the transition away from LIBOR on the Clients.

- *CFIUS & National Security/Investment Clearance.* Certain investments by a Client that involve the acquisition of a business connected with or related to national security (including, without limitation, critical technology, critical infrastructure, or sensitive data) may be subject to review and approval by the U.S. Committee on Foreign

Investment in the United States (“CFIUS”) and/or non-U.S. national security/investment clearance regulators. In the event that CFIUS or another regulator reviews one or more of a Client’s proposed or existing investments, it is possible that CFIUS will seek to impose limitations on or prohibit one or more of a Client’s investments or unwind a transaction. Such limitations or restrictions may prevent a Client from pursuing certain investments, cause delays with respect to consummating such investments or require such Client to consummate an investment on terms that are less advantageous than would be the case absent such restrictions. Where a Client is required to unwind a transaction, in addition to incurring additional legal, administrative and other costs, such Client may have to dispose of the investment at a price that is less than it would have received had Dragoneer managed the investment to exit at a different time or under different circumstances. Any of these outcomes could adversely affect a Client’s performance with respect to such investments, and thus such Client’s performance as a whole. In addition, from time to time, certain investors in a Client will be non-U.S. investors, and in the aggregate will comprise a substantial portion of a Client’s aggregate capital commitments, which increases the risk that such Client’s investments will be subject to review by CFIUS. While a Client may take certain steps to mitigate risk associated with a given investor, there can be no assurance that any restrictions implemented on any such investor or any such group of investors will allow such Client to maintain, or proceed with, any investment.

- *Pay-To-Play Rules.* Certain governments and their related public investment systems have adopted or may adopt laws, regulations and/or policies governing the making of investments, including “pay-to-play” rules affecting the marketing of investment opportunities and advisory services to such investors and the payment of political contributions, charitable donations and/or gifts in connection with any such marketing. In the event that such regulations and/or policies are deemed to apply with respect to a Client, Dragoneer and/or its affiliates may be required to register with such governments or investment systems and/or comply with certain reporting requirements and other restrictions and guidelines. Dragoneer and/or its affiliates may be subject to civil and/or criminal penalties, and contracts with a Client may become voidable, which may also affect other investors in such Client. Although investors are generally intended to benefit from the implementation of these regulatory regimes, the compliance burdens and other remedies imposed on Dragoneer and its affiliates could absorb significant resources, generate significant costs and expenses for a Client and may affect the manner in which Dragoneer operates such Client.
- *Sovereign Immunity.* Certain investors admitted to a Client may enjoy sovereign or other immunities and privileges under foreign law, and may claim to be or insist on being restricted in their ability to submit to the jurisdiction of particular courts and tribunals, including those designated in their subscription agreements and such Client’s Governing Documents. These factors may make it substantially more difficult for Dragoneer or the other parties to the Client’s Governing Documents to enforce the contractual obligations of an investor in such Client, if necessary, by obtaining a judgment or arbitration award and by enforcing that judgment or award against the investor’s assets.

- Defined Benefit Pension Liabilities.* As a result of its equity ownership, representation on the board of directors and/or contractual rights, a Client may be deemed to control, participate in the management of or influence the conduct of one or more of its portfolio companies. This could expose the assets of such Client to claims by a portfolio company, its other security holders, its creditors or governmental agencies. Under Title IV of the U.S. Employee Retirement Income Security Act of 1974 (“ERISA”), employers who sponsor defined benefit pension plans or contribute to so-called “multiemployer” plans may be liable to the plan or the Pension Benefit Guaranty Corporation in the event of a full or partial plan termination or withdrawal from participation. This liability extends to other entities within the same “controlled group” as well as other “trades or businesses under common control”. In 2013, the First Circuit Court of Appeals, in *Sun Capital Partners III, L.P. et al. v. New England Teamsters & Trucking Industry Pension Fund*, found that a private fund (alone or with other funds) could be treated as a “trade or business” for this purpose, depending upon the level of active management and certain other factors, and remanded the case to the District court for a factual determination. A subsequent 2016 District Court of Massachusetts decision applied the “investment plus” test articulated by the appeals court and ultimately found that two private equity funds operated by the same sponsor were “trades and businesses” for purposes of ERISA. Further, the court found that the funds, neither of which itself owned a controlling 80% interest in the portfolio company, were deemed to be part of a partnership in fact as a result of their joint investment and prior activities and therefore were jointly and severally liable for the pension withdrawal liability of such former portfolio company. In 2019, the First Circuit Court of Appeals reversed the District Court’s application of the partnership in fact test, but it did not dispute the legal framework. This is currently an unsettled area of law, and significant questions remain regarding the potential application of the Sun Capital holding and rational to similar factual situations. If a Client were to be deemed a “trade or business” with the requisite level of ownership of an investment, either alone or with another Client advised by Dragoneer or its affiliates, the Client could face liability for the Title IV obligations of its portfolio companies. In addition, other portfolio companies which are deemed to be in a controlled group or under common control with an entity sponsoring or contributing to a Title IV plan could also be liable for these funding obligations.
- The Alternative Investment Fund Managers Directive.* The AIFM Directive may have an adverse effect on the operation of a Client where interests in such Client are offered to or placed with investors in any EEA Member State, including the UK whether or not the UK has left the EEA. The AIFM Directive applies to the manager of any investment fund that is not authorized under the Undertakings for Collective Investment in Transferable Securities Directive or does not otherwise fall within a relevant exclusion under the AIFM Directive.

The implementation of the AIFM Directive may have an adverse effect on the operation of a Client in at least the following ways:

The extent to which Dragoneer can market a Client to investors who are domiciled or have a registered office in any EEA Member State may be more restricted than was the

case before the AIFM Directive came into force. This could limit a Client's ability to attract investors based in those EEA Member States, resulting in a reduction in the overall amount of capital raised by such Client which limits, in turn, the range of investment strategies and investments that such Client is able to pursue and make.

If interests of a Client are marketed in EEA Member States, Dragoneer will be required to comply with additional initial disclosure, annual reporting and regulatory filing requirements in relation to a Client, and in certain EEA Member States it may be required to comply with registration requirements, including the requirement to appoint a depositary or an entity to carry out some of the depositary duties under the AIFM Directive. Compliance with these requirements, to the extent applicable, may result in additional costs to a Client reducing the returns for investors. The need to comply with the registration requirements may also delay a Client's fundraising process, in turn reducing the speed with which Dragoneer can deploy the capital raised.

The AIFM Directive will impose certain requirements and restrictions on a Client if such Client acquires control of an EEA portfolio company. The EEA portfolio company requirements include the requirement to make certain notifications and disclosures where a Client acquires or disposes of shares in an EEA portfolio company. The restrictions will include restrictions on the extent to which a Client can bring about or support distributions, acquisition of shares or reductions in the capital of an EEA portfolio company. These requirements and restrictions may limit the use of certain investment and realization strategies, such as dividend recapitalizations and reorganizations. These requirements and restrictions may also place Dragoneer and a Client at a disadvantage as against competitors that do not use a fund structure or whose fund(s) have not been marketed in any EEA Member State. In addition, compliance with these requirements and restrictions may result in additional costs to a Client, reducing the returns for investors.

There is still some uncertainty as to the manner in and extent to which the AIFM Directive has been implemented in various EEA Member States. This uncertainty increases the risk of a breach by Dragoneer in an EEA Member State of the requirements imposed by the AIFM Directive. Further, in certain or all EEA Member States, Dragoneer may choose not to market a Client at its own initiative or otherwise take any other action that would result in any measure taken in order to give effect to or supplement the AIFM Directive applying to Dragoneer and such Client. Any such breach (including if a regulator takes a different view on whether an investor has approached Dragoneer on their own initiative) may result in a regulatory authority or court in that or another EEA Member State requiring the return of any capital or other funds to some or all investors or otherwise seeking to take other enforcement or remedial action against Dragoneer. This may result in a reduction in the overall amount of capital available to a Client which would limit, in turn, the range of investment strategies and investments that the Client would be able to pursue and make or otherwise result in a loss to such Client. Furthermore, there is a risk that the AIFM Directive will be interpreted differently by each EEA Member State. This may have an adverse effect on the marketing and/or operation of a Client and may result in additional costs, reducing the returns for investors.

- *Changes to the European Union.* On June 23, 2016, the UK held a referendum and voted to withdraw as a member of the European Union (the “EU”) and as a party to the Treaty on the Functioning of the European Union and its related treaties (commonly known as “Brexit”). The consequences of Brexit are uncertain. Brexit has already caused significant volatility in global financial markets and uncertainty about the integrity and functioning of the EU, both of which may persist for an extended period of time. On March 29, 2017, the UK formally initiated the withdrawal process by notifying the European Council of its intention to withdraw from the EU. This notification triggered negotiations regarding the arrangements governing the UK’s withdrawal from, and its future relationship with, the EU. The negotiation process has been lengthy and complicated, and much uncertainty remains. Under the process for leaving the EU contemplated in article 50 of the Treaty on the Functioning of the EU, the UK left the EU on 31 January 2020 and entered an 11-month transitional period. During the transitional period (when most EU law will continue to apply in the UK), the UK and the EU will negotiate the terms of their future relationship. There is no guarantee that an agreement between the UK and the EU will be reached by the end of the transitional period. Although Dragoneer cannot predict the full effect of Brexit, it could have a significant adverse impact on the UK, European and global macroeconomic conditions and could lead to prolonged political, legal, regulatory, tax and economic uncertainty. This uncertainty is likely to continue to impact trade within Europe, foreign direct investment in Europe, the scope and functioning of European regulatory frameworks (including with respect to the regulation of alternative investment fund managers and the distribution and marketing of alternative investment funds), industrial policy pursued within European countries, immigration policy pursued within EU countries, the regulation of the provision of financial services within and to persons in Europe and trade policy within European countries and internationally and the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by a Client. The volatility and uncertainty caused by Brexit may adversely affect the value of a Client’s investments and the ability to achieve the investment objective of a Client.

The future application of EU-based legislation to the private fund industry in the UK and the EU will ultimately depend on how the UK renegotiates its relationship with the EU. There can be no assurance that any renegotiated terms or regulations will not have a material adverse impact on a Client and its investments, including the ability of a Client to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, a material adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, an adverse effect on the ability of Dragoneer to manage, operate and invest a Client’s capital and increased legal, regulatory or compliance burden for Dragoneer or a Client, each of which may have a material negative impact on the operations, financial condition, returns or prospects of such Client.

While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have a material adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the UK and Europe.

Political parties in several other member states of the EU have proposed that a referendum similar to that held in the UK be held on their country's membership in the EU. It is unclear whether any other member states of the EU will hold such referendums, but if they do, further disruption can be expected.

- *Expedited Transactions.* Investment analyses and decisions by Dragoneer will often be undertaken on an expedited basis in order for a Client to take advantage of investment opportunities. In such cases, information available to Dragoneer at the time of an investment decision may be limited, and Dragoneer may not have access to the detailed information necessary for a full evaluation of the investment opportunity.
- *Equity Investments.* The market price of securities owned by a Client may go up or down, sometimes rapidly or unpredictably. A risk of investing in a Client is that the equity securities in such Client's portfolio will decline in value due to factors affecting equity securities markets generally or particular industries or issuers represented in those markets. The values of equity securities may decline due to general market conditions that are not specifically related to a particular company, such as real or perceived adverse economic conditions, changes in the general outlook for corporate earnings, changes in interest or currency rates or adverse investor sentiment generally. They may also decline due to factors which affect a particular industry or industries, such as labor shortages or increased production costs and competitive conditions within an industry. Other risks of investing globally in equity securities may include changes in currency exchange rates, exchange control regulations, expropriation of assets or nationalization, imposition of withholding taxes, and difficulty in obtaining and enforcing judgments against non-U.S. entities. In addition, securities which Dragoneer believes are fundamentally undervalued or incorrectly valued may not ultimately be valued in the capital markets at prices and/or within the time frame Dragoneer anticipates. As a result, a Client may lose all or substantially all of its investment in any particular instance.
- *Initial Public Offerings.* Participation in and trading of securities with respect to initial public offerings is an investment approach in which Dragoneer actively engages on behalf of certain Clients. To this end, Dragoneer maintains relationships with investment banks, service providers, company executives and others which will, from time to time, result in allocations to some Clients of securities of companies in initial public offerings. The purchase and sale by Clients from time to time of securities of companies in initial public offerings or shortly thereafter involve special risks, including a limited number of shares available for trading, unseasoned trading, lack of investor knowledge of the company and limited operating history. These factors contribute to substantial price volatility for the shares of these companies and, thus, for the Clients participating in such investments. The limited number of shares available for trading in some initial public offerings may make it more difficult for a Client to

buy or sell significant amounts of shares without an unfavorable impact on prevailing market prices. Further, such risk may be exacerbated if one or more other Clients attempt to buy or sell the same securities as a Client in any public offering. In addition, some companies in initial public offerings are involved in relatively new industries or lines of business, which may not be widely understood by investors. Some of these companies may be undercapitalized or regarded as developmental stage companies, without revenues or operating income, or the near-term prospects of achieving them.

- *Convertible Securities.* Some Clients may invest in convertible securities. Convertible securities are bonds, debentures, notes, preferred stocks or other securities that give the holder the right to convert or exchange the security for an amount of common stock (or equivalent) of the same or different issuer within a particular period of time at a specified price or based on a formula. Generally a convertible security entitles its holder to receive interest, which may be paid in cash or in-kind (e.g., a dividend) until the convertible security matures or is redeemed, repurchased, converted or exchanged. Convertible securities have unique investment characteristics in that they generally: have higher yields than common stocks, but lower yields than comparable non-convertible securities; have a stated value; and provide the potential for capital appreciation if the market price of the underlying common stock increases. The value of a convertible security is a function of its “investment value” (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its “conversion value” (the security’s worth, at market value, if converted into the underlying security). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer, volatility of the issuer’s securities and other similar dated option instruments and other factors may also have an effect on the convertible security’s investment value. The conversion value of a convertible security is determined by the market price of the underlying security (e.g., common stock). If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security’s governing instrument. If a convertible security held by a Client is called for redemption, such Client generally will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Any of these actions could have an adverse effect on such Client’s ability to achieve its investment objective.

- *General Economic, Market Disruption, Health Crises, Terrorism and Geopolitical Risk.* The value of a Client’s investments could be affected by factors affecting the

economy and securities markets generally, such as real or perceived adverse economic conditions, supply and demand for particular instruments, changes in the general outlook for certain markets or corporate earnings, interest rates, political developments or adverse investor sentiment generally. A Client is subject to the risk that war, terrorism, global health crises or similar pandemics, and other related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of a Client's investments. Those events as well as other changes in world economic, political and health conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of a Client's investments. At such times, a Client's exposure to a number of other risks described elsewhere in this section can increase.

- *Coronavirus Outbreak Risks.* The recent global outbreak of the 2019 novel coronavirus (“COVID-19”), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. Although the long-term economic fallout of COVID-19 is difficult to predict, it has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect and the industries in which the Clients invest. Furthermore, Dragoneer's ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out the Clients' investment strategies and objectives and Dragoneer's business and to satisfy its obligations to the Clients, their investors, and pursuant to applicable law will be impaired. The spread of COVID-19 among Dragoneer's personnel and its service providers would also significantly affect Dragoneer's ability to properly oversee the affairs of the Clients (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a Client's investment activities or operations.
- *Micro, Small and Medium Capitalization Companies.* Investments in securities of micro- and smaller-capitalization companies involve higher risks in some respects than do investments in securities of larger “blue-chip” companies. For example, prices of securities of micro- and small-capitalization and even medium-capitalization companies are often more volatile than prices of securities of large-capitalization companies and may not be based on standard pricing models that are applicable to securities of large-capitalization companies. Furthermore, the risk of bankruptcy or insolvency of many smaller companies (with the attendant losses to investors) may be higher than for larger, “blue-chip” companies. Finally, due to thin trading in the securities of some micro- and small-capitalization companies, an investment in those companies may be illiquid.

