

## **IMPRESA MANAGEMENT LLC**

255 State Street  
Boston, MA 02109  
(Mailing address: 200 Seaport Blvd., Q9B, Boston, MA 02210)  
(617) 392-0785

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This brochure provides information about the qualifications and business practices of Impresa Management LLC (“Impresa Management”) and provides clients with information about Impresa Management. If you have any questions about the contents of this brochure, please contact us at (617) 392-0785.

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. Registration with the SEC does not imply any level of skill or training.

Additional information about Impresa Management also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

**Material Changes**

This brochure, dated March 30, 2020, serves as an update to our brochure dated March 29, 2019. This brochure contains enhanced descriptions of certain fees and expenses, new risk factors and expanded disclosure around conflicts of interest. In addition, Impresa Management routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies and procedures, as well as to respond to evolving industry best practices.

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## ADVISORY BUSINESS

Impresa Management, a Delaware limited liability company with its principal office located in Boston, MA, was formed in 2012 and commenced business on March 1, 2014, the date its registration as an investment adviser with the SEC became effective. Impresa Management advises Funds (as defined below) that were established, among other purposes, to benefit certain employees, officers, and directors of FMR LLC and its affiliates, and to enable such personnel to participate in a wide variety of investment opportunities. Abigail P. Johnson and Edward C. Johnson IV, as trustees of various trusts for the benefit of members of the Johnson family, are principal owners of Impresa Management.

Impresa Management is (i) general partner or manager for certain limited partnerships and limited liability companies (“Investor Entities”), one of which is an employees’ securities company as defined under Section 2(a)(13) of the Investment Company Act of 1940 (“ESC”); and (ii) general partner or manager (either directly or indirectly through subsidiary entities) and/or investment adviser to certain collective investment entities in which the Investor Entities invest and to funds or other special purpose vehicles that co-invest or hold investments alongside such collective investment vehicles (“Private Funds” and together with the “Investor Entities” will be referred to herein as the “Funds”).

The ESC is exempt from registration as an investment company under the Investment Company Act of 1940 pursuant to an exemptive order (“Exemptive Order”) issued by the Securities and Exchange Commission on August 6, 1996. All other Funds are exempt from registration under the Investment Company Act of 1940, as amended and their securities are not registered under the Securities Act of 1933, as amended.

The Investor Entities, either directly or through one or more Private Funds or third party funds, seek to invest in equity or debt securities across multiple industries and asset classes, including, among others: biotechnology, technology, telecommunications, therapeutics, energy and natural resources (including oil, gas and timber), agriculture, real estate, blockchain or other crypto related businesses, consumer products, investment grade fixed income and alternative investments, including collateralized loan obligations (“CLOs”) and quantitative strategies. Impresa Management determines, in its sole discretion, subject to restrictions set forth in the organizational documents and/or investment management agreement of each Fund, the investments or capital commitments made by the Investor Entities (including commitments to certain of the Private Funds or third party funds), and the investments or capital commitments made by each of the Private Funds. The Investor Entities may invest a significant portion of their assets in one or more of the aforementioned asset classes. Impresa Management delegates investment discretion to one sub-adviser for the management of certain portfolios for the Funds. Impresa Management’s advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and disposing of such investments.

The Funds generally make investments in private companies, purchased and sold in privately negotiated transactions, and generally do not purchase publicly traded securities. From time-to-time, one or more Funds also invest in or hold publicly traded securities, which are typically acquired as the result of a private company’s initial public offering, through its acquisition by a public company, or distribution by other Funds. Furthermore, certain Funds invest all or a portion of their assets in money-market instruments, money-market mutual funds, and/or hold cash or cash equivalents in such amounts as Impresa Management deems appropriate.

Impresa Management provides discretionary advisory services, including cash management, to certain affiliated entities and non-discretionary sub-advisory services to certain other adviser clients, including Eight Roads Holdings Limited (“ERHL”) or one or more of its affiliates (“Other Clients” and, together with the Funds, “Clients”). Impresa Management’s non-discretionary sub-advisory services to Other Clients are not provided on a continuous and regular basis. Impresa Management disclaims that it is a related person of ERHL or its affiliates.

Impresa Management uses the name F-Prime Inc. (DBA F-Prime Capital Partners) as an additional name under which it conducts its investment advisory activities. Certain personnel of FMR LLC-affiliated entities who use the name F-Prime Inc. (DBA F-Prime Capital Partners) engage in investment advisory activities conducted on behalf of, and through, Impresa Management.

As of December 31, 2019, Impresa Management managed \$9,203,369,000 of client assets on a discretionary basis. As of December 31, 2019, Impresa Management did not manage any non-discretionary client assets on a regular and continuous basis.

## **FEES AND COMPENSATION**

Subject to the operating agreements of, and/or investment management agreements with, each Investor Entity, Impresa Management is generally entitled to reimbursement out of the Investor Entities for all costs and expenses paid or incurred by it (or on its behalf) in the performance of its duties and not otherwise paid directly by the Investor Entities, including, without limitation (i) annual Investor Entities' accounting costs in connection with the establishment of books and records of the Investor Entities; (ii) amounts paid to independent parties, such as legal, accounting, data processing, duplicating, and other such services; (iii) other reasonable out-of-pocket expenses reasonably incurred in connection with the business of the Investor Entities; (iv) rents or other costs of occupancy incurred by Impresa Management and properly attributable to the Investor Entities; and (v) all salary (including, bonuses, profit sharing and employee stock ownership plans), withholding taxes, employee benefit costs (including, retirement plans) and the like of any employees, officers, directors or managers of Impresa Management or its affiliates (including, without limitation, seconded, leased or similar staff of Impresa Management), to the extent properly attributable to the Investor Entities. The Investor Entities shall in addition be entitled to compensation in the amount of up to ten percent (10%), of the amount incurred by it described in clause (v) above.

Impresa Management charges certain of the Private Funds an investment advisory fee, as set forth in the organizational documents and/or investment management agreement for each Private Fund. Investment advisory fees are typically based on the committed capital and/or invested capital of each Private Fund. The precise amount of, and the manner and calculation of, the investment advisory fees for each Private Fund are set forth in such Private Fund's organizational documents. The fee structures described herein may be modified from time to time. Fees may differ from one Private Fund to another, as well as among investors in the same Private Fund.

In lieu of an investment advisory fee, certain Private Funds pay Impresa Management an expense reimbursement based upon Impresa Management's operating costs, as set forth in the organizational documents and/or investment management agreement for each applicable Private Fund. The expense reimbursement is typically capped at a percentage of aggregate subscriptions as set forth in the organizational documents and/or investment management agreement for each applicable Private Fund.

Fees paid by the Funds are not negotiable but may be reduced or waived with respect to certain investors including, for example, the general partners of the Private Funds, if agreed between Impresa Management and such investor.

Impresa Management is generally paid quarterly (i) in arrears by Investor Entities; and (ii) in advance by the Private Funds.

The Private Funds will automatically receive a refund from Impresa Management for any pre-paid fee if the advisory contract is terminated before the end of the billing period. The amount of any refund will be determined based on a pro-rata calculation of the fees pre-paid from the date of termination of the advisory contract to the end of the billing period.

In addition to their own fees and expenses, the Investor Entities indirectly bear their proportional share of the expenses, including management fees and performance-based fees (e.g., carried interest), of the Private Funds and third-party funds in which the Investor Entities invest. In addition to the management fees and performance-based fees described herein, the Private Funds bear certain operating expenses directly, which vary for, and are subject to the organizational documents and investment management

agreements of, each Fund, but typically include the following types of expenses: organizational expenses; liquidation expenses; any sales or other taxes (including taxes assessed against either the Private Fund or Impresa Management in respect of an investment advisory fee, fees or government charges which may be assessed against a Private Fund; commissions or brokerage fees or similar charges incurred in connection with the purchase or sale of securities (including any merger fees payable to third parties); the costs and expenses (including travel-related expenses) of hosting meetings or conferences with investors in the Private Funds, whether individually or in a group; all expenses of each Private Fund's advisory committee; interest expense incurred by a Private Fund for borrowed money (if any); all expenses relating to litigation and threatened litigation involving the a Private Fund, including indemnification expenses; expenses attributable to normal and extraordinary investment banking, commercial banking, accounting, appraisal, legal, custodial and registration services provided to a Private Fund and any expenses attributable to consulting services related to a specific investment actually made by a Private Fund, including in each case services with respect to a purchase or sale of securities consummated by a Private Fund and that are not reimbursed by the issuer of such securities; all accounting costs and expenses of the a Private Fund's independent certified public accountants relating to the preparation of the Private Fund's audited annual financial statements; all expenses related to tax consulting and reporting to the extent such expenses are incurred other than in order to achieve compliance with a Private Fund's tax reporting and related obligations under its operating agreement or limited partnership agreement and/or applicable law; reasonable premiums for liability insurance to protect each Private Fund, the general partner, the partners or members of the general partner, any service provider and any of their respective partners, members, managers, stockholders, officers, directors, employees, agents or affiliates in connection with the activities of the Private Fund; and all other expenses properly chargeable to the activities of the Private Fund.

From time-to-time, Impresa Management engages in the sale of publicly traded securities on behalf of the Funds and generally sends such orders to FMR LLC-affiliated trading personnel to be placed with executing brokers. FMR LLC does not charge for these services and the executing brokers charge customary transaction charges. In certain circumstances, Impresa Management engages third party broker-dealers to execute the sale of publicly traded securities on behalf of the Funds. The Funds will incur brokerage and other transaction costs associated with such orders. Please see additional information in the "Brokerage Practices" section.

Impresa Management provides to Other Clients, non-discretionary sub-advisory services. With respect to such services, Impresa Management generally charges the Other Client a fee that is equal to a portion of the compensation (including, without limitation, salary, bonus and benefits), other attributable overhead (including, without limitation, rent, property taxes and utilities allocable to the workspaces) and travel and other expenses of Impresa Management's personnel who provide such non-discretionary services to such Other Clients. The fees are non-negotiable and are paid monthly in arrears.

In certain instances, Impresa Management offers an investment opportunity to co-investors. The allocation of expenses and fees incurred in the course of evaluating potential investments between Impresa Management and any co-investor, such as fees associated with due diligence, attorney fees and other professional fees, will be determined by Impresa Management in its good faith discretion, consistent with the Funds' operating agreements or other documents, as applicable. If a proposed co-investment opportunity is not consummated, no co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction ("Dead Deal Costs") would therefore be borne by a Fund as a proposed investor for such proposed transaction. Furthermore, if a proposed transaction is not consummated and a co-investment vehicle has been formed for the purpose of making an investment in such proposed transaction (or co-investors have otherwise committed to invest in the proposed transactions), some or all of the Dead Deal Costs may be borne

solely by the Fund or Funds selected by Impresa Management as proposed investors for such proposed transaction, but not to the co-investment vehicle or other co-investor(s) to which the co-investment opportunity was offered. Similarly, co-investment vehicles (and co-investors) are not typically allocated any share of break-up fees received in connection with such an unconsummated transaction. Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses (including amounts payable to operating partners, consultants and other third parties), any travel and travel-related and accommodation 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.

From time to time, the general partner of a Fund creates certain “special purpose vehicles” or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors (“SPVs”). In the event the general partner creates an SPV, consistent with the organizational documents of the Fund, the expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV will typically be borne by the SPV, and indirectly, the investors thereof.

Impresa Management provides cash management and investment management services to certain affiliated entities for no compensation, and such services are not provided on a regular and continuous basis.

From time to time Impresa Management will be required to decide whether certain fees, costs and expenses should be borne by a Fund, on the one hand, or Impresa Management on the other hand, and/or whether certain fees, costs and expenses should be allocated between or among the Funds and/or other parties. In exercising its discretion to allocate fees and expenses, Impresa Management is faced with a variety of potential conflicts of interest. To the extent not allocated to a portfolio company, Impresa Management will allocate fees and expenses incurred in the course of evaluating and making investments that are consummated to a Fund in accordance with such Fund’s organizational documents. With respect to allocating other expenses, Impresa Management will make any such allocation determination in a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation. Impresa Management will make any corrective allocations and take any mitigating steps if it determines such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Fund for a particular service may not reflect the relative benefit derived by the Fund from that service in any particular instance.



## **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

The fee arrangements for certain of the Private Funds include a performance-based fee in the form of an allocation of net profits, referred to as “carried interest”, as set forth in the organizational documents for each Private Fund. The carried interest is generally payable in cash or in-kind to the limited partners of the general partner to the Private Funds, including one or more FMR LLC-affiliated entities and certain of Impresa Management’s supervised persons, or to an unaffiliated sub-adviser. Investors in the Investor Entities that invest in Private Funds are subject indirectly to the carried interest charged by certain of the Private Funds, in addition to carried interest or similar fees charged in relation to third-party funds in which an Investor Entity invests. Such general partners’ entitlement to carried interest creates an incentive for Impresa Management and its affiliates to take risks in managing the Private Funds that they would not otherwise be incentivized to take in the absence of such arrangements.

Certain of the Private Funds dispose of freely tradeable securities (e.g. publicly traded securities received as a result of an IPO) by distributing such securities in-kind to the partners of the applicable Fund, which typically includes one or more Investor Entities. The value of in-kind distributions for purposes of calculating any applicable performance-based fee is typically determined at or around the time of the distribution from the Private Fund, subject to the terms of the organizational documents for each Private Fund. As described in Methods of Analysis, Investment Strategies and Risk of Loss – Disposition of Investments below, an Investor Entity may decide to hold a security distributed in-kind from a Private Fund for a period of time after such distribution, as determined by Impresa Management in its sole discretion. Certain of the securities distributed in-kind may be issued by early stage companies whose securities are thinly traded and/or whose valuations are subject to significant volatility, meaning that the value used to determine a performance-based fee with respect to certain securities that are distributed in-kind from a Private Fund can differ significantly, and may be significantly higher, than the value realized by an Investor Entity, or its underlying investors, that receives the distribution in-kind. In certain instances, the calculation of carried interest is reduced or varied with respect to certain investors, including the general partners of the Private Funds and one or more Investor Entities that chooses to hold a security distributed by a Private Fund for an extended period of time after such distribution.

The general partners of the Private Funds, which are typically ultimately controlled by Impresa Management, receive different performance-based fee compensation with respect to different funds. Differences in fee structures potentially create an incentive for such general partners and/or Impresa Management to favor certain Private Funds when allocating investment or disposition opportunities. Impresa Management does not take differing fee structures into account in making investment or disposition allocation decisions.

Please see additional information in the “Potential Conflicts of Interest” section under “Other Financial Industry Activities and Affiliations.”

## **TYPES OF CLIENTS**

Impresa Management's advisory clients are the Funds, Other Clients and certain affiliated entities. The Funds generally make investments, directly or through underlying funds, in private companies and operating businesses, purchased and sold in privately negotiated transactions.

Impresa Management provides non-discretionary sub-advisory services to Other Clients and discretionary cash management services to certain affiliated entities.

Impresa Management does not have a minimum size for a Fund.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **Methods of Analysis and Investment Strategies**

The Funds generally invest in privately held companies. The size and nature of investments in such privately held companies varies. Impresa Management reviews investment opportunities and bases its investment decisions on, amongst other criteria: (i) the experience and capabilities of management; (ii) proprietary or innovative characteristics of the firm's product or service; (iii) the nature and growth potential of the firm and the markets served; (iv) the business strategy to be employed in building revenues and profits; and (v) historical financial statements and financial forecasts.

In addition, certain of the Funds are subject to industry, geographic, concentration or other restrictions in their organizational documents, which limit such Funds from making certain types of investments. Furthermore, from time-to-time, Impresa Management or its affiliates may determine that, as a result of regulatory requirements that may apply to Impresa Management or its affiliates due to investments in a particular country, investments in the securities of issuers domiciled or listed on trading markets in that country above certain thresholds (which may apply at the account level or in the aggregate across all accounts managed by the adviser and its affiliates) may be impractical or undesirable. In such instances, Impresa Management may limit or exclude Funds' investment in a particular issuer, which may include investment in related derivative instruments, and investment flexibility may be restricted. In addition, to the extent that Funds already own securities that directly or indirectly contribute to such an ownership threshold being exceeded, Impresa Management may dispose securities held in such Funds in order to bring account-level and/or aggregate ownership below the relevant threshold. In the event that any such disposition results in realized losses, the Funds will bear such losses depending on the particular circumstances.

### **General Risks**

Impresa Management's investing activities entail numerous risks. No guarantee or representation is made that the Funds will achieve their investment objectives or that Clients will not suffer losses. The following list is not a complete list of all risks involved in connection with an investment in the Funds. The significant types of financial risks to which Impresa Management is exposed include, but are not limited to, the risks described below.

**Investment and Trading Risks.** An investment in a Fund involves a high degree of risk, including the risk that the entire amount invested may be lost. No guarantee or representation is made that a Fund's investment program will be successful or that such Fund will achieve its objective. Impresa Management will be investing substantially all of the Funds' assets in securities, some of which may be particularly sensitive to economic, market, industry and other variable conditions. The markets in which the Funds expect to invest may experience significant volatility and losses. No assurance can be given as to when or whether adverse events might occur that could cause immediate and significant losses to the Funds.