- *Reliance on Third Parties.* Dragoneer and a Client may require, and rely upon, the services of a variety of third parties, including but not limited to attorneys, accountants, bankers, brokers, custodians, valuation agents, consultants (including “finders” and similar persons engaged to assist with the development and exploitation of portfolio deal flow, as well as “experts” and similar persons engaged to assist with the assessment of technologies, markets and other matters) and various other persons or agents. Failure by any of these third parties to perform their duties or otherwise satisfy their obligations to a Client or its affiliates could have a material adverse effect upon such Client. Except as otherwise explicitly provided in a Client’s Governing Documents, the fees and costs associated with such third parties will be paid by the applicable Client(s).
- *Risks Relating to Due Diligence of Portfolio Companies.* Before making investments, Dragoneer will typically conduct due diligence that it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. For example, Dragoneer’s due diligence process may be less extensive with respect to smaller investments and investments in non-core areas with respect to the applicable Clients’ investment strategies. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, regulatory and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties may also be involved in the due diligence process to varying degrees depending on the type of investment. Such involvement of third-party advisors or consultants may present a number of risks primarily relating to Dragoneer’s reduced control of the functions that are outsourced. In addition, if Dragoneer is unable to timely engage third-party providers, its ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, Dragoneer will rely on various resources available to it, including information provided by the target of the investment and, in some circumstances, third-party investigations. The due diligence investigation that Dragoneer carries out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in the investment being successful. Conduct occurring at portfolio companies, even activities that occurred prior to a Client’s investment therein, could have an adverse impact on such Client.
- *Reliance on the Management of Portfolio Companies.* There can be no assurance that any portfolio company’s existing management team, or any new team, will be able to operate successfully. In addition, the interests, obligations and duties of a portfolio company’s management team may not necessarily align with the interests of a Client or the investors. It will be primarily the responsibility of company management to operate each portfolio company business on a day-to-day basis. If a Client invests in emerging companies, there may be a limited ability to evaluate the management of such companies based on past performance and such companies may be more reliant on individual members of the management team than more established companies. Instances of fraud and other deceptive practices committed by the management team of portfolio companies in which a Client has an investment may undermine Dragoneer’s due diligence efforts with respect to such companies. If such fraud is

committed, it could materially adversely affect the valuation of such Client's investments and may contribute to overall market volatility that can negatively impact such Client's investment portfolio.

- *Additional Capital Requirements of Portfolio Companies.* Certain of a Client's portfolio companies, especially those in a development or "platform" phase, may require additional financing to satisfy their working capital requirements or acquisition strategies. The amount of such additional financing will depend upon the maturity and objectives of the particular portfolio company. Each such round of financing (whether from a Client or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the applicable Client. In addition, such Client may make additional debt and equity investments or exercise warrants, options or convertible securities that were acquired in the initial investment in such company in order to preserve such Client's proportionate ownership when a subsequent financing is planned, or to protect such Client's investment when such portfolio company's performance does not meet expectations. The availability of capital is generally a function of capital market conditions that are beyond the control of such Client or any portfolio company. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available from any source.
- *Less Established Companies.* Clients may make investments in companies that are in a conceptual or relatively early stage of development. These companies are often characterized by short operating histories, new technologies and products, quickly evolving markets and management teams that may have limited experience working together, all of which enhance the difficulty of evaluating these investment opportunities. The management of such companies will need to implement and maintain successful marketing, finance personnel and other operational strategies in order to become and remain successful. Other substantial operational risks to which such companies are subject include uncertain market acceptance of the company's products or services, a high degree of regulatory risk for new or untried and/or untested business models, products and services, high levels of competition among similarly situated companies, lower capitalizations and fewer financial resources and the potential for rapid organizational or strategic change. In addition, such companies may not be profitable at the time of investment and may experience substantial fluctuations in their operating results. The success of such companies may also depend on the management talents and efforts of one person or a small group of persons whose death, disability or resignation would adversely affect their businesses.

Relative to more mature companies, emerging companies often have not yet developed comprehensive legal, regulatory, financial audit, control and similar compliance capabilities. This will make it more difficult for Dragoneer to conduct diligence upon prospective portfolio companies and to monitor companies in which a Client has invested, which enhances the risks that otherwise successful portfolio companies will experience adverse consequences due to violations of legal, regulatory or similar

obligations. It also enhances the risks that portfolio companies or a Client will experience adverse consequences due to intentional wrongdoing by portfolio company personnel or third parties.

In addition to the risks above, emerging technology companies are subject to risks based on the characteristics of the industry, including the possibility that rapid technological developments may render such companies' technology obsolete, uneconomical or uncompetitive prior to the company achieving profitability. The public market for technology and other emerging growth companies is extremely volatile. Any such investments in emerging companies are considered highly speculative and are more likely to result in the loss of a Client's entire investment.

- *Late-Stage Investments and Access to Public Markets.* A portion of a Client's investment portfolio will likely consist of securities issued by companies that expect to go public within a relatively short period of time. However, there can be no guarantee that any portfolio company investment will result in a liquidity event via public offering on the anticipated timeline, or at all. In addition, certain of the Client's portfolio companies may choose to access the public markets through non-traditional means, including direct listings, which may not be successful or may lead to increased volatility in the trading price of their securities. Because there is no marketed offering conducted as part of a direct listing, a market for the securities may not develop as anticipated, or at all. Accessing the public markets through non-traditional means, such as a direct listing, has and may continue to draw questions from regulators and could subject any Client portfolio company attempting such strategy to additional cost and uncertainty as it navigates the evolving landscape.
- *Publicly Traded Companies.* A portion of a Client's investment portfolio may consist of securities issued by publicly traded companies (e.g., as the result of an initial public offering effected by a previously private portfolio company, acquisition of a private portfolio company by a publicly traded company or a direct investment in publicly traded securities). The fact that a portfolio company is publicly traded will not necessarily reduce the business and other risks associated with an investment in such company. Investments in publicly traded companies often are subject to other risks, such as increased risks of litigation and greater securities law and other regulatory burdens, as well as risks associated with "insider trading" and similar rules.
- *Risks Related to Investments in the Technology Sector.* A significant portion of a Client's investments is expected to be concentrated in equity and equity-related securities of technology-oriented companies. These companies will generally be small and less-seasoned and their equity securities will tend to be more volatile than the overall stock market. As a result, events affecting these companies – for example, intellectual property issues (including litigation over proprietary rights to technology), product roll-out delays or failures, rapid obsolescence, constant technical innovation, shifting technical standards, government regulation, new social trends, disproportionately large research budgets, marketing expenses and market penetration by competitors and the inability to attract and retain qualified technical and managerial employees – will affect the value of such Client's portfolio. In some instances, laws or

regulations have been adopted or proposed that may pose material challenges to technology-oriented companies' respective business models. There can be no assurance that laws or regulations will not be passed that will have a material adverse effect on a Client's portfolio companies.

- *Dependence on Patents, Trademarks and Other Intellectual Property.* Certain of the companies in which a Client invests will depend heavily on intellectual property rights ("IP"), including patents, copyrights, trade secrets, trademarks and servicemarks. The ability to effectively enforce patent, trademark and other IP laws will affect the value of many of these companies. IP disputes are frequent and can preclude commercialization of products, and IP litigation is costly and could subject a portfolio company to significant liabilities to third parties. The presence of patents or other proprietary rights belonging to other parties may lead to the termination of the research and development of a portfolio company's particular product. There can be no assurance that a Client or a portfolio company will be able to protect its own IP rights or will have the financial resources to do so, or that competitors will not develop technologies substantially equivalent or superior to a company's technologies. Unauthorized access or theft of proprietary information may make a portfolio company or its products and services less valuable and more vulnerable to malicious attack. While piracy adversely affects portfolio company revenue in all jurisdictions, the impact on revenue from outside the U.S. is significant, particularly in countries where laws are less protective of IP rights. The absence of harmonized patent laws makes it more difficult to ensure consistent respect for the patent rights of portfolio companies. Reductions in the legal protection for software IP rights could adversely affect portfolio companies.
- *Software Code Protection.* The development and protection of source code is critical to many businesses in the software sector. If an unauthorized disclosure of a significant portion of a portfolio company's source code occurs, such portfolio company could potentially lose future trade secret protection for such source code. The loss of trade secret protection could make it easier for others to compete with such portfolio company's products by copying their code and functionality, which could adversely affect such portfolio company's revenue and operating margins. Unauthorized disclosure of source code could also increase security risks (e.g., viruses, worms, and other malicious software programs that may attack a portfolio company's products and services). Costs for remediating the unauthorized disclosure of source code and other cyber security breaches may include those related to increased protection, reputational damage, loss of market share, liability for stolen assets or information and repairs to damaged systems. Remediation costs may also include incentives offered to maintain a portfolio company's business and/or customer relationships following a security breach.
- *Long-Term Nature of Investments; Potential Retention of Proceeds.* Clients are intended for long-term investment and for investors who can accept the risks associated with making highly speculative, illiquid investments in privately negotiated transactions. Many (but not all) investments by such Clients will be long-term in nature and it is uncertain when profits on such investments will be realized, if at all. Although

such Client may earn current interest or dividends on some of its investments, it is generally expected that invested capital will not be returned for a significant period of time after initial investment. In addition, the amount and timing of distributions of investment proceeds with respect to such Clients will in all cases be subject to the availability of cash after satisfying obligations or setting aside reasonable reserves for anticipated obligations of such Clients or for permitted reinvestment. Accordingly, no assurance can be made as to the amount and timing of such distributions.

- *Investments with Third Parties.* A Client may co-invest with third parties in certain portfolio companies from time to time. Such Client will frequently not have control over these investments and, therefore, may have a limited ability to protect its position therein. Such portfolio investments may involve risks not present in portfolio investments where a third party is not involved, including the possibility that a Client may not be able to implement investment decisions or exit strategies because of limitations on such Client's control of the investment under applicable agreements with the third-party partners or co-investors, the risk that third-party partners or co-investors may become bankrupt or have other financial difficulties resulting in a negative impact on the portfolio investment, or may at any time have economic or business interests or goals that are inconsistent with those of the Client. In addition, there is a risk that a third-party partner or co-investor may be in a position to take action contrary to a Client's interests, the risk of liability based upon the actions of a third-party partner or co-investor and the risk of disputes or litigation with such partners and the inability to enforce fully all rights (or the incurrence of additional risk in connection with enforcement of rights) one partner may have against the other.
- *Concentration of Investments.* Investments are expected to be concentrated in relatively few companies, industries or markets. Such non-diversification would make a Client more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Such Client could be subject to significant losses if it holds a relatively large position in a single company, industry, market, geographical area, country or a particular type of investment that declines in value, and the losses could increase even further if investments cannot be liquidated without adverse market reaction or are otherwise adversely affected by changes in market conditions or circumstances. In certain cases, a Client may acquire majority or greater interests in portfolio companies, which could further increase the vulnerability of the portfolio. An investment in such Client will increase the exposure of investors that are also invested in other Clients to the extent that such other Clients invest in the same portfolio company.
- *Illiquidity of Investments.* Some Clients may invest in both publicly-traded companies and private companies, while other Clients may invest principally in private companies. The markets for certain of a Client's public investments may be thinly traded from time to time. A Client's ability to sell public investments may be adversely affected by various factors, including limited trading volume, lack of a market maker, or legal restrictions. Short sales are particularly subject to liquidity risk because a Client's purchase of securities or currencies to close out a short position can itself cause the price of the securities or currencies to rise further, thereby exacerbating the loss. It is

also possible that a domestic or international securities exchange or a governmental authority (such as the SEC) may suspend or restrict trading on an exchange or in particular securities or other instruments traded on the exchange. It may not always be possible to execute a buy or sell order at the desired price or to liquidate an open public investment position, either due to market conditions on exchanges or due to the operation of “circuit breakers.” This lack of liquidity and market depth could disadvantage a Client, both in the realization of the prices which are quoted and in the execution of orders at desired prices or in desired quantities. In addition, some or all of a Client’s investments in private companies could consist of securities that are subject to restrictions on sale because they were acquired from the issuer in “private placement” transactions. Generally, such Client will not be able to sell these securities publicly without the expense and time required to register the securities under the 1933 Act, or will be able to sell the securities only under Rule 144 or other rules under the 1933 Act that permit only limited sales under specified conditions. When restricted securities are sold to the public, such Client may be deemed to be an “underwriter” with respect thereto for the purposes of the 1933 Act and be subject to liability as such under the 1933 Act. In addition, practical limitations may inhibit a Client’s ability to liquidate certain of its private investments since the issuer will be privately held and such Client may own a substantial percentage of the issuer’s equity securities. Dispositions of such investments in illiquid securities may require a lengthy period of time. These investments may be difficult to value and to sell or otherwise liquidate, and the risk of investing in such companies is generally much greater than the risk of investing in publicly traded securities. Sales may also be limited by market conditions, which may be unfavorable for sales of securities of particular issuers or issuers in particular industries. Such limitations could prevent a successful sale of such Client’s private investments, result in delay of any such sale, or reduce the amount of proceeds that might otherwise be realized.

- *Non-U.S. Investments.* Clients may invest in portfolio companies that are headquartered in, have their principal place of business in, or are organized under the laws of jurisdictions other than, or that have a substantial portion of their assets or business operations outside of, the United States. Such investments, in addition to bearing the risks generally discussed in this Item 8, may often be subject to a greater risk than U.S. investments due to non-U.S. economic, political, and legal developments and uncertainty, including less developed corporate laws regarding fiduciary duties of officers and directors and the protection of investors, greater volatility in currency exchange rates, exchange control regulations (including currency blockage), greater controls on foreign investment and limitations on realization of investments, repatriation of invested capital and on the ability to exchange local currencies for U.S. dollars, nationalization or expropriation of assets or nationalization, confiscatory taxation, imposition of taxes on dividends, interest payments, capital gains, or other income, the need for approval by government or other authorities to make investments, and possible difficulty in obtaining and enforcing judgments against non-U.S. entities and other factors beyond the control of Dragoneer. Furthermore, issuers of non-U.S. securities are subject to different, often less comprehensive accounting, reporting or disclosure requirements than U.S. issuers. The securities markets of some countries in which a Client may invest have substantially less volume than those in the United

States, and securities of certain companies in these countries are less liquid and more volatile than securities of comparable U.S. companies. Accordingly, these markets may be subject to greater influence by adverse events generally affecting the market, and by large investors trading significant blocks of securities, than is usual in the United States. Brokerage commissions and other transaction costs on securities exchanges in non-U.S. countries are generally higher than in the United States. Non-U.S. securities settlements may in some instances be subject to delays and related administrative uncertainties. In some countries, there are restrictions on investments or investors such that the only practicable way for a Client to invest in such markets is by entering into swaps or other derivative transactions with its prime brokers or others. Such transactions involve counterparty risks which are not present in the case of direct investments and which may not be controllable by Dragoneer. No assurance can be given that a change in political or economic climate, or particular legal or regulatory risks, including changes in regulations regarding foreign ownership of assets or repatriation of funds or changes in taxation, might not adversely affect an investment by a Client.

- *Currency Risk.* A Client's investments that are not denominated in its home currency are subject to the risk that the value of a particular currency will change in relation to one or more other currencies. Among the factors that may affect currency values are trade balances, the level of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political developments. Officials in foreign countries may from time to time take actions in respect of their currencies that could significantly affect the value of a Client's assets denominated in those currencies or the liquidity of such investments. For example, a foreign government may unilaterally devalue its currency against other currencies, which would typically have the effect of reducing the U.S. dollar value of investments denominated in that currency. A foreign government may also limit the convertibility or repatriation of its currency or assets denominated in that currency. A Client may, but is not required to and frequently may not, invest in foreign currencies, foreign currency futures contracts and options thereon, forward foreign currency exchange contracts, or any combination thereof for hedging purposes, but there can be no assurance that such strategies will be implemented, or if implemented, will be effective.
- *Significant Developments Stemming from the U.S. Administration.* Public comments by key personnel within the U.S. administration have suggested that the administration may not be supportive of certain existing international trade agreements. Further, the administration has announced the withdrawal of the U.S. from certain proposed trade agreements, has supported greater restrictions on trade generally and has implemented significant increases on tariffs on goods imported into the U.S., particularly from China. At this time, it remains unclear what further actions the administration may take with respect to trade agreements, individual companies or countries, including whether and when additional tariffs may be placed on imports into the U.S., and the scope of any tariff that is imposed. Dragoneer also cannot predict how other countries will respond to the administration's actions. For example, it is possible that legislation or regulations may be passed in other jurisdictions in response or related to any measures

that may be imposed by the administration, including imposition of tariffs on U.S. goods imported into such jurisdictions. If the administration takes action to withdraw from or materially modify certain international trade agreements, or to implement greater restrictions on free trade and significant increases on tariffs or duties, the business, financial condition and results of certain of the Clients' portfolio companies, and the performance of the Clients' investments in general, could be materially adversely affected. The administration has also indicated its intention to direct federal agencies to proceed with deregulating certain industries in which the Clients may invest through a series of executive actions. However, such actions have been and may continue to be subject to judicial and/or congressional scrutiny and even if implemented, may be replaced by regulatory actions at the state level. While there can be no assurance that the administration will be successful in implementing such actions, any measures that are implemented in connection therewith may result in material changes to regulations and may impact the business operations and performance (even adversely) of the Clients' investments. Changes in U.S. social, political, regulatory and economic conditions or in laws and policies governing foreign trade, manufacturing, development and investment in the jurisdictions in which the Clients may invest, and any negative sentiments towards the U.S. as a result of such changes, could adversely affect the performance of the Clients' investments. In addition, negative sentiments towards the U.S. among non-U.S. customers and among non-U.S. employees or prospective employees could adversely affect sales or hiring and retention, respectively, in portfolio companies.

- *Investments in Emerging Markets.* Clients may invest in emerging markets, which may include China, India and Brazil. Investments in emerging markets involve a greater degree of risk than investing in developed countries. Among other things, emerging market investments may be subject to the following risks: less publicly available information; more volatile markets and unstable market conditions; changes in interest rates, availability of credit and inflation rates; less liquidity or available credit; uncertainty in enforceability of documents; changes in local laws and regulations (including nationalization of industries); political or economic instability (including wars, terrorist acts or security operations); the relatively small size of the securities markets in such countries and the lower volume of trading and less strict securities market regulation; less favorable tax or legal provisions; price controls and other restrictive governmental actions; changes in or non-approval of tariffs or other fees or rates charged; potential severe inflation or other serious adverse economic developments; unstable currency; expropriation of property; confiscatory taxation; imposition of withholding and other taxes on income or gross sales proceeds or dispositions; fluctuations in the rate of exchange between currencies; non-convertibility of currencies which can result in the inability to repatriate funds; costs associated with currency conversion; and certain government policies that may restrict a Client's investment opportunities. The foregoing may result in lack of liquidity and in price volatility. The economies of emerging markets may differ favorably or unfavorably from the economy of developed countries in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. In addition, emerging market countries may have a greater risk of default on external debt when their

economies experience a downturn. These risks of sovereign default could adversely affect the value of a Client's portfolio. Further, emerging markets are generally heavily dependent upon international trade and, accordingly, have been and may continue to be adversely affected by trade barriers, exchange controls, managed adjustments in relative currency values and other protectionist measures imposed or negotiated by the countries with which they trade. The economies of certain emerging markets may be based predominantly on only a few industries and may be vulnerable to changes in trade conditions and may have higher levels of debt or inflation. Companies in emerging countries are generally subject to less stringent and less uniform accounting, auditing, corporate governance and financial reporting standards, practices and disclosure requirements than those applicable to companies in developed countries. In particular, valuation of assets, depreciation, exchange differences, deferred taxation, contingent liabilities and consolidation may be treated differently from accounting standards in more developed countries. Consequently, there is less publicly available information about an emerging country company than about a company in a developed market. Certain issuers located in emerging markets, such as banks and other financial institutions, may be subject to less stringent regulations than would be the case for issuers in developed countries and, therefore, investments in these entities potentially carry greater risk. In addition, a Client's investment opportunities in certain emerging markets may be restricted by legal limits on foreign investment in local securities or restrictions on the ability to convert currency or to take currencies out of certain countries. In emerging markets, there is often less governmental supervision and regulation of business and industry practices, stock exchanges, over-the-counter markets, brokers, dealers, counterparties and issuers than in other more established markets. Any regulatory supervision which is in place may be subject to manipulation or control. Some emerging market countries do not have mature legal systems comparable to those of more developed countries. Moreover, the process of legal and regulatory reform may not be proceeding at the same pace as market developments, which could result in investment risk. Legislation to safeguard the rights of private ownership may not yet be in place in certain areas, and there may be the risk of conflict among local, regional and national requirements. In certain cases, the laws and regulations governing investments in securities may not exist or may be subject to inconsistent or arbitrary application or interpretation. Both the independence of judicial systems and their immunity from economic, political or nationalistic influences remain largely untested in many countries. A Client may also encounter difficulties in pursuing legal remedies or in obtaining and enforcing judgments in non-U.S. courts.

- *Settlement in Emerging Markets.* There can be no guarantee of the operation or performance of settlement, clearing and registration of transactions in emerging market countries nor can there be any guarantee of the solvency of any securities system or that such securities system will properly maintain the registration of a Client or such Client's custodian as the holder of securities. Where organized securities markets and banking and telecommunications systems are underdeveloped, concerns inevitably arise in relation to settlement, clearing and registration of transactions in securities. Furthermore, due to the local postal and banking systems in many emerging market countries, no guarantee can be given that all entitlements attaching to quoted and over-

the-counter traded securities acquired by a Client, including those related to dividends, can be realized.

Some emerging markets currently dictate that monies for settlement be received by a local broker a number of days in advance of settlement, and that assets are not transferred until a number of days after settlement. This exposes the assets in question to risks arising from acts, omissions and solvency of the broker and counterparty risk for that period of time.

Emerging Market Exchange Control and Repatriation. It may not be possible for a Client to repatriate capital, dividends, interest and other income from emerging markets, or it may require governments' consents to do so. Such Client could be adversely affected by the introduction of, or delays in, or refusal to grant any such consent for the repatriation of funds or by any official intervention affecting the process of settlement of transactions. Economic or political conditions could lead to the revocation or variation of consent granted prior to investment being made in any particular country or to the imposition of new restrictions.

Emerging Market Inflation. Some countries in which a Client may invest have experienced substantial rates of inflation in recent years. Inflation and rapid fluctuations in inflation rates have had, and may in the future have, negative effects on the economies and securities markets of certain emerging economies. There can be no assurance that inflation will not become a serious problem in the future and have an adverse impact on such Client's investments in these countries or such Client's returns from such investments.

Emerging Market Counterparty and Liquidity Risk. There can be no assurance that there will be any market for any investments acquired by a Client or, if there is such a local market, that there will exist a secure method of delivery against payment which would, in the event of a sale by or on behalf of such Client, avoid exposure to counterparty risk on the buyer. It is possible that, even if a market exists for such investment, that market may be highly illiquid. Such lack of liquidity may adversely affect the value or ease of disposal of such investments. There is a risk that counterparties may not perform their obligations and that settlement of transactions may not occur.

Geopolitical and Regional Risk. In emerging markets, ethnic, religious, historical and other divisions may give rise to tensions, which may result in instability of financial markets, corruption, military conflict and terrorism. Terrorism in emerging markets has the ability to cause major disruptions and negatively impact such market's economy and could lead to a reduction of a Client's assets or an entire loss in value of an investment. Terrorism and related military actions may lead to increased short term market volatility and have adverse long term effects on markets generally and such Client specifically. Emerging markets may have a weak or a still developing governmental or authoritative structure that creates a climate of corruption, either state sponsored or at the local or individual level; this could include, but is not limited to, selective or arbitrary investigations and prosecutions by the government, corrupt

judicial actions or thriving black markets, which all have the ability to impact the value of such Client's investments. Neither terrorism nor corruption is unique to emerging markets but there is a heightened probability, compared with developed markets, that these factors will have an effect on the value of such Client's investments.

- *Investments in China.* In general, the economic, political and legal structures in the People's Republic of China (the "PRC") differ in significant ways from those of most developed countries and other emerging markets, and these differences present a variety of risks that could impair a Client's ability to achieve its investment objective. The following risk factors, in addition to the risks associated with non-U.S. and emerging market investments described above, are applicable to investments in the PRC.

Regulations Governing Foreign Investment Enterprises. The PRC has adopted a broad range of laws, administrative rules and regulations that govern the conduct and operations of companies in the PRC that receive capital investments from foreign investors (known as "Foreign Investment Enterprises" or "FIEs"). These laws, rules and regulations provide some incentives to encourage the flow of investment into the PRC, but they also subject FIEs to a set of restrictions that may not always apply to domestic companies in the PRC. For example, FIEs are prohibited from participating in certain industries and may only participate in certain other industries if they are at least partially-owned by domestic Chinese investors. The rules and regulations restricting FIE participation in certain industries in China are codified in the Foreign Investment Catalogue, which is administered by the PRC Ministry of Commerce and its local affiliates ("MOFCOM"), as well as other related agencies. Dragoneer cannot provide any assurance that laws or regulations in China will not restrict a Client's ability to invest in China. Such Client may be required to apply for PRC government approvals with respect to its purchase and/or disposal of any investment that consists of a direct equity investment in a Chinese company. In certain industries, there is no guarantee that such Client will be able to obtain such approvals. Current laws and regulations provide MOFCOM and other regulators with significant discretion to delay or restrict foreign investment for broad public policy reasons. Further, MOFCOM has the power to require that the terms of an investment be altered as a precondition to approval. Altered terms can include the amount of ownership granted, as well as governance and liquidity rights. PRC regulatory authorities may cause delays or refuse to grant necessary approvals and the process of securing approvals may result in a level of expenses to such Client that exceeds the level of expenses necessary to make investments of a similar nature in other jurisdictions.

Economic Risks in the PRC. The investment performance with respect to investments in the PRC will depend significantly on the economic conditions and developments in the PRC. The PRC's economy differs from the economies of most developed countries in many respects, including with respect to the level of governmental involvement, level of development, rate of inflation, level of depreciation, level of capital investment, growth rate, control of foreign exchange, allocation of resources and the level of involvement by state-owned enterprises. The PRC's economy has historically been planned by the government, but has generally been transitioning to a more market-

oriented economy. Despite these reforms, the government continues to exercise significant control over the PRC's economic growth by way of the allocation of resources, control over foreign currency-denominated obligations and monetary policy and provision of preferential treatment to particular industries or companies. China's government typically participates 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 telecommunications, banking and financial institutions, air and rail transportation, electrical power, steel and shipbuilding, and mining and natural resources. Government-controlled entities also play strong roles in the economic system. Businesses can encounter difficulties resulting from undue interference from sources other than market forces. Such difficulties may damage the businesses in which a Client may invest. Moreover, the laws, regulations and legal requirements in the PRC, including the laws that apply to foreign entities or foreign investment, are relatively new and are subject to frequent changes. The interpretation and enforcement of such laws is uncertain and there can be no assurance regarding the direction of these economic reforms or the effects these measures may have on a Client's investments in the PRC. The availability of attractive investment opportunities for such Client to invest in investments in the PRC may depend in part upon the PRC's continued promotion of liberalization policies regarding foreign investment and encouragement of private sector initiatives. Accordingly, government actions or failure to continue with economic liberalization policies in the future (or changes in the government itself) could have a significant impact on economic conditions in the PRC, which in turn could affect such Client's investments. Furthermore, while the PRC's economy has experienced significant overall growth in the past thirty years, growth rates have been declining in the recent few years and have varied significantly across regions, among various economic sectors and over time and may not be sustainable. Although the PRC government has implemented various measures to encourage economic development (including, but not limited to, the allocation of resources), some of these initiatives may have a negative effect on the Client's investments in the PRC. Further, a slowdown in the economies of the United States, the EU and certain Asian countries may adversely affect economic growth in China, which depends heavily on exports to those countries. The PRC has also in the past and may in the future experience economic downturns due to, for example, government austerity measures, changes in government policies relating to capital spending, limitations placed on the ability of commercial banks to make loans, reduced levels of exports and international trade, inflation, interest rate volatility, lack of financial liquidity, stock market volatility and fluctuations in worldwide commodity prices. Any of these developments could contribute to a decline in business and consumer spending in addition to other adverse market conditions. There can be no assurance that economic and financial difficulties will not continue and thereby adversely affect the value of the Client's investments in the PRC or make it more difficult for the Client to locate appropriate investment opportunities in the PRC.

Limited Access to Stock Markets, Market Volatility and Limited Liability. Some Clients may invest in the securities of companies listed on a PRC stock exchange, or in companies with a view toward exiting such investments after such companies become listed on a PRC stock exchange. Furthermore, listing of a company on the stock market

in the PRC is subject to more stringent and substantive requirements than in U.S. or Europe, and provides fewer exit opportunities or channels for the applicable Client. Securities markets in the PRC have limited operating histories and tend to be less developed, smaller, less liquid and more volatile than the securities markets of the United States and certain developed countries. In addition, limited access is accorded to foreign investors, including Clients, to trade on PRC securities markets. Currently, foreign investors are permitted, subject to applicable regulations, (i) to acquire securities issued by the companies listed on a PRC stock exchange or securities transfer by agreement from shareholders of such listed company, through a qualified foreign strategic investor scheme, and (ii) to dispose of listed securities (whether acquired in such manner or in private transactions prior to such company becoming listed, subject to certain lock-up period restrictions), but cannot otherwise engage in the secondary market trading of securities of listed PRC companies except (x) with respect to “B” shares that are listed on PRC stock exchanges, for which the market is significantly smaller in size, relatively, and has lower liquidity and (y) through a qualified foreign institutional investors scheme, or through the Shanghai-Hong Kong Stock Connect scheme (subject to various restrictions), on the “A” shares market, which is the main segment of the PRC securities market. Stock markets in the PRC have recently and in the past experienced substantial price volatility and no assurance can be given that such volatility will not recur in the future. Such recurrence may increase the risks associated with the acquisition and disposition of investments. A high proportion of the shares of many PRC companies may be held by a limited number of persons. A limited number of issuers in the PRC securities markets may represent a disproportionately large percentage of market capitalization and trading value. This limited liquidity of securities markets may affect such Client’s ability to acquire or dispose of securities at the price and time it wishes to do so. Certain PRC securities markets may be susceptible to being influenced by these individuals trading significant blocks of securities or making large dispositions of securities following the failure to meet margin calls when due. Commissions from trading on stock exchanges in the PRC are also generally higher than in developed countries. The illiquidity of an investment of such Client may continue even if the underlying company obtains a listing on a PRC stock exchange.

Dividend Payment Restrictions. A Client may lose a source of liquidity if portfolio companies in the PRC are restricted from paying dividends or making other distributions to such Client. Current PRC regulations permit companies in China to pay dividends only out of their respective accumulated profits, if any, determined in accordance with PRC accounting standards and regulations. In addition, companies in the PRC are required to set aside a certain percentage of their accumulated profits each year, if any, to fund certain reserve funds. These reserves are not distributable as cash dividends. In addition, current PRC regulations prohibit the allocation of tax losses among subsidiaries in the PRC. Further, if a portfolio company incurs debt, the instruments governing the debt may restrict its ability to pay dividends or make other payments to such Client.

Accounting, Disclosure and Regulatory Standards. Accounting, financial, auditing and other reporting standards, practices and disclosure requirements in the PRC are not

equivalent to those in the United States and certain Western European countries and may differ in fundamental ways. Entities in the PRC generally disclose less financial and other information publicly, and are subject to less stringent and less uniform accounting, auditing and financial reporting than entities in various developed countries. Accordingly, information available to a Client, including both general economic and commercial information and information concerning specific portfolio companies, may be less reliable and less detailed than information available in more financially developed countries and less information may be available to investors. Although the generally accepted accounting principles in use in China have undergone significant development in recent years that bring them more in line with international standards, this is an ongoing process and assets and profits appearing on the financial statements of a PRC company may not reflect its financial position or results of operations in the way they would be reflected had such financial statements been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”).