**Competition.** Other entities, including other private funds, compete with the Funds to make the types of investments that the Funds plan to make. Certain of these competitors may be substantially larger, have considerably greater financial, technical and marketing resources than the Funds will have and offer a wider array of financial services. For example, some competitors may have access to funding sources that are not available to the Funds or that are available at a lower cost. There may be intense competition for investments of the type the Funds intend to make, and such competition may result in

less favorable investment terms than might otherwise exist. There can be no assurance that there will be a sufficient number of attractive potential investments available to the Funds to achieve target returns. In addition, some of the Funds' competitors may have higher risk tolerances or different risk assessments, which could allow them to consider a wider variety of investments. The competitive pressures the Funds face may have a material adverse effect on the Funds' business, financial condition, results of operations and cash flows.

**Conflicts Related to the Management Company Valuing Investments.** With certain limited exceptions, valuations of current income and disposition proceeds with respect to investments by the Funds will be determined by Impresa Management. Investments are valued at the end of each quarter. Assets that are not publicly traded or whose market prices are not readily available are valued at fair value as determined in good faith by Impresa Management. In connection with that determination, Impresa Management will prepare valuations using sources and/or proprietary models depending on the availability of information on the Funds' assets and the type of asset being valued, all in accordance with Impresa Management's valuation policy and the organizational documents of the Funds. Fair valuations, and particularly fair valuations of private securities and private companies, are inherently uncertain, may fluctuate over short periods of time and are often based to a large extent on estimates, comparisons and qualitative evaluations of private information. Therefore, the Funds' determinations of fair value may differ materially from the values that would have been determined if a ready market for these securities investments existed. This could make it more difficult to value accurately the Funds' investments and could lead to undervaluation or overvaluation of the Funds' interests. There can be no assurance that the Funds will be able to realize any of their investments at the values indicated by Impresa Management in its periodic valuations.

**Possibility of Fraud or Other Misconduct of Employees and Service Providers.** Misconduct by employees of the general partner, Impresa Management, service providers to the Funds and/or their respective affiliates could cause significant losses to the Funds. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, the improper use or disclosure of confidential information, which could result in litigation or serious financial harm, including limiting the Funds' business prospects, and non-compliance 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 the Funds.

**Economic Conditions.** Changes in economic conditions, including changes in interest rates, inflation rates, industry conditions, government regulation, competition, technological developments, political events and trends, tax laws and many other factors can affect substantially and adversely the business and prospects of the Funds and the investments in which they may invest. None of these conditions is within the control of the general partner or Impresa Management. In addition, some countries experience low or negative interest rates, from time to time, which may magnify interest rate risk for the markets as a whole and for the Funds. The discontinuation and replacement of LIBOR (an indicative measure of the average interest rate at which major global banks could borrow from one another) and other benchmark rates may have a significant impact on the financial markets and may adversely impact Funds' performance

**Possession of Material Non-Public Information, Limiting Impresa Management's Discretion.** The Funds' investment teams may serve as directors of, or in a similar capacity with, companies in which the Funds invest, the securities of which are purchased or sold on the Funds' behalf. In the event that material nonpublic information is obtained with respect to such companies, or the Funds become subject to trading restrictions under the internal trading policies of those companies or as a result of applicable law or regulations, the Funds could be prohibited for a period of time from purchasing or selling the

securities of such companies or from making a distribution of such securities in-kind, and this prohibition may have an adverse effect on the Funds and the limited partners.

**Business and Regulatory Risks of Private Investment Funds.** The financial services industry generally, and the activities of private investment funds and their managers in particular, have recently been subject to intense and increasing regulatory scrutiny. Such scrutiny may increase the Funds' exposure to potential liabilities and to legal, compliance and other related costs. Increased regulatory oversight may also impose additional administrative burdens on the general partner and Impresa Management, including, without limitation, responding to investigations, and implementing new policies, procedures and reporting requirements. Such burdens may divert the general partner's and Impresa Management's time, attention and resources from their activities on behalf of the Funds. Such regulations may have a significant impact on the Funds, the general partners, Impresa Management or the operations thereof.

**Government Regulations and Regulatory Approvals.** The regulatory environment is consistently evolving, and changes that adversely affect the Funds could occur during the lifetime of the Funds. The Funds may invest in companies that are subject to extensive and rigorous government regulations. These regulations may change in a way adverse to the industry or to particular companies within the industry. New laws or revised regulations imposed by government agencies could lead to decreased investment returns, higher taxes or other costs. If a company fails to comply with government regulations, it may face a number of consequences which may have a significant, adverse impact on the company's share price.

**Market Disruptions.** The Funds' investment programs are intended to extend over a period of years, during which the business, economic, political, regulatory, global health and technology environment within which the Funds operate may undergo substantial changes. There can be no assurance that such economic and market conditions will be favorable in respect of both the investment and disposition activities of the Funds. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Funds and may affect the Funds' ability to make investments and the value of the investments held by the Funds. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the portfolio companies. The Funds' performance can be affected by global health crises, including the spread of infectious diseases or pandemics, or the deterioration in the capital markets and by market events, such as the onset of the credit crisis in 2007 or the downgrading of the credit rating of the United States in 2011, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies, investors' risk-free rate of return and the ability of portfolio companies to refinance debt securities (including their ability to sell new securities in the public high-yield debt market or otherwise). To the extent that such marketplace events occur, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such conditions could adversely affect the ability of the Funds' portfolio companies to find attractive funding for on-going operations either in the private or public markets, as well as affect potential exit opportunities both in the public markets and through private M&A. The ability to realize investments depends not only on portfolio companies and their historical results and prospects, but also on political, market and economic conditions at the time of such realizations. The Funds may be adversely affected to the extent they seek to dispose of any of their investments in portfolio companies into an illiquid or volatile market, and the Funds may find themselves unable to dispose of investments at prices that Impresa Management and the general partners believe reflect the fair value of such investments. The duration and ultimate effect of current market

conditions and whether such conditions may worsen cannot be predicted.

**Governmental Intervention.** The global financial markets have in recent years gone through pervasive and fundamental disruptions that have led to governmental intervention. Such intervention was in certain cases implemented on an “emergency” basis, suddenly and substantially eliminating market participants’ ability to continue to implement certain strategies or manage the risk of their outstanding positions. In addition, certain of these interventions have been unclear in scope and application, resulting in confusion and uncertainty which in itself has been materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies.

**Disposition of Investments.** Impresa Management determines, in its sole discretion, whether and when a Fund disposes of an investment. In general, when a private company in which a Fund has invested offers shares to the public by way of an initial public offering (“IPO”), the Fund seeks to dispose of such investment as soon as is practical under the circumstances, taking into account a variety of factors including, but not limited to, the length of any applicable “lock-up” period, Impresa Management’s internal price targets, regulatory restrictions, conflicts of interest with Clients of Impresa Management or its affiliates, illiquidity in the relevant market, and other factors, as determined in the sole discretion of Impresa Management, relevant to the interests of the applicable Fund and/or its investors. A decision by Impresa Management for a Fund to hold a security that has recently undergone an IPO after the expiration of the applicable lock-up period may expose such Fund to significant volatility risk and the risk of significant losses.

Impresa Management also may have an incentive to dispose of a Fund’s investments at a time and in a sequence that would generate the highest performance allocation, even if it would not be in the Fund’s interest to dispose of the investments in that manner. In addition, recently enacted tax reform in the United States has generally increased, to three years, the holding period required in order for professionals to treat their performance allocations as long term capital gain. This creates an incentive for the general partner to hold a Fund’s investments for longer periods in order for the gain from their dispositions to qualify for capital gain treatment under the new carried interest rules, even if it would be in the Fund’s interest to hold the investments for shorter periods.

**Volatility.** The market value of companies in certain sectors in which Impresa Management invests tend to be highly volatile, with significant price fluctuations that are often unrelated to the operating performance of particular companies and may be dependent on the sector as a whole. These companies may also have persistent losses or erratic revenue patterns, which in turn may lead to significant volatility in their share prices, inability to obtain additional financing, or shareholder dilution. Merger and acquisition activities, in particular, can have significant and unpredictable impacts on the market values of both the target company and the buyer. The performance of certain of the Funds’ investments may be substantially dependent upon prevailing prices of oil, natural gas, natural gas liquids, timber, forest products, and other commodities. Commodity prices have been, and are likely to continue to be, volatile and subject to wide fluctuations in response to a variety of factors, many of which are beyond the control of such Funds. Furthermore, Funds often invests in foreign companies which tend to experience more volatility due to the unpredictability of those countries’ policies, economic conditions, and political regimes.