Due to different interpretations and local accounting practices, in certain circumstances the reported financial statements, whether audited or unaudited, which purport to comply with U.S. generally accepted accounting principles may in fact be improperly prepared or may not be prepared by an accountant or auditor (even absent cases of fraud or misrepresentation), or may not accurately reflect the financial position of a company in light of all available operational information. Further, different companies may have different approaches in recording non-financial data. As a result, such data of one company may not be directly comparable with that of another company in the same industry, which in turn may adversely affect Dragoneer’s ability to evaluate the target company. In addition, there can be no assurance that Dragoneer will be able to get accurate financial or operational information from a target company, especially in cases of fraud or intentional misrepresentation.

In certain instances, a Client may not have access to all available information to determine fully the origination, credit appraisal and underwriting practices utilized with respect to such Client’s investments or the manner in which such investments have been serviced and/or operated.

As a result and in light of the above, Dragoneer’s due diligence activities may frequently provide less information than due diligence reviews conducted in more developed countries, which will increase the risk related to such Client’s investments in the PRC. No guarantee can be given that a Client will obtain the information or assurances that an investor in a more developed economy would obtain before proceeding with an investment.

- *Follow-On Investments.* A Client may be presented with the opportunity to make additional, “follow-on” investments in its existing portfolio companies, either because such portfolio company’s performance and/or liquidity has been below expectations or because additional capital is required to fund growth. There can be no assurance that such Client will desire to make follow-on investments or that it will have sufficient funds to do so, and other Clients or Co-Investment Vehicles may instead be allocated some or all of such follow-on opportunity. Any decision by such Client not to make

follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment and may dilute such Client's existing portfolio company investment and/or may diminish such Client's ability to influence future developments relating to such portfolio company.

- *Failure to Make Capital Contributions.* If an investor fails to pay when due installments of its capital commitment to a Client, and the contributions made by non-defaulting investor and borrowings by such Client are inadequate to cover the defaulted capital contribution, the Client may be unable to pay its obligations when due. As a result, a Client may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, the non-defaulting investors may be required to increase their contributions to the investment, resulting in the defaulted capital contribution and in respect of subsequent investments which, in turn, will increase the concentration of such investor's investment in the Client and increase such investor's risk of loss.
- *Leveraged Portfolio Companies.* A Client may invest in companies whose capital structures have significant leverage. The use of leverage has the potential to magnify the gains or the losses on investments and to make such Client's returns more volatile, and 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 applicable portfolio company or its industry. In the event any portfolio company cannot generate adequate cash flow to meet debt service, such Client may suffer a partial or total loss of capital invested in the portfolio company.
- *Hedging Transactions.* Dragoneer is not required to attempt to hedge portfolio positions of a Client. Furthermore, Dragoneer may not anticipate a particular risk so as to hedge against it. A Client may utilize a variety of financial instruments (including options and derivatives), both for investment purposes and for risk management purposes, in order to seek to: (i) protect against possible changes in the market value of such Client's investment portfolio resulting from fluctuations in the securities markets and changes in interest rates; (ii) protect the unrealized gains (if any) in the value of such Client's investment portfolio; (iii) facilitate the sale of any such investments; (iv) enhance or preserve returns, spreads or gains on any investment in such Client's portfolio; (v) hedge the interest rate or currency exchange rate on any of such Client's liabilities or assets; (vi) protect against increases in the price of securities such Client anticipates purchasing at a later date; and/or (vii) for any other reason that Dragoneer deems appropriate. The success of Dragoneer's hedging strategy is subject to Dragoneer's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy (if any) and the performance of the investments in the portfolios being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the instances when Dragoneer hedges portfolio positions in a Client is also subject to Dragoneer's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a Client may enter into certain hedging transactions

to seek to reduce risk, such transactions may result in a poorer overall performance for such Client than if they had not engaged in any such hedging transactions.

- *Short Sales.* Certain Clients may engage in short sales. A short sale involves the sale of a security that a Client does not own in the expectation of purchasing the same security (or a security exchangeable therefor) at a later date at a lower price. A short sale involves a theoretically unlimited risk of an increase in the market price of the security sold short, increasing the cost of buying those securities to cover the short position, and thus a possible unlimited loss to such Client. There can be no assurance that the security necessary to cover a short position will be available for purchase or to be borrowed. Purchasing securities to close out the short position can itself cause the price of the securities to rise further, thereby exacerbating the loss. Securities borrowed to be sold short are generally required to be returned to the lender on short notice. Thus, such Client would be required to purchase the security at the market price. If the market price increases, such Client could be required to purchase the securities at a higher price in order to close out the short positions. This may result in losses to such Client. Among other reasons, securities may be sold short by a Client in a long/short strategy to hedge a long position, or to enable such Client to express a view as to the relative value between the long and short positions. There is no assurance that the objective of this strategy will be achieved, or specifically that the long positions will not decrease in value and the short positions will not increase in value, causing such Client losses on both components of the transaction.
- *General Debt Risks.* Certain Clients may invest in debt and debt-like instruments. Debt instruments are subject to, among other risks, credit risk, interest rate risk and prepayment risk.

“Credit risk” refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument. Financial strength and solvency of an issuer are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument, and debt obligations that are rated by rating agencies are often reviewed and may be subject to downgrade.

“Interest rate risk” refers to the risks associated with market changes in interest rates. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate debt securities) and directly (especially in the case of debt instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. Adjustable rate instruments also react to interest rate changes in a similar manner although generally to a lesser degree (depending, however, on the characteristics of the reset terms, including the index chosen, frequency of reset and reset caps or floors, among other factors). Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. In addition, interest rate increases generally will increase the interest carrying costs to a Client of borrowed securities and leveraged investments.

“Pre-payment risk” refers to the risk that a borrower could repay the principal on an obligation held by a Client earlier than expected. This may happen when there is a decline in interest rates, when the borrower’s improved credit or operating or financial performance allows the refinancing of certain classes of debt with lower cost debt. The yield of such Client’s investment assets may be affected by the rate of pre-payments differing from Dragoneer’s expectations. In addition, if such Client is unable to reinvest the proceeds of such pre-payments received in investments expected to be as profitable, the proceeds generated by such Client will decline as compared to Dragoneer’s expectations.

- *Risks Associated with Derivatives.* Derivatives are financial contracts whose value depends on, or is derived from, the value of an underlying asset, reference rate or index. Certain Clients may use derivatives, including swaps, for any purpose including, among other things, as a substitute for taking a position in an underlying asset, to increase the applicable Client’s leverage, or as part of a strategy designed to reduce or increase exposure to other risks, such as interest rate, credit or currency risk. A Client’s use of derivative instruments involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other traditional investments. Derivatives are subject to a number of risks described elsewhere in this section, such as interest rate risk, market risk, liquidity risk, credit risk and counterparty risk. They also involve the risk of mispricing or improper valuation, the risk of ambiguous documentation, and the risk that changes in the value of the derivative may not correlate perfectly with the underlying asset, rate or index. To the extent a Client invests in repos, swaps, forwards, futures, options and other “synthetic” or derivative instruments, counterparty exposures can develop and such Client takes the risk of nonperformance by the other party on the contract. For uncleared derivatives, this risk may differ materially from that of cleared derivatives transactions that generally are supported by guarantees of clearing organizations, daily marking-to-market and settlement, and segregation and minimum capital requirements applicable to intermediaries. Transactions entered directly between two counterparties generally do not benefit from such protections and expose the parties to the risk of counterparty default. In the international securities markets, the existence of less mature settlement structures and systems can result in settlement default and exposure to counterparty credits. If a Client invests in a derivative instrument, it could lose more than the principal amount invested.

Certain derivatives that may be used by a Client, including futures, options on futures, certain interest rate swaps and certain credit default index swaps, are required to be cleared. In a cleared derivatives transaction, the applicable Client’s counterparty is a central derivatives clearing organization, or clearing house, rather than a bank or broker. The credit risk of market participants with respect to cleared derivatives is concentrated in a few clearing houses, and it is not clear how an insolvency proceeding of a clearing house would be conducted and what impact an insolvency of a clearing house would have on the financial system. Since such Client is not a member of a clearing house, and only members of a clearing house can participate directly in the clearing house, such Client will hold cleared derivatives transactions through accounts at clearing members, who are registered in the United States as futures commission

merchants who are members of the clearing houses. Such Client will make and receive payments owed under cleared derivatives transactions (including margin payments) through its accounts at clearing members. Such Client's clearing members guarantee such Client's performance of its obligations to the clearing house. Such Client may be subject to a risk of loss in the event of the bankruptcy of any of its clearing brokers. If such Client's clearing brokers become bankrupt or insolvent, commit fraud, or otherwise default on their obligations to such Client, such Client may not receive all amounts owed to it in respect of its trading, despite the clearing house fully discharging all of its obligations. Furthermore, in the event of the bankruptcy of one of the clearing brokers, such Client could be limited to recovering only a pro rata share of all available funds segregated on behalf of the clearing broker's combined customer accounts with respect to the relevant asset class, even though certain property specifically traceable to such Client (for example, Treasury bills deposited by such Client with the clearing broker as margin) was held by the clearing broker. Financial difficulty, fraud or misrepresentation at any of these institutions could lead to significant losses as well as impair the operational capabilities or capital position of such Client. In contrast to bilateral derivatives transactions, following a period of advance notice to such Client, clearing members can generally require termination of existing cleared derivatives transactions at any time and increase the amount of margin required to be provided by such Client to the clearing member for any cleared derivatives transaction above the amount of margin that was required at the beginning of the transaction. Any such termination or increase could interfere with the ability of such Client to pursue its investment strategy. Also, such Client is subject to execution risk if it enters into a derivatives transaction that is required to be cleared (or which Dragoneer expects to be cleared), and no clearing member is willing to clear the transaction on such Client's behalf. In that case, the transaction might have to be terminated, and such Client could lose some or all of the benefit of any increase in the value of the transaction after the time of the trade.

In the case of over-the-counter derivatives, the bankruptcy or insolvency of the counterparty may (or may not) allow a Client to elect to terminate early with respect to some or all the transactions under the agreement with that counterparty, and the relevant agreement may permit the non-defaulting party to calculate a single net payment to close out applicable transactions. However, there is no guarantee that the terms of such agreement will be enforceable, including, for example, when bankruptcy or insolvency laws impose restrictions on or prohibitions against rights to terminate, offset obligations or apply collateral to the counterparty's obligations.

Additionally, in the event of a counterparty's (or its affiliate's) insolvency, the possibility exists that a Client's ability to exercise remedies, such as the termination of transactions, netting of obligations or realization on collateral, could be stayed or eliminated under new special resolution regimes adopted in the United States, the EU and various other jurisdictions. Such regimes provide governmental authorities broad authority to intervene when a financial institution is experiencing financial difficulty. In particular, in the EU, governmental authorities could reduce, eliminate or convert to equity the liabilities of a counterparty experiencing financial difficulties (sometimes referred to as a "bail-in").

Assets held outside the United States may be subject to different and/or diminished protection in the event of the failure of a counterparty located in such jurisdiction.

Some types of derivatives are required to be executed on an exchange or on a swap execution facility. A swap execution facility is a trading platform where multiple market participants can execute derivatives by accepting bids and offers made by multiple other participants in the platform. While this execution requirement is designed to increase transparency and liquidity in the cleared derivatives market, trading on a swap execution facility can create additional costs and risks for the applicable Client. For example, swap execution facilities typically charge fees, and if such Client executes derivatives on a swap execution facility through a broker intermediary, the intermediary may impose fees as well. Also, such Client may indemnify a swap execution facility, or a broker intermediary who executes cleared derivatives on a swap execution facility on such Client's behalf, against any losses or costs that may be incurred as a result of such Client's transactions on the swap execution facility.

- *Trade Errors.* Dragoneer places orders on behalf of Clients to buy, sell and otherwise trade in investments. Over time there is the potential for errors relating to such trading. Trade errors are not errors in judgment, strategy, market analysis, economic outlook, etc., but rather errors in the placement, execution or settlement of a trade (other than, for example, settlement delays that occur in the ordinary course of business), and may include purchasing securities not legally permitted for an account or fund, or not within an account's or fund's investment guidelines; purchasing or selling the wrong security, or an incorrect amount of a security, for an account or fund; purchasing or selling securities for the wrong account or fund; selling a security instead of buying a security or vice versa; or allocating securities to the wrong account or fund. Trade errors may result from keystroke errors that occur when entering trades into an electronic trading system or typographical or drafting errors related to derivatives contracts or similar agreements or similar human errors. Trade errors may result in losses but may also result in gains or avoided losses. To the extent an error is caused by a third party, such as a broker, Dragoneer may (but is not obligated to) seek to recover losses associated with such error from such third party, taking into account such factors as it deems relevant (including but not limited to operational, contractual and relationship-driven considerations). Subject to the terms of the Governing Documents or Managed Account Agreement of a Client, as applicable, and the IMA, any losses associated with a trade error will be borne by (and any gains will benefit) the Client.
- *Minority Positions in Portfolio Companies.* A Client may not have control of some or all of its portfolio companies. Such Client will therefore will have a limited ability to protect its investments through the operation of such portfolio companies. In such situations, such Client will be significantly reliant on the management and boards of directors of such portfolio companies, which may include representatives of other investors with whom such Client is not affiliated and whose interests may conflict with the interests of such Client. Where a Client holds a minority stake, it may be more difficult for a Client to liquidate its interests than it would be had such Client owned a

controlling interest in such company. Even if a Client has contractual rights to seek liquidity of such Client's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company on terms acceptable to the Client, especially in cases where the other investors in such company have different business and investment objectives and goals.

- *Bridge Investments.* A Client may make investments in debt and/or equity securities in order to facilitate, preserve or enhance such Client's investment in a portfolio company or prospective portfolio company ("Bridge Investments"). Some Bridge Investments may be made on an unsecured basis in anticipation of a future issuance of equity or long-term debt securities; however, for reasons not always in a Client's control, such long-term securities may not be issued and such Bridge Investments may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Client.
- *Ongoing Engagement of Service Providers and Industry Contacts.* Dragoneer has cultivated and leverages an extensive network of service providers and industry contacts to source, finance, execute, syndicate, improve, maintain and support the various transactions it undertakes. Dragoneer believes that maintaining and expanding this network, as well as Dragoneer's reputation as a reliable and preferred partner, provides Dragoneer and its Clients with a valuable competitive advantage in sourcing, executing and capitalizing on investments. In making decisions regarding, for example, the retention of service providers, consultants or advisors, the making of certain investments and related trading strategies (including, without limitation, in connection with initial public offerings), Dragoneer may and often will consider and give weight to the longer-term strategic value such actions may contribute to Dragoneer's continued cultivation and maintenance of such networks and reputation, including for the benefit of future funds or other investment opportunities, and not just to the near-term ramifications of such action on a particular Client, even if such Client would bear all of the costs and risks associated with such action. For example, Dragoneer may choose to engage certain bankers or other service providers, consultants or advisors in connection with a Client's activities, even though such services may be better provided by other persons, in order to cultivate relationships with such banker or service provider, consultants or advisors for the benefit of future investment opportunities in which the Client will not necessarily be able to participate or from which the Client will not necessarily receive a benefit. In addition, service providers, consultants or advisors will under certain circumstances include investors in a Client.
- *Possibility of Fraud and Other Misconduct of Employees and Service Providers.* Misconduct by employees of Dragoneer, service providers to Dragoneer or the Clients and/or their respective affiliates could cause significant losses to such Clients. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Clients, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Client and noncompliance

with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Clients. No assurances can be given that Dragoner will be able to identify or prevent such misconduct.