**Illiquid Investments.** The Funds expect to make investments in securities that have limited liquidity. Certain investments held by the Funds may not be able to be sold except pursuant to a registration statement filed under the Securities Act of 1933, as amended or in accordance with Rule 144 or other available exceptions. The Funds may not be able to sell such investments when they desire or on attractive terms. Certain investments held by the Funds are publicly traded. In certain instances, a Fund

may hold a significant percentage of the shares of a publicly-traded security that has limited trading volume, and it may take the Fund a significant period of time to sell such shares, during which time the Fund will remain exposed to changes in the price of such security.

**Concentration of Investments.** Certain Funds' portfolios are expected, from time to time, to be concentrated in a particular type of security, industry, geographic location or market capitalization. This may be the result of such Fund's opportunistic investing, external market forces or the lack of liquidity in one security as compared to other securities such Fund holds. It is also anticipated that a significant portion of certain Funds' assets will be invested through funds managed by third parties. Losses incurred in a position making up a significant percentage of a Fund's capital could have a material adverse effect on such Fund's overall financial condition. This limited diversity could expose such a Fund to significantly greater volatility than in a more diversified portfolio. To the extent that a significant portion of a Fund's assets are invested in funds managed by third parties, then a significant diminution in value of one or more of such funds or the departure or inability of one or more key members of a third party manager's team to participate in the management of such funds may result in material and adverse consequences for the value of such Fund's assets.

**Fund of Funds.** Certain Investor Entities normally invest in Private Funds and third-party funds and vehicles. Such Investor Entities' ability to achieve their investment objective will depend largely on the ability of Impresa Management to select the appropriate mix of Private Funds and third-party funds and vehicles and on the Private Funds' and third-party funds' and vehicles' ability to meet their investment objectives. The Investor Entities are subject to the same risks as the Private Funds and third-party funds and vehicles in which they directly or indirectly invest. Each Investor Entity and Private Fund bears its own respective expenses. The Investor Entities also indirectly bear their proportionate share of expenses of the Private Funds and third-party funds and vehicles in which they invest, which may include management fees and performance-based fees.

The performance of certain of the Funds is dependent in part on the performance results achieved by the unrelated general partners of the third-party funds in which the Funds invest. Impresa Management will not have an active role in the day-to-day management of the third-party funds, the negotiation or implementation of service provider agreements or the ability to direct the specific investment decisions made by the managers of the third-party funds. The failure of such unrelated investment managers to make profitable investments may have a negative impact on the Funds' ability to achieve their investment goals. The Funds may sustain losses with respect to their investments despite Impresa Management's efforts to monitor the investment activities of the third-party funds. Additionally, many third-party funds are not registered investment advisers with the SEC, making it more difficult for Impresa Management to scrutinize the general partner's credentials.

**Cross Trades.** In certain cases, Impresa Management expects to cause a Fund to purchase investments from another Fund, and to cause a Fund to sell investments to another Fund (e.g., to comply with applicable investment guidelines and restrictions of a Fund or warehousing investments for a successor venture fund). Such transactions create conflicts of interest because Impresa Management may have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees.

**Money Market Instruments.** Impresa Management expects to invest all or a portion of certain Clients' assets in high quality fixed-income securities, money-market instruments, and foreign money-market mutual funds, or cash or cash equivalents in such amounts as Impresa Management deems appropriate under the circumstances. Money market instruments, which may include, without limitation, money market instruments managed by an FMR LLC-affiliated entity, are high quality, short term fixed-income

obligations, which generally have remaining maturities of less than one year, and may include short-term U.S. Treasury securities, federal agency notes, Eurodollar deposits, repurchase agreements, certificates of deposit, corporate commercial paper, and obligations of states, cities, or other types of municipal agencies. However, there can be no assurances that such investments will not be subject to significant risks.

**Derivative Investments.** Certain Funds invest directly, or indirectly, in derivative instruments. Derivative instruments or “derivatives” include futures, options, structured securities and other instruments and contracts that are derived from, or the value of which is related to, one or more underlying securities, financial benchmarks, currencies or indices. Derivatives allow an investor to hedge or speculate upon the price movements of a particular security, financial benchmark currency or index at a fraction of the cost of investing in the underlying asset. The value of a derivative depends largely upon price movements in the underlying asset. Therefore, many of the risks applicable to trading the underlying asset are also applicable to derivatives of such asset. However, there are a number of other risks associated with derivatives trading. For example, because many derivatives are leveraged, and thus provide significantly more market exposure than the money paid or deposited when the transaction is entered into, a relatively small adverse market movement may expose the Fund to the possibility of a loss exceeding the original amount invested. Derivatives may also expose investors to liquidity risk, as there may not be a liquid market within which to close or dispose of outstanding derivatives contracts. Swaps and certain options and other custom instruments are subject to the risk of non-performance by the swap counterparty, including risks relating to the creditworthiness of the swap counterparty.

Futures positions may be illiquid because certain commodity exchanges limit fluctuations in certain futures contract prices during a single day by regulations referred to as “daily price fluctuation limits” or “daily limits.” Under such daily limits, during a single trading day no trades may be executed at prices beyond the daily limits. Once the price of a contract for a particular future has increased or decreased by an amount equal to the daily limit, positions in the future can neither be taken nor liquidated unless traders are willing to effect trades at or within the limit. This could prevent Impresa Management from promptly liquidating unfavorable positions and subject a Fund to substantial losses.

**Investments in Less Established Companies.** Certain of the Funds will invest a portion of their assets in less established companies. Portfolio investments in such early stage companies with no established products or services may involve greater risks than generally are associated with portfolio investments in more established companies. To the extent there is any public market for the securities held by a Fund in any such companies, such securities may be subject to more abrupt and erratic market price movements than those of larger, more established companies. Less established companies tend to have lower capitalizations and fewer resources and, therefore, often are more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. As such, these portfolio investments should be considered highly speculative and may result in the loss of a Fund’s entire portfolio investment.

**Foreign Currency and Exchange Rates.** Certain Funds’ assets are expected to be invested in foreign securities and substantially all income derived from such securities may be received by such Fund in foreign currencies. However, the Funds generally compute and distribute their income in U.S. dollars, and the computation of income is made on the date of its receipt by a Fund at the foreign exchange rate in effect on that date. Therefore, if the value of the foreign currencies in which a Fund receives all or a portion of its income falls relative to the U.S. dollar between receipt of the income and the making of a Fund’s distributions, such Fund’s investors will bear the economic risk. In general, Funds do not regularly hedge their exposure to foreign currency.



**CLOs and Other Structured Finance Securities.** Certain Funds invest in CLOs and structured finance securities. CLOs and structured finance securities present risks similar to those of other types of credit investments, including default (credit), interest rate, liquidity, prepayment and reinvestment risks. The amount and nature of collateral obligations likely will be established to withstand certain assumed deficiencies in payment occasioned by defaults in respect of such collateral obligations. However, if any deficiencies exceed such assumed levels, payments on secured notes issued by a CLO and payments and any final distribution on CLO securities could be adversely affected which would adversely affect distributions to such Fund. To the extent that a default occurs with respect to a collateral obligation securing secured notes and the CLO issuer upon the advice of the collateral manager sells or otherwise disposes of such collateral obligation, it is not likely that the proceeds of such sale or other disposition will be equal to the amount of principal and interest owing to the issuer in respect of such collateral obligation. The market value of collateral obligations will fluctuate with, among other things, the financial condition of the obligors on or issuers of the collateral obligations, general economic conditions, the condition of the debt trading markets and certain other financial markets, political events, developments or trends in any particular industry and changes in prevailing interest rates. Such changes in market value will impact the value of CLO securities held by a Fund. In addition, CLOs and other structured finance securities are often governed by a complex series of legal documents and contracts, which increases the risk of dispute over the interpretation and enforceability of such documents relative to other types of investments. There is also a risk that the trustee of a CLO does not properly carry out its duties to the CLO, potentially resulting in loss to the CLO. CLOs are also inherently leveraged vehicles and are subject to leverage risk.

**Blockchain or Other Crypto Related Businesses.** One or more Funds invest in companies that develop products or services related to blockchain technology or other crypto related businesses (“Crypto Companies”). Blockchain and crypto technology is relatively new, and the regulatory and legal environments are still developing. Legal and regulatory developments may make certain of the products or services being developed by Crypto Companies infeasible or result in Crypto Companies having significantly less value than anticipated. In addition, many Crypto Companies are newly formed entities that entail the types of risks described under “*Investments in Less Established Companies*”. Finally, due to a pre-existing investment in a Crypto Company’s securities, a Fund may have a right to participate in future issuances by such Crypto Company, including issuances of tokens or other cryptoassets (“Cryptoassets”). In the sole discretion of Impresa Management, a Fund may choose not to purchase Cryptoassets, notwithstanding its contractual rights to do so, due to, among other reasons, uncertainty regarding the appropriate regulatory classification of, or the ability to comply with the requirements of the U.S. Investment Advisers Act of 1940 (“Advisers Act”), as amended, with respect to, such Cryptoassets. Under such circumstances, one or more affiliates of Impresa Management may have the ability to invest in such Cryptoassets and may do so, notwithstanding the Fund’s decision not to invest.

**Biotechnology / Therapeutics Industry.** Certain Funds make investments, either directly or indirectly, in the biotechnology, life sciences and pharmaceutical (“therapeutics”) industries within the U.S. and outside of the U.S., including without limitation, China, Europe, Japan and India. Companies in the therapeutics industry can be significantly affected by patent considerations, intense competition, rapid technological change and obsolescence, and government regulation. These companies are also affected by regulatory approval for new drugs and medical products, product liability, and similar matters. The therapeutics industry may experience considerable volatility in reaction to research and other business developments which may affect only one, or a few companies within the industry. The market values of investments in the therapeutics industry are often based upon speculation and expectations about future products, research progress, and new product filings with regulatory authorities. In addition, compared

to more developed industries, there may be a thin trading market in therapeutics securities. As a result, investments in this sector may be riskier than other market sectors.

**Technology, Media and Telecommunication (“TMT”) Sectors.** Certain Funds invest directly or indirectly in companies that focus on the technology, media and telecommunication sectors, and investments in such companies involve substantial risks. These risks include: certain companies in the portfolios of a Fund may have limited operating histories; rapidly changing technologies and products which may quickly become obsolete; cyclical patterns in information technology spending which may result in inventory write-offs, cancellation of orders and operating losses; scarcity of management, engineering and marketing personnel with appropriate training; the possibility of lawsuits related to technological patents; changing investors’ sentiments and preferences with regard to “TMT” sector investments with their resultant effect on the price of underlying securities; and volatility in the applicable markets affecting the prices of technology company securities, which may cause the performance of a Fund to experience substantial volatility. In addition, as a Fund may focus on investing in TMT companies, such concentration could have a material adverse effect on such Fund including if any of the industries in which such Fund invests experiences adverse news. Furthermore, these sectors, particularly technology and its many sub-sectors, have historically been subject to significant volatility.

**Agricultural Business.** Certain Funds invest in securities or other assets relating to the agriculture sector. An agricultural asset is subject to the risks inherent in the agricultural business, such as weather, insects, plant diseases and similar agricultural risks. An agricultural asset’s operations may be adversely affected by severe disease and insect infestation, which may result in its operations having reduced harvest yields or suspension of operations.

**Energy and Natural Resources Sectors.** Certain Funds invest in securities or other assets with exposure to the energy and natural resources sectors. Investments in the energy and natural resources sectors are subject to a variety of risks, not all of which can be foreseen or quantified. The performance of a certain Fund’s investments may be substantially dependent upon prevailing prices of oil, natural gas, natural gas liquids, timber, forest products, and other commodities. Commodity prices have been, and are likely to continue to be, volatile and subject to wide fluctuations in response to a variety of factors, many of which are beyond the control of such Fund. A Fund’s investments may be subject to the risk of changes in values of companies in the energy sources or natural resources sectors whose operations are affected by changes in prices and supplies of energy or natural resources. Investments in the energy and natural resources sectors may have significant shortfalls in projected cash-flow if energy or natural resources prices decline from levels at the time the investment is made. For example, various factors beyond the control of a Fund will affect prices of oil, natural gas, natural gas liquids, timber and forest products including the worldwide supply of such commodities, political instability or armed conflict in regions where such commodities are produced or grown, the price of foreign imports, the level of consumer demand, the price and availability of alternative fuels, the availability of pipeline capacity, and changes in existing government regulation, taxation, and price control. Furthermore, energy and natural resources prices are mostly commoditized and thus are sensitive to the global economy.

**Consumer Sector.** Certain Funds’ investments are expected to be in issuers conducting business in the consumer or consumer-related sector, meaning such Funds are expected to be affected by legislative or regulatory changes, adverse market conditions and/or increased competition affecting the consumer sector. The consumer sector encompasses anything that touches the consumer including all retailers, wholesalers, gaming/lodging/leisure, restaurants, supermarkets and drugstores, homebuilders and building products, household and personal care products, food and agriculture, ecommerce and internet, education, media and technology, light industrials, automotive, and transportation. The prices of the

securities of these companies may fluctuate widely due to consumer spending, which is affected by general economic conditions and consumer confidence levels. The industry is highly competitive, and a company's success is often tied to its ability to anticipate and react to changing consumer tastes. Many of these companies may be thinly capitalized and are dependent upon a relatively few number of business days to achieve their overall results. In addition, the performance of some of these companies has historically been affected by interest rates, competition, the cost of real estate, commodity and labor costs, and relative levels of disposable household income and seasonal consumer spending. Changes in demographics and consumer tastes can also affect the demand for, and success of, consumer products in the marketplace.

**Investing in Europe.** Certain Funds invest, either directly or indirectly, in companies located in Europe. The Economic and Monetary Union (the "EMU") of the European Union (the "EU") requires compliance with restrictions on inflation rates, deficits, interest rates, debt levels and fiscal and monetary controls, each of which may significantly affect every country in Europe. Decreasing imports or exports, changes in governmental or EU regulations on trade, changes in the exchange rate of the euro, the default or threat of default by an EU member country on its sovereign debt, an exit of the EU by EU member countries, and an economic recession among EU member countries may have a significant adverse effect on the economies of EU member countries and their trading partners. The European financial markets have experienced volatility and adverse trends due to concerns about economic downturns or rising government debt levels of several European countries. In order to prevent economic deterioration, certain countries, without prior warning, can institute "capital controls". Countries use these controls to restrict volatile movements of capital entering and exiting their country. Such controls may negatively affect the Funds' investments in companies located in one or more of such countries within Europe. A default or debt restructuring by any European country would adversely impact holders of that country's debt and sellers of credit default swaps linked to that country's creditworthiness, which may be located in countries other than those listed in the previous sentence. In addition, the credit ratings of certain European countries have in the past been downgraded. These downgrades may result in further deterioration of investor confidence. These events have adversely affected the value and exchange rate of the euro and may continue to significantly affect the economies of every country in Europe, including countries that do not use the euro and non-EU member countries.

Furthermore, the United Kingdom has withdrawn from the EU. The withdrawal could cause an extended period of uncertainty and market volatility, not only in the United Kingdom but throughout the EU and the globe. Such uncertainty and market volatility could negatively affect certain Funds' investments.

**Investing in Asia Pacific Region.** Certain Funds invest, either directly or indirectly, in the securities of issuers located in the Asia Pacific region. Such Funds' investments in securities and instruments in these foreign markets involve substantial risks not typically associated with investing in U.S. securities. The success of a Fund's investments may be affected by general economic and market conditions in the Asia Pacific region, such as interest rates, availability of credit, inflation rates, economic uncertainty, changes in laws, trade barriers, currency exchange controls and national and international political circumstances. These factors may affect the level and volatility of securities prices and the liquidity of a Fund's investments. Volatility or illiquidity could impair a Fund's profitability or result in losses. This volatility may be increased by the relatively limited level of trading in certain Asian markets, the relatively large impact of overseas funds moving in and out of Asian markets, the relatively poor level of information disclosure by companies in the region, the relative lack of stringency of regulations covering the corporate governance of listed companies and the relatively under-developed nature of regulations covering the trading of securities in many countries in the region. Additionally, the relatively high level of indebtedness of many Asian countries and dependence on foreign borrowing also adds to the level of

macroeconomic risk.

The economies of individual Asian markets may differ favorably or unfavorably from the U.S. economy in such respects as growth of gross domestic product, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and balance of payments position. Further, the economies of Asia Pacific markets generally are 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. These economies also have been and may continue to be adversely affected by economic conditions in the countries with which they trade. The economies of certain of these countries 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.