- *Private Investments in Public Equities.* A Client may make private investments in public equities (“PIPEs”), and thereby take a position in a public company. In a PIPE transaction, the Client may be required to enter into a lock-up agreement and will be subject to securities law restrictions on its ability to liquidate the shares. As a result, the Client may be required to bear the price risk from the time of pricing for a period of six months or longer. In addition, such Client may have to commit to purchase a specified number of shares at a fixed price, with the closing conditioned upon, among other things, the SEC’s preparedness to declare effective a resale registration statement covering the resale, from time to time, of the shares sold in the private financing. To the extent that the public market for such companies declines, it is possible that private investments in public equities transactions may generate losses or returns that do not justify the risk associated with such investments. In addition, due to securities law regulations, such Client may be restricted from selling, or hedging its exposure to, such securities during a time when such Client would otherwise seek to do so. For example, such Client may be required to hold such security even though the value of such security is continuing to decrease. Such restrictions could have an adverse effect on such Client and its ability to achieve its investment objective.
- *Preferred Securities.* Certain preferred securities contain provisions that allow an issuer under certain conditions to skip or defer distributions for a stated period without any adverse consequences to the issuer. If a Client owns a preferred security that is deferring its distribution, it may be required to report income for tax purposes despite the fact that it is not receiving current income on this position. Preferred securities often are subject to legal provisions that allow for redemption in the event of certain tax or legal changes or at the issuer’s call. In the event of redemption, such Client may not be able to reinvest the proceeds at comparable rates of return. Preferred securities are subordinated to bonds and other debt securities in an issuer’s capital structure in terms of priority for corporate income and liquidation payments and, therefore, will be subject to greater credit risk than those debt securities.
- *Depository Receipts.* Certain Clients may purchase sponsored or unsponsored American Depositary Receipts, European Depositary Receipts and Global Depositary Receipts (collectively “Depository Receipts”) typically issued by a bank or trust company which evidence ownership of underlying securities issued by a corporation. Generally, Depository Receipts in registered form are designed for use in the U.S. securities market and Depository Receipts in bearer form are designed for use in securities markets outside the U.S. Depository Receipts may not necessarily be denominated in the same currency as the underlying securities into which they may be converted. Depository Receipts may be issued pursuant to sponsored or unsponsored programs. In sponsored programs, an issuer has made arrangements to have its securities trade in the form of Depository Receipts. In unsponsored programs, the issuer may not be directly involved in the creation of the program. Although regulatory

requirements with respect to sponsored and unsponsored programs are generally similar, in some cases it may be easier to obtain financial information from an issuer that has participated in the creation of a sponsored program. Accordingly, there may be less information available regarding issuers of securities underlying unsponsored programs and there may not be a correlation between such information and the market value of the Depositary Receipts.

- *Portfolio Companies in Regulated Industries.* A Client may be subject to certain restrictions when considering investments in regulated industries, such as banking, insurance, food and drug, gaming or communications. For example, there may be limits on the aggregate amount of investment by affiliated investors that may not be exceeded in certain regulated industries without the grant of a license or other regulatory or corporate consent or, if exceeded, may cause such Client to suffer disadvantages or business restrictions. As a result, Dragoneer may restrict or limit transactions or exercise of rights for such Client, or limit the amount of voting securities purchased for such Client or restrict the type of governance rights it acquires or exercises in connection with its investments in regulated industries. In addition to limits that may be imposed on certain industries, it is also possible that a given product or industry could be deemed illegal after an investment has been made in such product or industry. In that case, the value of the investment would be significantly reduced, potentially to nothing, and the performance of a Client could be materially adversely affected.
- *Control of Portfolio Companies.* A Client may obtain a control position (either on its own or acting together with a group of investors) with respect to one or more portfolio companies, which could expose it to liabilities not normally associated with minority equity or debt investments, such as additional risks of liability for environmental damage, product defects, failure to supervise management, violation of governmental regulations and other types of liability in which the limited liability characteristic of business operations may not be respected.
- *Risks Associated with Provision of Managerial Assistance.* Dragoneer or the general partner of a Client may obtain rights to participate in or influence the conduct of the management of portfolio companies, which could expose Dragoneer or such general partner to claims by such portfolio company, its security holders and its creditors. If these liabilities were to occur, certain Clients and their investors could suffer losses. Furthermore, identifying and implementing potential operating improvements at portfolio companies is difficult and entails a high degree of uncertainty. There can be no assurance that a Client will be able to successfully identify and implement such improvements or that such improvements, if made, will result in improved financial performance. Some portfolio companies may depend for their success on the efforts of one person or a small group of persons whose death, disability, or resignation would adversely affect their businesses.
- *Cash and Other Investments.* Some Clients may invest all or a portion of their assets in cash or cash items for various purposes, including without limitation for investment purposes, pending other investments or as provision for margin. These cash items may

include a number of money market instruments such as negotiable or non-negotiable securities issued by or short-term deposits with the U.S. and non-U.S. governments and agencies or instrumentalities thereof, bankers' acceptances, commercial paper, repurchase agreements, bank certificates of deposit, and short-term debt securities of U.S. or non-U.S. issuers. Certain Clients may also hold interests in investment vehicles that hold cash or cash items. While investments in cash items generally involve relatively low risk levels, they may produce lower than expected returns, and could result in losses. Investments in cash items and money market funds may also provide less liquidity than anticipated by a Client at the time of investment.

- *Risks Associated with Distributions In-Kind prior to Winding Up and Liquidation.* Subject to the terms and conditions in the Governing Documents, a Client may, from time to time, make in-kind distributions to investors of liquid securities prior to winding up and liquidation of such Client. Such securities may experience periods of price volatility or a decline in market value. In particular, immediately following a distribution of securities, trading volume may be insufficient to support sales by investors without such sales triggering a price decline, which makes it difficult or impossible for all investors to sell such securities at the distribution price. Accordingly, investors must be prepared to bear the risks of owning such securities for an indefinite period of time and incurring material costs and expenses in connection with any disposition thereof.

Risks Associated with Distributions In-Kind in connection with Winding Up and Liquidation. Certain securities may not be susceptible to sale or other realization by a Client before the end of the term of the Client (if applicable), and, subject to the terms and conditions in the Governing Documents, a Client may make in-kind distributions to investors of such illiquid securities (as well as cash and/or other assets of a Client) in connection with winding up and liquidating a Client. In addition to the risks described above with respect to liquid securities (which may also be distributed in connection with winding up and liquidation of the Client), illiquid securities distributed in-kind generally will not be readily marketable or disposable due to a variety of legal or practical limitations on sale. Accordingly, investors must be prepared to bear the risks of owning such securities for an indefinite period of time and incurring material costs and expenses in connection with any disposition thereof.

The value of securities distributed both prior to, or in connection with, winding up and liquidation will likely increase or decrease before an investor sells such securities, potentially materially, and there can be no assurance that the value of such assets as determined for purposes of the Governing Documents will ultimately be realized. The risk of loss and delay in liquidating these securities will be borne solely by the investors, with the result that the investors may ultimately receive less cash than they would have received if they had been paid in cash. Nevertheless, the distribution price of such securities will be established under the provisions of the Governing Documents and will not be adjusted to reflect actual sale prices obtained by the investors.

General Partner's Option to Receive Distributions In-Kind. Independent of whether any securities have been delivered in-kind to investors, a Client's general partner shall

have the option to receive some or all distributions in kind in lieu of cash. The Client's general partner and its affiliates, their respective direct and indirect partners, members and employees, and any wealth or estate planning vehicles beneficially owned by such persons and/or their family members (subject to the Client's general partner's consent) also are entitled to receive some or all distributions in kind in lieu of cash, including without limitation for purposes of tax planning or making charitable contributions and estate planning transfers.

- *Risks Relating to Digital Currencies.* Some Clients may invest in "digital assets" (i.e., cryptographically derived digital assets, sometimes referred to as digital currencies, blockchain tokens or tokens, virtual currencies, or cryptocurrencies, as well as other assets available on public blockchains or public ledgers), in companies that develop, operate or maintain infrastructures for digital assets networks or that operate in or around the digital assets networks or in investment vehicles that invest in such digital assets or companies ("Digital Asset-related Investments"). Digital Asset-related Investments generally represent a speculative investment and involve a high degree of risk. Markets for Digital Asset-related Investments may be extremely volatile.

Some Clients may participate in a Digital Asset-related Investment by investing in initial coin offerings ("ICOs"). ICOs allow for investors to purchase certain digital assets offered or created by blockchain-based companies on various platforms in exchange for dollars or already established digital assets, which can then be converted to dollars on a digital asset exchange. Prior to an ICO, many blockchain-based companies offer presale tokens or similar digital assets. Presale tokens or digital assets may be sold or used to buy additional tokens or digital assets at a later point in time for a potentially higher value. A Client may invest in all stages, including presale rounds, of ICOs. ICOs and various token presales are subject to fraud, security breaches, regulatory developments, enforcement actions, and technological developments. There is no guarantee that the token or digital assets purchased will have any value or worth. ICOs can at any point become subject to federal, state and other securities laws, federal commodity laws, and various international regulations, among other restrictions. Such restrictions may have an adverse impact on a Client's assets or on a Client's ability to sell its assets. As investors can purchase new tokens with already existing digital assets, investments in ICOs and presales subject such Client to all risks associated with digital assets in general.

There is a risk that part or all of a Client's digital assets could be lost, stolen, or destroyed, potentially by the loss or theft of the private keys associated with the public addresses that hold such Client's digital assets. If digital assets are lost, stolen, or destroyed, it is likely that a Client will be unable to replace missing digital assets or seek reimbursement for any theft of digital assets. Digital assets held by custodians will be subject to the risks generally applicable to investments held at custodians. A Client may trade digital assets on an over-the-counter ("OTC") basis or on an exchange. Opportunities to trade digital assets OTC are limited, and OTC platforms may impose minimum trade size or other requirements that the Client is unable to satisfy. Exchanges on which digital assets trade generally are relatively new and largely unregulated, and may therefore be more exposed to fraud, mismanagement and failure

than established, regulated exchanges for other products. The SEC, CFTC, certain state regulators and other U.S. and non-U.S. government or quasi-governmental agencies have asserted authority over digital assets, digital assets networks and their users. Those entities and other U.S. and non-U.S. government or quasi-governmental agencies have recently and may, in the future, adopt laws, regulations, directives or other guidance that affect digital assets, digital assets networks and their users. The effect of any future U.S. federal or state or non-U.S. legal or regulatory changes is impossible to predict, but such change could be substantial and adverse to the value of a Client's Digital Asset-related Investments and/or on a Client's overall performance. Furthermore, the taxation of digital currencies is uncertain in many jurisdictions and continuously evolving in others.

- *Privacy and Data Protection Risk.* Dragoneer and the Clients' portfolio companies will process personal information, including by storing and maintaining personal data related to their respective members, affiliates, employees and representatives, natural person investors, service provider representatives, customers and others. Such processing of personal information, which may also include the use of third-party processors and cloud-based services, will impose legal, operational and regulatory risks on Dragoneer and the Clients' portfolio companies. In recent years, there has been an increase in legal requirements relating to the collection, storage, use and transfer of personal information, and the legal framework around such matters is expected to continue to develop at both the international and state level. Certain activities of Dragoneer, the Clients' portfolio companies and/or their respective affiliates may, for example, be subject to the California Consumer Privacy Act or the Cayman Data Protection Law and other foreign, federal and state privacy laws such as the EU's General Data Protection Regulation. Dragoneer and/or its affiliates may not be able to accurately anticipate the ways in which regulators and courts will apply or interpret the law, and implementation, interpretation or application of privacy and data protection laws in a manner inconsistent with Dragoneer's expectations may adversely affect the Clients. For example, the failure of Dragoneer, or one or more of its affiliates providing services to a Client, to comply with privacy and data protection laws could result in negative publicity, operational disruptions, and may subject such Client to significant costs associated with litigation, settlements, regulatory action, judgments, liabilities or penalties and mandatory remediation. The same risks will apply to Client portfolio companies that fail to comply with privacy and data protection laws. If Dragoneer, a Client portfolio company or one or more of their respective affiliates uses or discloses information improperly or suffers a security breach impacting personal information, they may be obligated to notify government authorities, stakeholders or individuals affected, which may divert Dragoneer's, its affiliates' and portfolio company management's time and effort and entail operational disruptions, loss of market confidence and goodwill and substantial expense, particularly if any litigation or enforcement action or mandatory remediation were to also arise out of such breach.
- *Technology and Cybersecurity Risk.* Dragoneer, the Clients' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Clients and their

investors, despite efforts to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to the Client and its investors. For example, systems used by Dragoneer and the Clients' service providers may be vulnerable to damage or interruption from malware, network failures, computer and telecommunication failures, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. Additionally, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Dragoneer, the Clients' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Dragoneer's, its affiliates' and/or their respective service providers' systems to disclose sensitive information in order to gain access to Dragoneer's, its affiliates' and/or their respective service providers' data or that of the Clients' investors. A successful penetration or circumvention of the security of Dragoneer's, its affiliates' and/or their respective service providers' systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Clients, Dragoneer or their service providers to incur regulatory penalties, reputational damage, additional compliance and remediation costs or financial loss. In addition, a Client could incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information, adverse investor reaction or litigation.

Additionally, it is expected that the Clients' portfolio companies will provide products and services that are dependent on the availability and proper operation of third-party information technology, including cloud-based services and the Internet. Many of these companies will both market and provide their services by means of the Internet. Disruptions to the Internet or other external network could have a material adverse effect on the business of a portfolio company if customers are unable to access the company's website or services. In addition to disruptions to the Internet, the information and technology systems that portfolio companies use or rely on 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 these systems are compromised, become inoperable for extended periods of time or cease to function properly, portfolio companies may incur material time or expenses to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data of the portfolio companies, including personal or proprietary information. Such a failure could harm such entity's reputation, subject any such entity and its respective affiliates to legal claims or

otherwise materially adversely affect their business and financial performance. Changes in laws and regulations related to the Internet and other external networks or changes in the infrastructure of the Internet itself could also affect the Clients' portfolio companies. U.S. federal, U.S. state or foreign government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting the use of the Internet as a commercial medium. Such regulation may materially adversely impact portfolio companies' businesses and business models. Also, domestic and foreign government agencies and private organizations may begin to impose taxes, fees or other charges for accessing the Internet or for the commerce conducted and services provided via the Internet.

- *Force majeure.* Force majeure is the term generally used to refer to an event beyond the control of the party claiming that the event has occurred, including acts of God, fire, flood, weather, earthquakes, war, terrorism, pandemics and labor strikes. Dragoneer is, and a number of the Clients' portfolio companies may be, located in the San Francisco Bay Area, which has in the past and may during the term of the Clients experience significant earthquakes or fires. The threat of fires has recently prompted a key electrical utility company to shut down power in parts of the Bay Area on high fire alert days, and future prolonged power outages will likely occur as the fire season becomes longer and more intense each year. These and other force majeure events in the Bay Area and elsewhere in the world may adversely affect the ability of Dragoneer, a portfolio company or the parties with whom they do business to perform their respective obligations, under a contract or otherwise. In addition, dealing with any force majeure event will divert Dragoneer's and portfolio company management's time and effort, and the cost of repairing or replacing damaged assets could be considerable. Repeated or prolonged service interruptions may result in permanent loss of customers, substantial litigation, or penalties for regulatory or contractual non-compliance. In some cases, project agreements can be terminated if the force majeure event is so catastrophic as to render it incapable of remedy within a reasonable, pre-agreed time period. Force majeure events that are impossible or costly to cure may also have a permanent adverse effect on the Clients or a portfolio company, and the Clients' potential returns would be diminished as a result.

Item 9. Disciplinary Information

Dragoneer has no applicable information to disclose on this item.

Item 10. Other Financial Industry Activities and Affiliations

Neither Dragoneer nor any of its management persons is registered, or has an application pending to register, as a broker-dealer, registered representative of a broker-dealer, futures commission merchant ("FCM"), commodity pool operator ("CPO") or commodity trading advisor ("CTA"). In addition, neither Dragoneer nor any of its management persons is an associated person of an FCM, a CPO or CTA.

Dragoneer (or a related person or designee) typically holds an investment in Client investment vehicles and therefore may be viewed as having an incentive to favor such Client

investment vehicles. As described in the response to Item 6, Dragoneer has adopted controls, such as its allocation policy, that are intended to mitigate the incentives Dragoneer has to favor one Client over others.

Dragoneer does not currently recommend or select other investment advisers for its Clients, although it may do so in the future.