With respect to certain countries in the Asia Pacific region, there is the possibility of nationalization, expropriation, confiscatory taxation, imposition of withholding or other taxes on dividends, interest, capital gains or other income, limitations on the removal of funds or other assets of a Fund, political changes, government regulation, social instability or diplomatic development (including war and terrorist activities), any of which could affect adversely the economies of such countries or the value of such Fund's investments in those countries. Where Fund assets are invested in narrowly defined markets or sectors of a given economy, risk is increased by the inability to broadly diversify investments and by potentially adverse developments within those markets or sectors.

**Broker Risk.** Certain Funds' assets are held in one or more accounts maintained for such Funds by their brokers or custodian banks, which may be located in various jurisdictions, including emerging market jurisdictions. The brokers (including those acting as sub-custodians) and custodian banks are subject to various laws and regulations in the relevant jurisdictions that are designed to protect their customers in the event of their insolvency.

Accordingly, the practical effect of the laws protecting customers in the event of insolvency and their application to such Fund's assets may be subject to substantial variations, limitations and uncertainties. For instance, in certain jurisdictions brokers could have title to such Fund's assets or not segregate customer assets. Because of the large number of entities and jurisdictions involved and the range of possible factual scenarios involving the insolvency of a broker or a clearing corporation, it is impossible to further generalize about the effect of the insolvency of any of them on such Fund and its assets. Investors should assume that the insolvency of any of the brokers, custodian banks or clearing corporations may result in the loss of all or a substantial portion of such Fund's assets or in a significant delay in such Fund's having access to those assets.

**Cybersecurity Risk.** With the increased use of technologies such as the Internet to conduct business, Funds are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through "hacking" or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting the Funds and other service providers (including, but not limited to, accountants, custodians, transfer agents and financial intermediaries) have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, interference with the Funds' ability to value their securities or other investments, impediments to trading, the inability of Funds to transact business, violations of applicable privacy and other laws,

regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting issuers of securities in which the Funds invest, counterparties with which the Funds engage in transactions, governmental and other regulatory authorities, exchange and other financial market operators, banks, brokers, dealers, insurance companies and other financial institutions and other parties. In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While the Funds' service providers generally have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the Funds cannot control the cyber security plans and systems put in place by its service providers or any other third parties whose operations may affect the Funds. The Funds could be negatively impacted as a result.

**CFIUS Considerations.** The Funds may be investors in transactions that are ultimately 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. Transactions subject to review can include, but are not limited to, ones that involve the acquisition of a U.S. business or use of certain technology originating in the United States. Regulators may consider a variety of factors when reviewing such transactions, including the structure, beneficial ownership and control of interests of the parties involved in the transaction, which might include the Funds, as well as the industry sector of the target U.S. business. In the event that CFIUS or another regulator reviews one or more of the transactions in which the Funds have invested, or are contemplating investment in, there can be no assurances that the Funds will be able to maintain, or proceed with, such investments on terms acceptable to the Funds. CFIUS or another regulator may seek to impose limitations on or prohibit one or more transactions involving the Funds' investments. Such limitations or restrictions may prevent the Funds from maintaining or pursuing investments or from achieving its objectives with respect to existing portfolio companies, which could adversely affect the Funds' performance with respect to such investments (if consummated) and thus the Funds' performance as a whole. Moreover, changes to CFIUS and similar non-U.S. foreign investment and national security review regimes may limit the universe of suitable prospective acquirers for certain investments that the Funds may exit and may make more difficult for the Funds to realize value from such investments.

**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 the Clients' investments and the industries in which they operate. Furthermore, Impresa Management's ability to operate effectively, including the ability of its personnel or its service providers and other contractors to communicate and travel could be materially impaired. The spread of COVID-19 among Impresa Management's personnel and its service providers could also significantly affect Impresa Management's investment activities or operations.

**DISCIPLINARY INFORMATION**

There are no legal or disciplinary events that are material to a prospective client's evaluation of the advisory business of Impresa Management, or the integrity of its management.

## OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

### ***Broker Dealers***

Impresa Management or its affiliates have relationships or arrangements with the following related brokers:

Fidelity Brokerage Services LLC (“FBS”), a wholly-owned subsidiary of Fidelity Global Brokerage Group, Inc., is a registered broker-dealer under the Securities Exchange Act of 1934 (“Exchange Act”), and provides brokerage products and services including the sale of shares of investment companies advised by Fidelity Management & Research Company LLC (“FMR”), a wholly-owned subsidiary of FMR LLC, to individuals and institutions, including retirement plans administered by affiliates. Pursuant to referral agreements and for compensation, representatives of FBS refer customers to various services offered by FBS’s related persons. In addition, FBS is the distributor of insurance products, including variable annuities, which are issued by FMR’s related persons, Fidelity Investments Life Insurance Company and Empire Fidelity Investments Life Insurance Company. FBS provides shareholder services to certain of FMR’s or FMR’s affiliates’ clients.

National Financial Services LLC (NFS) is a registered broker-dealer under the Exchange Act and is a fully disclosed clearing broker-dealer. As such, NFS provides clearing, settlement and execution services for other broker-dealers, including its affiliate Fidelity Brokerage Services. Fidelity Capital Markets (FCM) is a division of NFS which provides trade executions for FMR and other clients. Additionally, FCM operates CrossStream, an alternative trading system that allows orders submitted by its subscribers to be crossed against orders submitted by other subscribers. CrossStream is used to execute transactions for FMR or FMR’s affiliates’ investment company and other advisory clients. NFS is also registered as an investment adviser under the Advisers Act in order to support FCM’s transition management business for ERISA plan fiduciaries. The NFS registered investment adviser does not have any advisory clients, does not provide investment advice and does not receive compensation for investment advisory services. NFS may provide transfer agent or sub transfer agent services and other custodial services to certain of FMR’s or FMR’s affiliates’ clients. NFS is a wholly-owned subsidiary of Fidelity Global Brokerage Group Inc., a holding company that provides certain administrative services to NFS and other affiliates. NFS at times serves as clearing agent for client transactions that Impresa Management’s affiliates place with certain broker-dealers. NFS at times provides transfer agent or sub-transfer agent services to certain of Impresa Management’s affiliates’ clients. NFS serves as custodian for the assets of certain Investor Entities and for certain assets owned by Other Clients of Impresa Management.

Luminex Trading & Analytics LLC (“LTA”), a registered broker-dealer and alternative trading system, was formed for the purpose of establishing and operating an electronic execution utility (the “LTA ATS”) that allows orders submitted by its subscribers to be crossed against orders submitted by other subscribers. FMR Sakura Holdings, Inc., a wholly owned subsidiary of FMR LLC, is the majority owner of LTA. LTA charges a commission to both sides of each trade executed in the LTA ATS. The LTA ATS is sometimes used to execute transactions for FMR’s or FMR’s affiliates’ investment companies and other advisory clients. NFS will serve as a clearing agent for transactions executed in the LTA ATS.

Impresa Management does not currently place portfolio transactions with FCM and uses CrossStream and LTA ATS, alternative trading systems operated by NFS and LTA, respectively. Impresa Management at times places Client trades, through FMR, with unaffiliated broker-dealers that use NFS as a clearing agent.

### ***Transactions with Certain Brokers***

Impresa Management's affiliates (including FMR and FMR's affiliates) at times places trades with certain brokers including NFS and LTA, provided, that Impresa Management's affiliates determine that these affiliates' trade execution abilities and costs are comparable to those of non-affiliated, qualified brokerage firms, and that such transactions are executed in accordance with applicable rules under the Investment Company Act of 1940 and procedures adopted by the board of trustees or directors (as applicable) of FMR's clients in the Fidelity group of funds.

### ***Other Investment Advisers***

Impresa Management has relationships or arrangements with the following related investment advisers:

FMR, in association with its various affiliates, serves as investment adviser to a number of investment companies, and is registered as an investment adviser under the Advisers Act. Impresa Management will, in certain circumstances, place orders in public securities at no cost through FMR, an affiliate that also performs this function for registered investment companies advised by FMR LLC-related companies, or through one of its affiliates. In addition, Impresa Management from time to time invests the Clients' uninvested cash balances in mutual funds advised by FMR.

FIAM LLC ("FIAM") is a wholly-owned subsidiary of FIAM Holdings LLC, which in turn is wholly-owned by FMR LLC, and provides investment management services, including sub-advisory services to FMR or its affiliates. FIAM is a registered investment adviser under the Advisers Act. FIAM is also registered with the Central Bank of Ireland. Certain Investor Entities have invested in a fund managed by FIAM, which invests in an investment grade fixed income portfolio.

### ***Potential Conflicts of Interest***

The material conflicts of interest encountered by Impresa Management include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by Clients. Other conflicts may be disclosed throughout this brochure, and the brochure should be read in its entirety for other conflicts. Clients should be aware it is impossible to predict the full range of situations in which actual or potential conflicts of interest may arise. Accordingly, this discussion cannot be, and is not intended to be, exhaustive.

In the case of all conflicts of interest, Impresa Management's determination as to which factors are relevant, and the resolution of such conflicts, will be made using Impresa Management's best judgment, but in its sole discretion. In resolving conflicts, Impresa Management considers 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 generally mitigate, but will not eliminate, conflicts of interest:

- 1) Impresa Management will consider the appropriateness of an investment from the viewpoint of a Client;
- 2) Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the organizational documents for the Clients; and
- 3) Impresa Management has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest.

Impresa Management is affiliated with FMR LLC-affiliated entities, including some that serve as general partners in private investment partnerships and some which act as investment adviser to funds registered as investment companies under the Investment Company Act of 1940. Impresa Management,



the FMR LLC-affiliated entities and their directors, partners, trustees, managers, members, officers, employees and independent contractors are engaged in a variety of businesses and have interests other than that of managing the Clients. This broad range of activities and interests gives rise to actual, potential and perceived conflicts of interest that could disadvantage the Clients.

All personnel of FMR LLC-affiliated entities who provide investment advisory services on behalf of, and through, Impresa Management are treated as employees of Impresa Management. In addition, certain independent contractors provide advisory services to Impresa Management with respect to the Funds. Impresa Management will evaluate each independent contractor's engagement with Impresa Management to determine whether certain services, including advisory services, provided by the independent contractor functionally fall within the definition of a supervised person. As discussed below, all employees of Impresa Management and all independent contractors determined to be supervised persons (collectively, "Advisory Personnel") of Impresa Management are subject to a code of ethics ("Code").

Impresa Management from time to time invests a Client's uninvested cash balances in registered investment companies advised by FMR LLC-related companies (such as money market mutual funds). Certain affiliated persons of Impresa Management who also own interests in FMR LLC receive economic benefits as a result of a Client's assets that are so invested. An FMR LLC-affiliated entity, NFS, serves as custodian for the assets of certain of the Investor Entities, and receives fees for such services.

Impresa Management's allocation of investment, acquisition and disposition opportunities among the Clients presents inherent actual and potential conflicts of interest, particularly where an investment opportunity is limited. Certain Clients have investment objectives or utilize investments strategies that are similar to other Clients and/or engage in transactions in the same types of securities and instruments as other Clients. As a result, certain investment, acquisition and disposition opportunities are appropriate for multiple Clients.

Impresa Management and the FMR LLC-affiliated entities are not obligated to make any particular investment opportunity available to a Client. Impresa Management in its discretion, will decide how to allocate such investment opportunity among the Clients. In allocating such investment opportunities, Impresa Management may consider some or all of a wide range of factors, which include, but are not necessarily limited to, one or more of the following:

- Structural and operational differences between the Clients;
- The Clients' diversification (including the actual, relative or potential exposure of a Client to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Any "ramp-up" period of a newly established Client;
- Amount of capital available for investment by each Client as well as each Client's projected future capacity for investment;
- Each Client's targeted rate of return;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;
- Composition of each Client's portfolio;
- The suitability as a follow-on investment for a current portfolio company of a Client;
- The availability of other suitable investments for each Client;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- Asset class restrictions;
- The seniority of an investment and other capital structuring criteria;
- Industry and other allocation targets;

- Minimum and maximum investment size requirements;
- Tax implications;
- Whether an investment opportunity requires additional consents or authorizations from a Client, investors or third parties;
- Whether an investment opportunity would enable a Client to qualify for certain programmatic benefits or discounts that are not readily available to other Clients including, but not limited to, the ability to enter into credit arrangements with certain financial or governmental institutions;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the governing documents of each Client.

The application of the factors set forth above will often result in allocation on a non-pro rata basis and there can be no assurance that a Client will participate in all investment opportunities that fall within its investment objectives. Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. Impresa Management will not allocate investment opportunities among Clients based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Client or (ii) the profitability of any Client.

The terms on which one Client invests in, acquires or disposes of a particular opportunity may differ from the terms available to another Client with respect to the same security or instrument, which results in conflicts. These differences could result in, among other things, a Client selling or withdrawing from investments in which another Client is invested in advance of such other Client or otherwise adversely affecting such other Client or its investors. These differences in timing could be detrimental to a Client.

From time to time, Impresa Management has the opportunity to make follow-on investments in an existing holding of a Client. Impresa Management will generally allocate these investments to the Client that currently holds the investment or, in limited circumstances generally related to capacity limitations, to another more-recently formed Client, which in certain cases may have a different fee structure, which may be higher or lower than the fee structure of the Client that made the original investment.

Certain FMR LLC-affiliated entities manage or advise, and have proprietary interests in, other accounts and funds, including but not limited to, mutual funds and separate accounts (the “Other Accounts”). Certain of the Other Accounts have investment objectives similar to those of the Clients, utilize investment strategies that are similar to those of the Clients and/or engage in transactions in the same types of securities and instruments as the Clients. Certain FMR LLC-affiliated entities are actively engaged in transactions on behalf of Other Accounts in the same investments, securities, derivatives and other instruments in which a Client directly or indirectly invest. The transactions of the FMR LLC-affiliated entities involving the Other Accounts could affect the prices and availability of the securities and instruments in which the Clients invest, and could have an adverse impact on the Clients’ performance. The Clients and the Other Accounts are potentially divergently managed. The results of the investment activities of the Clients may differ significantly from the results achieved by the Other Accounts. Impresa Management may give advice, and take action, with respect to the Clients that may compete or conflict with the advice given by FMR LLC-affiliated entities with respect to the Other Accounts, including with respect to the timing or nature of action relating to an investment or method of exiting an investment. The timing of entry or exit from an investment by the Clients as compared to Other Accounts may vary for reasons such as, but not limited to, differences in strategy or liquidity requirements. Transactions undertaken by the Other Accounts may adversely impact the Clients. The Other Accounts may buy or sell positions while a Client is undertaking the same or a differing, including potentially opposite, strategy, which could disadvantage the Client. A position taken by the Other Accounts may be contrary to a position taken on behalf of a Client or may be adverse to a company or issuer in which the Fund has invested.

Conflicts arise in cases where a Client, directly or indirectly, and one or more Other Accounts invest in

different parts of an issuer's capital structure. If an issuer in which a Client, directly or indirectly, and one or more Other Accounts hold different classes of securities (or other assets, instruments or obligations issued by such issuer) encounters financial problems, decisions over the terms of any workout will raise potential conflicts of interests (including, for example, conflicts over proposed waivers and amendments to debt covenants). As a result, one or more Other Accounts may pursue or enforce rights with respect to a particular issuer in which a Client has directly or indirectly invested, and those activities may have an adverse effect on the Client.

Furthermore, if an Other Account holds debt securities of an issuer and a Client directly or indirectly holds equity securities of the same issuer, then, if the issuer experiences financial or operational challenges, the Other Account that holds the debt securities may seek a liquidation of the issuer in which it may be paid in full, whereas the Client, as a direct or indirect equity holder, might prefer a reorganization that holds the potential to create value for the equity holders. 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 raise conflicts of interest. In the event of an insolvency, bankruptcy or similar proceeding of an issuer, a Client may be limited (by applicable law, courts or otherwise) in the positions or actions it may be permitted to take due to other interests held or actions or positions taken by Other Accounts. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Clients or Other Accounts 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 negotiating the terms and conditions of any such investments, or any subsequent amendments or waivers, Impresa Management and an FMR LLC-affiliated entity may find that their own interests, the interests of a Client and/or the interests of one or more Other Accounts could conflict. Clients and their investors should be aware that any conflicts will not necessarily be resolved in favor of the Client and that the Client could be adversely affected by the actions taken by an FMR LLC-affiliated entity on behalf of the Other Account.

Conflicts also arise because investment decisions made by Impresa Management on behalf of a Client may benefit the Other Accounts. For example, the purchase, holding and sale of investments by a Client may enhance the profitability of an Other Account's own investments in and activities with respect to such investments. In addition, Impresa Management or certain FMR LLC-affiliated entities may be incentivized not to undertake certain actions on behalf of a Client in connection with a particular investment, in view of an Other Account's involvement with the relevant issuer or investment.