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

Dragoneer has adopted a Code of Ethics (“Code”) pursuant to Rule 204A-1 under the Advisers Act. All “access persons” (including employees, managers and officers) of Dragoneer must comply with the Code. The Code sets forth standards of conduct expected of Dragoneer’s personnel, which reflect the fiduciary obligations of Dragoneer and its personnel to its Clients, and requires Dragoneer’s personnel to comply with applicable federal securities laws. The Code also requires any employee of Dragoneer to report potential violations of the Code promptly to the Chief Compliance Officer (“CCO”). Dragoneer provides each employee with a copy of the Code and any amendments, and employees are required to provide a written acknowledgement that they have received the Code, as amended from time to time.

Under the Code, access persons must submit an annual report of brokerage accounts and holdings along with an annual acknowledgement and certification stating that the individual will comply with the Code. The Code further requires personnel to submit certain quarterly transaction reports (or brokerage statements) that detail the individual’s relevant securities transactions for the quarter. Finally, the Code also contains restrictions on the use of insider information and non-public information regarding a Dragoneer Client.

Clients and prospective clients can obtain a copy of the Code upon request by contacting Michael Dimitruk by telephone (415-539-3105) or by email (michael@dragoneer.com).

Dragoneer may, from time to time, facilitate the purchase and sale of securities between two Clients. Dragoneer will seek to effect such transactions between Clients only if it determines that doing so would be in the best interest of each Client involved. Dragoneer will consider such factors as it deems materially relevant in making this determination, including without limitation the availability of the underlying securities in the marketplace, execution costs and the potential effect on the Clients of executing purchase and sale transactions in the underlying securities in the marketplace. Dragoneer does not consider such transactions to typically be principal transactions. Nevertheless, if Dragoneer believes that a transaction between or among Clients is a principal transaction, Dragoneer will observe the following procedures:

- Dragoneer will disclose all information that Dragoneer believes is material regarding a potential transaction to the Clients involved in it, and obtain their prior written consent to the transaction.
- Dragoneer may not set the price of the security being traded.
- Dragoneer may not receive any compensation (other than its advisory fee and/or performance fee) directly in connection with the transaction.

Participation or Interest in Client Transactions

Certain employees and affiliates of Dragoneer may invest in and alongside the Clients, either through the general partners, as direct investors in the Clients or otherwise. A Client or its general partner, as applicable, may reduce all or a portion of the advisory fee, carried interest and/or incentive allocation related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see below.

Dragoneer may provide certain information to one or more prospective investors in a Client or a co-investment opportunity that it does not provide to all of the prospective investors or limited partners.

Resolution of Conflicts

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

- (1) Dragoneer will consider the appropriateness of an investment from the viewpoint of a Client;
- (2) Certain conflicts of interest may be resolved by set procedures, restrictions or other provisions contained in the Governing Documents for the Clients;
- (3) Many of the Clients have established an advisory committee, consisting of representatives of investors not affiliated with Dragoneer. Members of the advisory committees may in certain circumstances consult with Dragoneer as to certain actual or potential material conflicts of interest. Also, in some cases, an Independent Representative may be appointed to resolve such conflicts;
- (4) Dragoneer has adopted and implemented certain policies and procedures designed to help reduce certain conflicts of interest; and
- (5) Prior to subscribing for interests in a Client, each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Client.

In certain instances, some conflicts of interest may be resolved in a manner adverse to a Client.

Other Potential Conflicts of Interest

The Clients are subject to a number of actual and potential conflicts of interest. The following descriptions of conflicts of interest and the conflicts discussed elsewhere in this Brochure do not purport to be a complete list or explanation of the conflicts involved with the

management of the Clients. Actual and prospective investors in a Client should also consult its Governing Documents for additional details on the conflicts of interest associated with an investment in such Client.

Allocation of Investment Opportunities

Dragoneer has established policies and procedures to guide the determination of investment allocations (including purchases and sales), which policies and procedures permit Dragoneer to take into account some or all of a wide range of factors determined in Dragoneer's sole discretion, related to each Client and to the investment itself, which may include but are not limited to: (a) each Client's investment objectives and investment focus; (b) transaction sourcing and completion (including, with respect to an investment originated by a third party, the relationship of a particular Client to such third party) and the provision of strategic value with respect to one or more actual or prospective transactions or other initiatives over time; (c) each Client's liquidity and reserves (including whether a Client is able to commit to invest all capital required to consummate a particular investment opportunity); (d) structural and operational differences between the Clients; (e) each Client's diversification (including the actual, relative or potential exposure of a Client to the type of investment opportunity in terms of its existing portfolio); (f) lender covenants and other limitations; (g) amount of capital available for investment by each Client as well as each Client's projected future capacity for investment; (h) future ability to put capital to work in an investment; (i) each Client's targeted rate of return; (j) stage of development of the prospective portfolio company or other investment; (k) composition of each Client's portfolio and each Client's investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer, volatility, leverage or other similar risk metrics); (l) suitability as a follow-on investment for a current portfolio company of a Client; (m) the availability of other suitable investments for each Client; (n) risk considerations; (o) cash flow considerations; (p) the centrality of an investment to a Client's strategy; (q) asset class restrictions; (r) industry, geography, and other similar or related factors; (s) minimum and maximum investment size requirements; (t) tax implications; (u) whether an investment opportunity requires additional consents or authorizations from Clients, their investors or third parties; (v) legal, contractual or regulatory constraints; (w) any other relevant limitations imposed by or conditions set forth in the applicable offering and organizational documents of each Client and (x) such other criteria as Dragoneer deems relevant in its sole discretion. Each Client may from time to time invest with or independently of any other Client, including with respect to follow-on transactions, which Dragoneer may determine to allocate entirely to a Co-Investment Vehicle. Dragoneer may allocate participation in a manner different from the expectation described above at any time, as it determines to be fair and equitable to the Clients over time. The application of the factors set forth above will typically result in allocation on a non-pro rata basis that may also vary over time, and there can be no assurance that a Client will participate in all investment opportunities that fall within its investment objective. Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. Unless otherwise set forth in the relevant Client's Governing Documents, to the extent that Dragoneer determines in its sole discretion that it is desirable for all or any portion of an investment opportunity to be purchased by third parties, including without limitation limited partners of a Client, strategic partners or other third parties, such opportunity

need not be made available to the Clients. Unless otherwise set forth in the relevant Client's Governing Documents, Dragoneer shall not be obligated to offer any opportunities to any Client.

Dragoneer will determine whether a particular investment opportunity is within the investment strategy of a Client and will make investment decisions (including decisions on when to purchase or dispose of investments) in its discretion, taking into account such factors as Dragoneer deems relevant under the circumstances.

In addition, Dragoneer, a Client's general partner, its other Clients and/or their respective members, affiliates, partners, officers and employees may have pre-existing investments in opportunities in which a Client may invest. Dragoneer may make decisions (including decisions on when and at what price to purchase or dispose of investments) for such accounts that may be different from those decisions made by Dragoneer on behalf of another Client. Unless otherwise explicitly specified in the applicable Governing Documents, Dragoneer may make all decisions, including all investment decisions (purchase or sale), for any one Client (or any series or class of a Client) in its complete discretion and completely independently of all other Clients (or series or class of a Client), any other vehicle that Dragoneer or its affiliates manage or control (including, without limitation, any Co-Investment Vehicle (as defined below)), and their respective members, affiliates and employees. As a result, and by way of example only, Dragoneer may simultaneously be seeking to purchase (or sell) investments for a Client (or a series of a Client) and to sell (or purchase or hold) such investments for other funds or accounts to which Dragoneer provides investment advice.

Warehousing

Some Clients from time to time will temporarily set aside, or "warehouse," all or a portion of an investment opportunity (a "Warehoused Investment") in order to facilitate an investment (a "Warehousing Transaction") by one or more affiliated investors (including other Clients) or third-party investors or consultants.

The Governing Documents of the Clients permit the General Partner to, in its sole discretion, adjust post-closing allocations of a Warehoused Investment among a Client and other Clients during the term of the warehousing period (a "Warehousing Period") referenced in the relevant Clients' warehousing guidelines (the "Warehousing Guidelines"). While the ultimate allocation of the Warehoused Investment among the Clients may occur a significant time following purchase, certain Clients' Warehousing Guidelines require certain procedural steps, including transfer at fair market value, and for certain Clients, the advisory committee to consent to, or be informed of, a Warehousing Period exceeding the duration set forth in the Warehousing Guidelines. Such post-closing allocations of Warehoused Investments will be made in accordance with the Clients' Governing Documents and the allocation policy described herein.

If the Warehousing Transaction is not ultimately consummated, the applicable Client would end up holding a larger portion of such investment than it otherwise expected or desired to hold and accordingly, without limitation, the Client's portfolio investments would be concentrated in fewer companies, industries or markets, and the Client would have fewer available assets to pursue other potential investment opportunities. The risk of a Warehousing Transaction not being consummated will increase in the event an investment decreases in value during the Warehousing

Period, including, but not limited to, due to currency fluctuations and market factors, requiring a Client to bear all losses in connection with the investment. Conversely, in the event an investment increases in value following the Warehousing Period, a Client would lose the benefit of any such future increase. In addition, if a Client borrows in order to make an investment that is then syndicated to affiliated investors or co-investors or otherwise warehoused for a party other than the Client, such Client will bear the entire interest cost from the borrowing, notwithstanding that the party for whom the investment is warehoused receives an indirect benefit from such borrowing.

Co-investments

From time to time, Dragoneer will form Co-Investment Vehicles. We have the option to offer one or more Clients, Co-Investment Vehicles, Dragoneer personnel or third parties the opportunity to invest alongside a Client. This situation frequently (but not exclusively) arises when the amount of capital necessary to complete a transaction exceeds the amount we determine is appropriate for the relevant Client, after taking into account additional capital to be contributed by other Clients and any co-underwriters and co-sponsors (including other third-party managed pooled investment vehicles in which we or our personnel may hold an interest), as well as other parties or consultants that assisted in sourcing or completing the transaction or provide or have provided other strategic value to Dragoneer or its affiliates over time. Depending on a Client's Governing Documents, we may also have the option to systematically offer co-investment opportunities (allowing, for instance, an investor to co-invest in an aggregate fixed dollar amount over the life of a Client or in each Client investment of a certain size or that has certain other characteristics). There are circumstances where an amount that could have otherwise been invested by a particular Client will instead be allocated, in Dragoneer's sole discretion, to one or more co-investors (for example, in the context of co-investors that provide potential strategic value to Dragoneer or its affiliates (including without limitation with respect to fundraising)).

In addition, Co-Investment Vehicles may be formed to make more than one investment alongside a Client. In such cases, the Co-investment Vehicle will have a priority right to make co-investments in some of all of the investments made by such Client. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any explicit restrictions contained in the Governing Documents of the relevant Client or any side-letter or other terms negotiated with respect to such Client, we have complete discretion to determine to whom and when we will offer and award co-investment opportunities. In particular,

- we may give some or all of any co-investment opportunity to one or more Co-Investment Vehicles or any of our personnel, consultants, advisors, strategic partners or other third parties;
- we have complete discretion on whether to offer to any investors in any Client any co-investment opportunities, and investing in a Client does not give an investor any rights, entitlements or priority to co-investment opportunities;
- we are permitted to offer co-investment opportunities to some investors but not all of them, and

- allocations of co-investment opportunities between investors often will not correspond to their pro rata interests in the relevant Client and an investor may be offered fewer co-investment opportunities than other investors in the same Client, with the same, larger or smaller capital commitments to such Client.

Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Dragoneer from time to time agrees to give particular investors, Clients, or other third parties priority access to co-investment opportunities. The existence of such priority co-investment access rights could affect Dragoneer's decision to offer certain opportunities for co-investment and could limit the ability of Clients or their investors to be offered certain co-investment opportunities.

While the criteria we use in making discretionary co-investment decisions vary from opportunity to opportunity, frequently the most important factors with respect to co-investors not affiliated with Dragoneer include:

- certainty of funding—that is, whether the potential co-investor has the financial resources to provide the requisite capital in a timely fashion;
- certainty of execution—for example, whether a potential co-investment party has a history of participating in opportunities and/or the sophistication and experience of the potential co-investor and its ability to promptly respond to and complete a co-investment opportunity, including an evaluation of whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required;
- the size of the potential co-investor's commitment to one or more Clients and the anticipated importance of the potential co-investor to future Dragoneer fundraising campaigns;
- the ability of the potential co-investor to make a meaningful contribution to the transaction, such as in sourcing or completing the transaction or providing operational skills or insight; and
- the overall strategic benefit to Dragoneer and its affiliates over time (including without limitation with respect to fundraising) of offering a co-investment opportunity to the potential co-investor.

Other criteria that will from time to time be relevant include:

- the expertise of the potential co-investor with respect to the geographic location or business activities or industry of the prospective target company or investment;
- the ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential

portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;

- the investment objectives and existing portfolio of the potential co-investor;
- the legal or regulatory constraints to which the proposed investment is expected to give rise;
- the reporting, public relations, competitive, confidentiality or other issues that may also arise as a result of the co-investment; and
- any other facts or circumstances that we deem appropriate or relevant.

We expect that these factors will lead us to favor some investors in Clients and other potential co-investors over others with respect to the frequency with which we offer them co-investment opportunities. We are not required to, and do not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. Our exercise of our discretion in allocating investment opportunities among potential co-investors and in the manner discussed above often will not result in proportional allocations among such co-investors, and such allocations will likely be more or less advantageous to some relative to others. For example, Dragoneer will in certain circumstances be incentivized to offer a co-investment opportunity to certain persons over others based on its economic or other arrangements with such persons (including, for example, whether Dragoneer and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional management fees and/or carried interest based on the availability of co-investment opportunities offered to such parties). In addition, co-investments will not necessarily be made on the same terms as the relevant Client's investment. For example, co-investors will in certain circumstances purchase their interests in a portfolio investment at the same time as the relevant Client(s) or purchase their interests from the applicable Client(s) after such Client(s) have consummated the full investment in the portfolio investment (also known as a post-closing sell down or transfer). Co-investors sometimes will not pay the same or any advisory fees or carried interest in connection with the co-investment. Moreover, investors in Clients and other third parties approached as potential co-investors generally do not bear any transaction costs of investments that are not consummated and are not subject generally to the same risks to which the relevant Client(s) are throughout the investment process.

In the event that we determine to offer an investment opportunity to co-investors, there can be no assurance that we will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for a Client or that expenses incurred by a Client with respect to the offering of the co-investment will not be substantial. As a consequence, the Client may bear the entire portion of any fees, costs and expenses related to such investment including, but not limited to, break-up fees and hold a larger than expected portion of such investment. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce a Client's overall investment returns and increase portfolio risk and concentration. Further, it is possible that a potential co-

investment party may experience financial, legal or regulatory difficulties and may from time to time have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Client and as a result, may take a different view from Dragoneer as to appropriate strategy for an investment or may be in a position to take a contrary action to a Client's interests. In the event that we are not successful in finding co-investors for a particular opportunity, a Client will consequently have greater exposure to the related investment opportunity than was intended, which could make the Client more susceptible to fluctuations in value resulting from adverse economic or business conditions. Moreover, an investment by a Client that is not offered to co-investors as anticipated could significantly reduce the Client's overall investment returns.

Dragoneer or its affiliates may establish dedicated Co-Investment Vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside a Client. Any such vehicle will be established at Dragoneer's or its affiliates' sole discretion and Dragoneer and its affiliates have no obligation to offer a similar opportunity to any other investor.

Investors in a Co-Investment Vehicle typically bear all expenses related to the vehicle's formation and operation, and the vehicle will also generally bear its pro rata portion of expenses incurred in the making of an investment. However, if the potential investment is not consummated, the full amount of any expenses relating to the potential but not consummated investment and the formation and related costs of the Co-Investment Vehicle to which investors have not yet been admitted will typically be borne entirely by the Clients we select in our discretion as proposed investors for such investment, rather than the Co-Investment Vehicle or other co-investors. With respect to Co-Investment Vehicles, any fees or reimbursements to be received by Dragoneer are generally negotiated on a vehicle-by-vehicle basis.

In addition, Dragoneer and its affiliates have discretion to receive performance-based compensation, management fees or similar fees from co-investors.

Distributions In-Kind to a Client's General Partner

The Governing Documents of a Client may permit a Client's general partner to cause the Client to distribute some or all of such general partner's share of securities resulting from an investment disposition by a Client to the general partner or its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel) in-kind, while disposing of investors' share of such securities and distributing the net cash proceeds of such sale of securities to the investors. A Client's general partner is particularly incentivized to receive distributions in-kind of securities that it expects to increase in value, and in cases where the increase eventuates, if investors received cash distributions instead of in-kind distributions, such investors will be denied the benefits of that increase had the Client retained the securities, and the general partner will receive more value from the securities than it would have had its carried interest been paid in cash. A Client's general partner may from time to time also elect to receive its carried interest in the form of an in-kind distribution of securities of a portfolio company for purposes of permitting one or more direct or indirect officers (including direct and indirect managing directors, officers, employees and other similar personnel of the general partner to donate such securities to charity (which may include private foundations, fund or other charities so chosen by such person). Any tax efficiencies to such personnel associated with this form of

charitable giving may have the effect of reinforcing or enhancing the general partner's incentives otherwise resulting from the existence of its carried interest and therefore, the general partner may have a conflict of interest in making decisions on behalf of the a Client (including, for instance, the timing of disposition of investments).

In the event a Client's general partner, or its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel), receive distributions in-kind from an investment disposition, each of the general partner and its affiliates will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which the investor sells its distributed securities), or hold on to the distributed securities for such time as such person shall determine. The ability of each of the general partner and its affiliates (including direct and indirect managing directors, officers, employees and other similar personnel) to act in its own interest with respect to such distributed shares creates a conflict of interest between the general partner, Dragoneer or their affiliates and the Clients to the extent that the Clients continue to hold interests in the same securities.

Cross Trades

Dragoneer may determine that it would be in the best interests of a Client to transfer a security to or from another Client (each such transfer, a "Cross Trade") for a variety of reasons, including tax purposes, liquidity purposes, to rebalance the portfolios of certain Clients or to reduce transaction costs that may arise in an open market transaction.

Dragoneer may execute Cross Trades with respect to publicly traded securities with the assistance of a broker-dealer that executes and books the transaction at the close of the market on the day of the transaction. Alternatively, a cross transaction between Clients may occur as an "internal cross," where Dragoneer instructs the custodian for the Clients to book the transaction at the price determined in accordance with Dragoneer's valuation policy. If Dragoneer effects an internal cross, Dragoneer will not receive any fee (other than its advisory fee and/or performance fee) directly in connection with the completion of the transaction.

Principal Transactions

Principal transactions (as such term is used under the Advisers Act), to the extent they occur, will comply with the requirements of the Clients' Governing Documents. Cross Trades are not considered a principal transaction except in limited circumstances.

Cross-Guarantees and Cross-Collateralization

In certain circumstances a Client and its portfolio companies may enter into cross-collateralization arrangements (including with respect to asset pools) with other Clients (including co-investment vehicles) and their portfolio companies, particularly in circumstances in which better financing terms are available through a cross-collateralized arrangement. Any cross-collateralization arrangements among Clients could result in a Client losing its interests in otherwise performing investments due to poorly performing or non-performing investments of another Client in the collateral pool. Similarly, a lender could require that it face only one portfolio company of the Clients, even though multiple portfolio companies of the Clients benefit from the

lending, which will typically result in (i) the portfolio company facing the lender being solely liable with respect to the entire obligation, and therefore being required to contribute amounts in respect of the shortfall attributable to other portfolio companies, and (ii) portfolio companies of the Clients being jointly and severally liable for the full amount of the obligation, liable on a cross-collateralized basis or liable for an equity cushion (which cushion amount may vary depending upon the type of financing or refinancing (e.g., cushions for refinancings may be smaller)). The portfolio companies of the applicable Clients benefiting from a financing may enter into a back-to-back or other similar reimbursement agreements to ensure no portfolio company bears more than its pro rata portion of the debt and related obligations. It is not expected that the portfolio companies would be compensated (or provide compensation to other portfolio companies) for being primarily liable, or jointly liable, for other portfolio companies pro rata share of any financing.

Conflicting Investment Interests

A Client may co-invest with another Client or invest in a portfolio company or in any security or issuer in which another Client has previously made or subsequently will make an investment, in either the same security or a different security within a portfolio company's capital structure. Conflicts may arise in connection with such investments. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raises conflicts of interest, particularly in Clients that have invested in different securities within the same portfolio company, as described further below. The terms of the relevant Client's investment, including the types of securities purchased and their position within a portfolio company's capital structure, may be different from the terms of the other Clients' investments and such investment, even if made in the same security of an issuer, may be made or disposed of at a different time, and/or in different amounts (including, for the avoidance of doubt, on a non-pro rata basis), than the investment by the other Client(s). Investments by a Client in portfolio companies or in any security or issuer in which one or more other Clients have a pre-existing interest may be acquired at higher or lower prices than those at which such Client(s) invested, or the relevant Client may acquire securities that differ significantly from the securities of such portfolio company held by another Client, including with respect to seniority, dividends, voting rights and participation in liquidation proceeds. The different prices paid for, or terms or relative amounts of, securities held by the relevant Client, on the one hand, and another Client, on the other hand, will create conflicts of interest, including the possibility that such purchase by a Client is used to support the price of an investment in the same issuer or security by another Client. In addition, certain of Dragoneer's personnel may invest in companies that, at the time of such investment, are not within the size and scope of the relevant Client's investment strategy, but that may in the future fall within the size and scope of the Client's investment strategy. Such investments will create a conflict of interest if Dragoneer later determines that it is appropriate for a Client to invest in such companies, including those conflicts discussed above. In addition, where more than one Client invests in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time and on the same terms. For example, because Dragoneer may have an incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) or because one Client's term may expire before the end of another Client's term,

such Clients may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Client may realize different returns as compared to the same investment held by another Client. These variations in timing may be detrimental to a Client. Also, if Dragoneer determines it is advisable for a Client to exit an investment at the same time as another Client, the term of which may expire sooner than the former Client's, such Client may dispose of its interest earlier than it ordinarily would have and may, as a result, experience lower returns than it otherwise may have earned on such investments.

The situation may arise where one Client holds an interest in one part of a company's capital structure while another Client holds an interest in another. In the event that such investments are made by a Client, the interests of such Client will at times conflict with the interest of such other Client (particularly in the case of financial distress of such portfolio company), with such conflicting interests and/or investment objectives including the structuring of, or exercise of rights with respect to, investment transactions and the timeframe for and the method of exiting the investment. Decisions taken by one Client in these circumstances to further its interests may be adverse to the interests of other Dragoneer clients. For example, one Client could acquire a significant equity stake in a company whose debt securities are already held by another Client. As a creditor of the company, the Client holding debt could take actions, consistent with its obligations to maximize the return to its investors, that would be adverse to the interests of the Client holding more junior securities. The Client holding debt, for instance, could cause the acceleration of the portfolio company's debt or exercise other rights it has that could precipitate a sharp decline in the value of the equity held by the other Client. The Client holding debt would be under no obligation to take any action or refrain from taking any action to prevent or mitigate any losses by the other Client. In addition, the involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Clients may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest.

In the event that one Client has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby influencing or controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Client is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Clients that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company.

The application of a Client's Governing Documents and Dragoneer's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Client's in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed.

Follow-on Investments

Investments to finance follow-on acquisitions will at times present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Client in a portfolio company in which another Client has previously invested. Furthermore, given that Dragoneer's Clients may make earlier-stage investments in portfolio companies, Dragoneer has the sole discretion to determine whether an investment by a Client in a portfolio company in which another Client has previously invested should be classified as a follow-on investment, including, for example, where a Client invests in a "future round" of securities of the relevant portfolio company. In addition, a Client may participate in leveraging and recapitalization transactions involving portfolio companies in which another Client has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Management of Multiple Clients and Conflicts Relating to Information

Dragoneer receives and generates various kinds of portfolio company data and other information, including information related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of one Client's investment (or prospective investment) in a portfolio company. As a result, Dragoneer is better able to anticipate macroeconomic and other trends, and otherwise develop investment strategies. Dragoneer enters into information sharing and confidentiality arrangements with portfolio companies and other sources of information that may limit the internal distribution and use of such data. Dragoneer has already and is likely in the future to use this information in a manner that may provide a material benefit to Dragoneer, its affiliates, or to certain other Clients without compensating or otherwise benefitting the Client or Clients from which such information was obtained. In addition, Dragoneer may have an incentive to pursue investments in portfolio companies based on the data and information expected to be received or generated. Dragoneer has in the past and is likely in the future to utilize such information to benefit Dragoneer, its affiliates or certain Clients in a manner that may otherwise present a conflict of interest but does not intend to specifically disclose such conflicts to the relevant Clients.

Dragoneer and its affiliates may also enter into formal or informal arrangements with portfolio investments to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory and contractual requirements, these information sharing arrangements are designed to allow Dragoneer, the Clients and the Clients' portfolio companies to better discern economic or other trends and developments. Information sharing may involve conflicts of interest between the Clients and/or between the Clients and Dragoneer. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio investments, or investment decisions by Dragoneer and its affiliates, without the source of the data being directly compensated. Dragoneer and its affiliates may utilize such data outside of Client activities in a manner that may provide a material benefit to Dragoneer, without directly compensating or otherwise benefitting the Clients. As a result, Dragoneer may have an incentive

to pursue investments (on its own behalf or on behalf of the Clients) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits Dragoneer and/or investments held by other Clients.

Fee Structure

As discussed above in Item 6, the general partners of many Clients are entitled to carried interest, incentive allocation or performance allocation under the terms of the Governing Documents of such Clients. Such general partners are affiliates of Dragoneer. This entitlement creates an incentive for Dragoneer to cause a Client to make investments that are riskier or more speculative than would be the case in the absence of such performance-based compensation. Over the term of such Client, the incentive described in the preceding sentence may potentially be mitigated by clawback obligations applicable to the relevant general partner under the terms of the Governing Documents of such Client. This clawback obligation may also create an incentive for the general partner to defer disposition of one or more investments or delay the liquidation of a Client if the disposition and/or liquidation would result in a realized loss to the Client or would otherwise result in a clawback situation for the relevant general partner. Dragoneer has broad discretion regarding the allocation of investment opportunities between Clients. Because the relevant general partner's carried interest, incentive allocation or performance allocation, as applicable, could vary with respect to the Clients, Dragoneer could be incentivized to allocate opportunities among Clients in a manner that would maximize the carried interest, incentive allocation or performance allocation, as applicable, distributed to (or expected to be retained by) the relevant general partner.

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

In addition, the general partner of a Client is incentivized to hold on to investments that have poor prospects for improvement in order to receive ongoing management fees in the interim and, potentially, a more likely or larger carried interest distribution if such asset's value appreciates in the future. This incentive is increased by the presence of the clawback obligation of the general partner.

Indebtedness and Guarantees

Many Clients are authorized to borrow funds directly or indirectly from time to time, including without limitation to pay expenses and management fees of the Client (if applicable), to provide interim financings to the extent necessary to consummate the purchase of investments prior to the Client's receipt of capital contributions from its investors or otherwise to facilitate an investment or to make cash available for distributions or other permitted uses by the Client and to

provide guarantees of or other credit support for the obligations of third parties, subject to certain limitations under the Governing Documents of such Clients. As security for such borrowing, guarantees or other credit support, a Client may grant liens on any of such Client's assets to a lender or other counterparty. Each of the Client and the general partner of such Client, as applicable, will have the right to pledge, assign or create any other security interest in or over all or a portion of uncalled commitments, the right of the general partner to deliver notices to investors demanding capital contributions, the proceeds of such capital contributions and any account into which such capital contributions are paid.

While such use of borrowed funds increases returns if a Client earns a greater return on the investments purchased with borrowed funds than it pays for such funds, the use of leverage decreases returns if the Client fails to earn as much on such incremental investments as it pays for such funds. In addition, to the extent that a Client's IRR with respect to a specific investment is calculated based on the date that capital is called from the investors rather than the date that the investment is made, the Client's use of borrowed funds to delay the date on which capital is called generally make net IRR calculations higher than such calculations otherwise would be without fund-level borrowing. The Client's general partner therefore likely has a conflict of interest in deciding whether to borrow funds because such general partner may receive disproportionate benefits from such borrowings (including with respect to marketing the Client or other Clients).

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

Failure to satisfy the terms of debt incurred by the Client can have negative consequences. For example, if such debt is secured by the right of the Client's general partner to deliver notices to investors demanding capital contributions, the relevant lender, or an agent thereof, may call capital directly from the investors to the extent necessary to repay such borrowings in full. In addition, the Client might need to liquidate one or more of its investments at a time when it might not otherwise choose to do so, in order to satisfy the Client's obligations under such indebtedness. In addition, the Client may engage in certain derivative transactions that implicitly contain leverage and subject the Client to similar and additional risks to those discussed above. The lenders may require a Client to be jointly and severally liable with a feeder fund. Borrowing by a Client may also generate unrelated business taxable income for U.S. tax-exempt investors.

In addition, a Client may, from time to time, lend certain amounts to Dragoneer and its affiliates with respect to its pro rata share of an investment in those circumstances in which such Client is borrowing with respect to the investment on a short-term basis.

Diverse Investor Group

The investors in a Client often have conflicting investment, tax and other interests with respect to their investments in the Client. The conflicting interests of individual investors generally relate to or arise from, among other things, the nature of investments made by the Client, the structuring or the acquisition of investments and the timing of disposition of investments. As a result, conflicts of interest may arise in connection with the decisions made by the relevant general partner, including with respect to the nature or restructuring of investments that may be more beneficial for one investor (or such Client's general partner) than for another investor (or such Client's general partner), especially with respect to investors' individual tax situations. The Client's general partner will make such decisions in its sole discretion, and there is no assurance that the outcome, particularly with respect to tax, will be the most beneficial possible to any particular investor and the general partner can take into account interests of it and its affiliates in making such decisions.

Conflicts with Portfolio Companies

Officers and employees of Dragoneer may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that they consider in the best interests of such portfolio companies and their respective shareholders. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interests of the portfolio company may not be in the best interests of a Client, and vice versa. Accordingly, in these situations, there will be conflicts of interest between such individual's duties as an officer or employee of Dragoneer and such individual's duties as a director or officer of such portfolio company. In addition, to the extent an officer or employee serves as a director on the board of more than one portfolio company, such officer or employee's fiduciary duties among the two portfolio companies may create a conflict of interest.

In addition, the employees of Dragoneer serving as directors may make decisions for a portfolio company that negatively impact returns received by a Client investing in the portfolio company.

In addition, from time to time, Dragoneer may recruit a management team to pursue a new "platform" opportunity expected to lead to the formation of a future portfolio company. In such a case, the Client will bear the expenses of the management team or portfolio company, as the case may be, including any overhead expenses, employee compensation, diligence expenses or other related expenses in connection with backing the management team or the build out of the platform company. Such expenses may be borne directly by the applicable Client as partnership expenses or indirectly as the Client bears the start-up and ongoing expenses of the newly-formed platform portfolio company. Such costs and expenses will not offset the management fee and are in addition to management fees and other compensation (e.g., carried interest) received by Dragoneer.

Service Providers

Services required by a Client (including some services historically provided by Dragoneer or its affiliates to the Clients) may, for certain reasons including efficiency and economic considerations, be outsourced in whole or in part to third parties or licensed software, in each case

in the discretion of Dragoneer or its affiliates. Dragoneer and its affiliates have an incentive to outsource such services at the expense of the Clients to, among other things, leverage the use of Adviser personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, trading, legal, human resources, client services, compliance, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Clients and accordingly, certain costs may be incurred by a Client for a third-party service provider that is not incurred for comparable services by other Clients. The decision by Dragoneer to initially perform a service for a Client in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future and Dragoneer has no obligation to inform such Clients or investors of such a change. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs and expenses of any such third-party service providers will be borne by the relevant Clients.

If a service provider provides services to a Client on the property of Dragoneer, such Client may also be responsible for any overhead, rent or other fees, costs and expenses charged by Dragoneer in connection with an on-site arrangement.

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

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

Additionally, employees of Dragoneer or its affiliates, and/or their family members or relatives may have ownership, employment, or other economic or other interests in certain service providers. These relationships can influence Dragoneer in determining whether to select, or recommend such service provider to perform services for a Client or a portfolio company. There is a possibility that Dragoneer, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person.

Certain other service providers to Dragoneer, the Clients and/or the portfolio companies, or affiliates of such service providers, may also provide goods or services to or have business, personal, financial or other relationships with Dragoneer, its affiliates and personnel (or family members thereof), or Dragoneer portfolio companies. For example, a service provider will, from time to time, provide Dragoneer, its affiliates and personnel with services with respect to their personal affairs. These relationships may influence its decision to select or recommend an advisor or service provider to perform services for the Clients or the portfolio companies (the cost of which will generally be borne directly or indirectly by the relevant Clients or the portfolio companies, as applicable). Such service providers (or their employees) may also source investment opportunities, be co-investors or commercial counterparties or entities in which Dragoneer and/or the Clients have an investment, and payments by a Client and/or such portfolio companies may indirectly benefit Dragoneer and/or such Client.

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

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

Dragoneer or its affiliates engage certain service providers (including law firms) on behalf of the Clients and personnel of such service provider may be seconded to Dragoneer or its affiliates

on a temporary basis, pursuant to various arrangements including at cost or at no cost. Dragoneer is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to Dragoneer, its affiliates and/or portfolio companies and in any such circumstance the benefits or costs of any such personnel will be allocated in Dragoneer's discretion taking into consideration the usage of such personnel. In such circumstances, a conflict of interest exists because Dragoneer or its affiliates have an incentive to select one service provider over another on the basis that Dragoneer or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment are borne in whole or in part by the service provider and not Dragoneer or its affiliates.

Dragoneer and the Clients will generally engage common legal counsel and other service providers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Clients may be investors in a Client, and may also represent one or more portfolio companies or investors in a Client. In the event of a significant dispute or divergence of interest between Clients, Dragoneer and/or its affiliates, the parties may engage separate counsel in the sole discretion of Dragoneer and its affiliates, and in litigation and other circumstances separate representation may be required.

Personal Securities Transactions of Dragoneer Personnel

Personal investment by investment professionals and other personnel of Dragoneer or its affiliates and persons related thereto can present potential conflicts of interest. Dragoneer or its affiliate's directors, officers, employees and such persons' family members (collectively, the "Dragoneer Personnel") will, under certain circumstances and subject to certain restrictions, buy and sell securities or other investments for their own accounts, including making investments in securities of public and private issuers alongside Clients at different times or in non-pro rata amounts, or in different classes or levels of the capital structure. In addition, Dragoneer Personnel may invest in private equity funds, private venture capital funds, hedge funds, real estate funds, mutual funds and other investments, including potential competitors of the Clients. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Clients. Dragoneer has established policies and procedures requiring certain approvals for investments in private companies and private funds by Dragoneer Personnel and certain types of personal securities transactions by certain Dragoneer Personnel. However, the potential exists for personal securities transactions by Dragoneer Personnel, including those which have been pre-cleared or approved in advance, to generate significantly higher investment returns to such personnel than any of the Clients' investment transactions generate for their own investors. There may also be circumstances where a company identified as a potential investment opportunity for a Client is determined not to be suitable or appropriate for such Client, which determination is subject to the conflicts of interest stated above in "*Allocation of Investment Opportunities*" and "*Co-investments*" above. The potential exists for Dragoneer Personnel or other co-investors to invest in such company and realize significantly higher investment returns than any of the Client's investment transactions generate for its own investors. Investors will not have access to the results of such trading because of its confidential nature. A conflict of interest will in certain circumstances arise because such investing Dragoneer Personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by Dragoneer on behalf of the Clients for actual and prospective investments or investments that are evaluated but not

consummated by a Client. In such circumstances, the investing Dragoneer Personnel will not share or reimburse a Client and/or Dragoneer for any expenses incurred in connection with the investment opportunity.

Outside Activities of Investors & Relationships with Investors

Investors have business interests and engage in activities in addition to their investment in a Client, including business interests and activities in direct competition with the Clients and the portfolio companies. None of the Clients, any investor or any other person shall have any rights by virtue of the Clients' Governing Documents or any related agreements in any business ventures of any investor. Investors will from time to time engage in transactions with, and provide services to, Dragoneer, the Clients or the portfolio companies. Such relationships will from time to time include but are not limited to (i) providing leverage or other financing to a Client or its portfolio companies as determined by Dragoneer in its sole discretion; (ii) introducing investment opportunities, and (iii) engaging in co-investment transactions alongside each other. Investors, and in certain cases Dragoneer and its affiliates, will have conflicting loyalties in these situations, including incentives to provide such investors better terms in a Client or information rights.

Outside Activities of Dragoneer Personnel and Their Family Members

Certain personnel and other professionals of Dragoneer have family members or relatives that are actively involved in industries and sectors in which the Clients invest or have business, personal, financial or other relationships with companies in such industries and sectors (including the advisors and service providers described elsewhere in this Brochure) or other industries, which gives rise to potential or actual conflicts of interest. For example, such family members or relatives might be officers, directors, personnel or owners of companies or assets which are actual or potential investments of the Clients, service providers to the Clients or other counterparties of the Clients and the portfolio companies and/or assets. Moreover, in certain instances, the Clients or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or relatives or in respect of which such family members or relatives have other involvement. In most such circumstances, the Clients' Governing Documents will not preclude Clients from undertaking any of these investment activities or transactions. Investors rely on Dragoneer to manage these conflicts in its sole discretion.

Participation in Class Actions

Dragoneer may be asked to decide whether to participate in litigation on behalf of Clients, including by filing proofs of claim in class actions. Dragoneer has no obligation to review or consider such litigation or filings and has complete discretion to determine, on a case-by-case basis, whether to file proofs of claim and any other required documentation for the Clients in any class actions of which Dragoneer learns, and shall not be required, or be liable for any failure, to do so.

Other Benefits

Dragoneer, its affiliates and their personnel and related parties will receive intangible and other benefits, discounts and perquisites arising or resulting from their activities on behalf of a Client, which will not offset or reduce management fees or otherwise be shared with a Client, its portfolio companies or investors. For example, airline or hotel stays will result in “miles” or “points” or credit in loyalty or status programs, and such benefits will, whether or not *de minimis* or difficult to value, inure exclusively to the benefit of Dragoneer, its affiliates or their personnel or related parties receiving it, even though the cost of the underlying service is borne by the Clients, their investors and/or by the portfolio companies. Similarly, Dragoneer, its affiliates and their personnel and related parties, and third parties designated by the foregoing, also may receive discounts on products and services provided by portfolio companies and customers or suppliers of such portfolio companies. Investors consent to the existence of these arrangements and benefits.

Conflicts Arising from Customized Terms Provided to Certain Investors

Investors increasingly expect to make investments in private investment funds on customized terms. We accommodate these expectations by entering into written agreements, which we refer to as “side letters,” or establishing separate accounts, that provide such investors with customized terms. These customized terms may result in preferential treatment with respect to, among other things:

- the fee structure, including reduced advisory fees and/or carried interest;
- the capping of all or certain expenses at an agreed amount;
- the offering of co-investment opportunities;
- the ability to opt out of certain types of investments;
- the reporting obligations of the applicable Client;
- consent rights with respect to certain amendments to documents that govern their rights and obligations and those of the applicable Client;
- the right to transfer interests in the applicable Client;
- the right to withdraw from the applicable Client or certain investments in the event of adverse tax, regulatory or other events;
- the right to appoint a representative to the advisory committee or board of directors of the relevant Client, if applicable;
- additional confidentiality protections;
- the right to disclose certain information to underlying investors or to the public;
- structuring or excuse rights with respect to certain types of investments;

- modification of indemnification; or
- any other terms, whether economic, procedural or otherwise.

We consider many factors in deciding whether to accord investors in Clients customized terms via a side letter and are more likely to grant preferential treatment to the following types of investors:

- investors that have made or have proposed to make relatively large commitments to the Client or that are anticipated to be important to future Dragoneer fundraising campaigns;
- investors that are subject to specific legal, tax or regulatory requirements or policies applicable to them; and
- other investors meeting any other criteria we consider reasonable in our discretion.

We have no obligation to offer any such additional rights, terms or conditions to any other investor in such Client, except to the extent required by the Governing Documents of the applicable Client or the terms of individual side letters.

Additionally, subject to the terms of the Governing Documents, a Client's general partner has the sole discretion to enforce or waive default provisions with respect to an investor and may make such determinations on an investor by investor basis. A general partner may be incentivized to waive default provisions with respect to investors depending on the nature (for example, business, professional, personal, financial or other), duration and other factors related to the relationship the investor has with Dragoneer and its affiliates. Also, if an investor fails to pay when due installments of its capital commitment to a Client, and the contributions made by non-defaulting investor and borrowings by such Client are inadequate to cover the defaulted capital contribution, the Client may be unable to pay its obligations when due. As a result, a Client may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). In addition, the non-defaulting investors may be required to increase their contributions to the investment, resulting in the defaulted capital contribution and in respect of subsequent investments which, in turn, will increase the concentration of such investor's investment in the Client and increase such investor's risk of loss.

Advisory Committee and Independent Representative

Many of the Clients have established an advisory committee, consisting of representatives of investors. A conflict of interest may exist when some, but not all limited partners are permitted to designate a member to the advisory committee. The advisory committee may also have the ability to approve certain material conflicts of interests with respect to Dragoneer and the applicable Client, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory committee. In some cases, an Independent Representative may be appointed to resolve such conflicts. In general, the limited partners will not be entitled to review the actions or deliberations of the advisory committee or the Independent Representative. In addition, advisory committee members and the Independent Representative have no fiduciary obligations to the Clients or their partners other than to act in

good faith. Advisory committee members may take into consideration their own interests in a particular matter and are not required to take into consideration the interests of the Clients or any of the other partners. The members of the advisory committees may themselves be subject to various conflicts of interest (including as investors in other Clients or due to their relationships with Dragoneer or its personnel).

Item 12. Brokerage Practices

In the absence of specific instructions from a Client, Dragoneer's policy is to arrange for the execution of transactions for publicly traded securities in Client accounts through brokers, dealers, foreign exchange brokers, or other lawful persons, intermediaries or clearing entities (each, a "Broker") that Dragoneer believes will provide best execution for the Client's transactions under the relevant circumstances. As "best execution" involves both qualitative and quantitative factors, it is frequently not synonymous with the lowest brokerage commission. Consequently, in a particular transaction a Client may pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction. Dragoneer is responsible for determining what securities will be purchased and sold for each Client and selecting the Brokers to execute the transactions on behalf of Clients. Purchases and sales of securities for Clients are made in accordance with the investment objectives, strategies and policies of each Client.

In seeking to achieve best execution, Dragoneer may consider the range and quality of services a broker may provide, which may include some or all of best total trade price, trading volume, liquidity, the number of securities involved, the size of transaction, the potential for information leakage, the likely market impact due to the transaction in the market, related research services and costs (including but not limited to commissions, fees and transaction taxes, such as stamp duties). As a result, Dragoneer may cause a Client to pay a brokerage commission in excess of that which another broker might have charged for executing the same transaction if it determines that the commission paid was reasonable in relation to the value of the services provided by the broker.

Dragoneer may generate "soft dollars" with regard to trades made on behalf of Clients. "Soft dollars" refers to Dragoneer's receipt of research or other products or services other than execution from brokers. Research products may include, among other things, permitted computer databases and quotation software, in each case, to access research or that provide research directly, other software, databases and certain other technical and telecommunication services utilized in the investment management process. Research services (which may be in written or oral form or electronic) may include, among other things, research concerning market, economic and financial data, statistical information, data on pricing and availability of securities, financial publications, electronic market quotations and news, performance measurement and pricing services, permitted risk management analysis and performance studies, analyses concerning specific securities, companies or sectors, and market, economic and financial studies and forecasts.

When Dragoneer uses Client brokerage commissions (or markups or markdowns) to obtain research or other products or services, Dragoneer may receive a benefit because it does not have to produce or pay for the research, products or services. As a result, Dragoneer may have an incentive to select or recommend a broker-dealer based on its interest in receiving the research or

other products or services, rather than on its Clients' interest in receiving the most favorable execution.

Because Dragoneer's Clients often seek to buy and sell the same investments, Dragoneer may aggregate purchases and sales of investments. Dragoneer will generally seek to aggregate purchases and sales when Dragoneer believes that aggregation will be beneficial to the applicable Clients, including when it will result in the execution of transactions in a more timely and efficient manner, such as a reduction in overall execution costs and impact on the market price of the underlying securities.

Item 13. Review of Accounts

Dragoneer generally monitors and reviews the Funds and Managed Accounts on an ongoing basis for overall adherence to the Fund's or Managed Account's investment objective and strategies, as well as any guidelines or restrictions.

Fund investors receive annual audited financial statements and unaudited quarterly account statements directly from the Fund's administrator. Managed Account clients receive account statements directly from their chosen custodian on the frequency agreed with that custodian. Dragoneer may supplement these statements with reports, letters or other communications.

Item 14. Client Referrals and Other Compensation

Dragoneer does not receive an economic benefit from any person who is not a Client for providing investment advice or other advisory services and does not expect to compensate any person for client referrals.

Item 15. Custody

Item 15 is not applicable to Dragoneer.

Item 16. Investment Discretion

Dragoneer will generally have discretionary authority over the investment activities of the Funds and Managed Accounts. For the Funds, this discretionary authority is generally granted to Dragoneer pursuant to the organizational documents of each Fund and/or pursuant to Dragoneer's IMA with such Fund. For the Managed Accounts, this discretionary authority and any limitations thereon are set forth in the applicable investment management agreement. However, Dragoneer may not have signing authority on behalf of some or all of its Managed Accounts. In all cases, Dragoneer is obligated to exercise its investment discretion in a manner consistent with the stated investment objectives, policies, guidelines and restrictions/limitations for a particular Client account.

Item 17. Voting Client Securities

Dragoneer has the authority to vote all proxies on behalf of the Funds, and may be delegated the authority to vote proxies held in a Managed Account as the proxies are received by Dragoneer from the Managed Account Clients. Dragoneer has adopted a policy governing the

voting of proxies that is designed to seek to ensure that Dragoneer votes Fund securities in what it believes are the best interest of its Funds. Dragoneer may, but is not obligated to, vote proxies in its sole discretion. Dragoneer has no obligation to review or consider proxies and can decide to vote or not vote any or all proxies in its sole discretion for any reason. As a result, there may be a significant number of proxies that are not reviewed or voted, even if the issuer is requesting a vote on an issue that could be material to a Fund's interest in the issuer. As a long-term orientated investor, in most cases, Dragoneer's policy is to vote the proxies it votes in accordance with the recommendations of management of the issuer. If there is an actual or apparent material conflict of interest between the interests of Dragoneer and its Clients, Dragoneer will endeavor to resolve such conflict in a manner that is consistent with the best interest of the Clients.

If a Managed Account Client has not delegated the power to vote proxies to Dragoneer, that Managed Account Client may direct Dragoneer to vote in a particular manner at any time upon written notice to Dragoneer. In those circumstances, Dragoneer will comply with the Managed Account Client's specific directions to vote proxies, whether or not such directions specify voting proxies in a manner that is different from these policies and procedures. In instances where Dragoneer does not have authority to vote Managed Account Client proxies, it is the responsibility of the Managed Account Client to instruct the relevant custodian bank or banks or prime broker to mail proxy material directly to such Managed Account Client.

Clients may obtain a copy of these proxy voting policies, and obtain information about how Dragoneer has voted its Clients' proxies, or discuss any particular solicitation by calling 415-539-3105.

Item 18. Financial Information

Dragoneer does not require or solicit prepayment of any advisory fees more than six months in advance. As a result, Dragoneer is not required to provide a balance sheet for its most recent fiscal year. Dragoneer is unaware of any financial condition that is reasonably likely to impair its ability to meet its commitments to its Clients. Dragoneer has not been the subject of a bankruptcy petition during the past 10 years.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Dragoneer.