It is anticipated that, from time to time, one or more affiliated persons of the ESC or other Investor Entities, acting as principal, will (a) buy or sell securities or other assets from or to the ESC or other Investor Entities, or (b) borrow from or make loans to the ESC or other Investor Entities. Any proposed transaction otherwise prohibited by Section 17(a) or Section 17(d) of the Investment Company Act of 1940 and Rule 17d-1 thereunder to which the ESC is a party may only be entered into in accordance with the requirements set forth in the Exemptive Order, including that such transaction is effected only if the board of Impresa Management determines that the transaction's terms are fair and reasonable to the ESC's investors, do not involve overreaching of the ESC or its investors, and are consistent with the interests of the ESC's investors, the ESC's organizational documents and reports to investors. Any loan by the ESC to an affiliated person of the ESC will generally be on terms no more favorable to the affiliated person than would be obtainable from an unaffiliated third party on an arm's-length basis.

Conflicts of interest have arisen in the past, and may arise in the future, where a Client owns or wishes to own a position in a portfolio company in which a client of FMR LLC or an FMR LLC-affiliated entity is interested in investing. In particular, legal and regulatory requirements applicable to certain Clients, as well as to certain clients of FMR LLC or an FMR LLC-affiliated entity, including without limitation the Investment Company Act of 1940, restrict certain Clients and certain clients of FMR LLC or an FMR LLC-affiliated entity from investing in the same securities at the same time under certain

circumstances.

To address conflicts of interest between Clients, on the one hand, and clients of FMR LLC or an FMR LLC-affiliated entity, on the other hand, Impresa Management has caused certain Clients in the past to refrain from investing, or to limit their investments or voting rights, and in the future likely will cause certain Clients to refrain from investing, or to limit their investment or voting rights, in certain portfolio companies or third-party funds to avoid preventing or limiting investments by clients of FMR LLC or an FMR LLC-affiliated entity in such portfolio companies, third-party funds or portfolio companies held by such third-party funds. Impresa Management has also caused certain Clients to sell or waive voting rights with respect to, and likely will in the future cause certain Clients to sell, distribute to investors or otherwise dispose of, or waive voting rights with respect to, all or a portion of their investment in certain portfolio companies to avoid preventing or limiting investments by clients of FMR LLC or an FMR LLC-affiliated entity in such portfolio companies, including generally where a portfolio company held by a Client is about to undertake an initial public offering. In such situations, Client returns may be lower than they otherwise would have been had the Client not limited its participation or voting rights, or disposed of its interest, in such investment.

Impresa Management's transactions in publicly traded securities are generally limited to the sale of securities that have become publicly traded subsequent to their initial purchase by means of a public offering, acquisition, or otherwise. Impresa Management places orders in publicly traded securities at no cost through FMR LLC, which also performs this function for affiliated registered investment companies. Trade orders are subsequently directed by FMR LLC to various unaffiliated brokers that retain a commission or charge a mark-down. Securities are custodied by an affiliated broker, NFS, which acts as settlement agent or sometimes as clearing agent for these transactions.

Certain benefits accrue to Impresa Management and FMR LLC-affiliated entities in connection with the Clients and their investment strategies and activities and the ongoing business activities of Impresa Management and the FMR LLC-affiliated entities. For example, certain Investor Entities invest in underlying funds and Impresa Management will receive more revenue when it selects a Private Fund rather than an unaffiliated fund for investment. FMR LLC-affiliated entities provide other services and receive fees or other payments and expense reimbursement from the Clients or from entities in which a Client invests. Fees or other payments include, without limitation, advisory or management fees, financing fees, custody fees, brokerage and trading fees, fees for clearing services, and performance-based fees such as a carried interest entitling the entity to a percentage of the profits of a Private Fund.

Certain Advisory Personnel of Impresa Management who advise the Private Funds and who are required to allocate time and investment ideas across multiple Private Funds share in the carried interest (also referred to as performance-based compensation) with respect to certain of those funds and not (or at different rates) with respect to other Private Funds. Such Advisory Personnel may be motivated to invest more effort advising on behalf of those Private Funds in which he or she shares in a carried interest (or shares in carried interest at higher rates) in order to increase the funds' performance and therefore payments he or she receives. In situations where certain Advisory Personnel have entered into a performance-based compensation arrangement, they may have an economic incentive to make riskier investments and/or pursue riskier strategies than they might otherwise for the purpose of enhancing performance-based compensation.

Certain Advisory Personnel of Impresa Management, including independent contractors and consultants of Impresa Management, and employees of FMR LLC-affiliated entities serve as officers or directors of portfolio companies in which a Client directly or indirectly invests pursuant to rights held by a Client to designate such officers or directors, and in such capacity may be entitled to receive compensation (in cash, equity or otherwise) and expense reimbursements. Employees of Impresa Management are

generally not permitted to retain any such compensation received for their service as officers or directors of portfolio companies.

In addition, a portfolio company will typically reimburse Impresa Management, as well as officers and directors of portfolio companies, 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 diligence, meetings or other events (to the extent such programs, meetings or events are attended by portfolio company personnel), 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 Impresa Management in connection with its performance of services for such portfolio company.

Certain personnel of Impresa Management or its affiliates may also be temporarily seconded to or otherwise engaged by certain portfolio companies on either a full-time or a part-time basis to provide services to such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse Impresa Management or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. Impresa Management may also advance compensation to seconded employees and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by Impresa Management or its affiliates to such persons will typically be reduced to reflect amounts paid directly or indirectly by the portfolio company even though the management fee paid or carried interest distributed by the Fund to Impresa Management will not be reduced. Any amounts paid to such persons by a portfolio company (or paid by Impresa Management and reimbursed by a portfolio company) will not be treated as expenses to be borne by the Fund and will not reduce the management fee otherwise payable to Impresa Management or any carried interest otherwise payable to Impresa Management or its affiliates. All or a portion of any such compensation and incentives will be borne by the Fund, directly or indirectly, via its ownership interest in such portfolio company. In certain instances, whether an individual who provides services to a portfolio company should be characterized as an industry specialist, an employee or former employee of Impresa Management, or a seconded employee may be unclear. In such cases, Impresa Management will make a determination in good faith based on its evaluation of the relevant facts and circumstances.

Impresa Management, from time to time, leases out certain space to portfolio companies for which it typically charges rent at or below market rates. Any such rent payment or reimbursement of attributable overhead (including utilities) will not result in any offset against the management fees payable by the Funds or otherwise benefit the Funds.

Serving as a director or officer of a portfolio company may give rise to conflicts to the extent that the employee's or independent contractor's fiduciary duties or other obligations to the portfolio company conflict with the interests of the Clients. Advisory Personnel of Impresa Management may be granted options in a portfolio company as part of their compensation as a director or officer. Any such options granted to employees of Impresa Management, if exercised, would typically be used to offset any transaction expenses advanced by Impresa Management and not reimbursed by a Private Fund, and any remaining amount would be used to reduce the management fee. Options granted to Impresa Management's independent contractors are retained by the independent contractors. This may create a financial incentive for the holder of the options to recommend actions or investments that may not be in the interests of a Client. In addition, in certain instances, Advisory Personnel of Impresa Management may obtain information about a portfolio company that could limit the ability of Impresa Management to

buy or sell securities of the portfolio company on behalf of a Client.

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

Impresa Management expects, from time to time, to cause a Client to purchase investments from another Client. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, the Client may not receive the best price otherwise possible, or Impresa Management might have an incentive to improve the performance of one Client by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, Impresa Management, its affiliates and/or their professionals (i) will, from time to time, have significant investments, or intentions to invest, in a Client that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). Impresa Management and its affiliates generally receive management or other fees in connection with their management of the Clients involved in such a transaction, and generally are entitled to share in the investment profits of certain Clients.

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a “principal transaction”), Impresa Management must make certain disclosures to the client of the terms of the proposed transaction and obtain the client’s consent to the transaction. In connection with Impresa Management’s management of the Funds, Impresa Management and its affiliates may engage in principal transactions. Impresa Management has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the Funds regarding any proposed principal transactions and that any required prior consent to the transaction be received.

Impresa Management and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of the Clients, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Client expenses may result in “miles” or “points” or credit in loyalty/status programs to Impresa Management, its affiliates and/or their personnel, and such rewards and/or amounts will exclusively benefit Impresa Management, its affiliates and/or such personnel and will not be subject to the offset arrangements described above or otherwise shared with the Clients, the limited partners and/or the portfolio companies. In addition, airline travel incurred as a Client expense for Impresa Management personnel travelling for appropriate Client -related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other Client-related matter) may benefit such Impresa Management personnel to the extent the trip also serves a personal purpose.

Impresa Management may, in its discretion, cause the Clients and/or their portfolio companies to have ongoing business dealings, arrangements or agreements with persons who are former employees or executives of Impresa Management or one of its affiliates. The Clients and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between Impresa Management and the Clients (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that Impresa Management may favor the engagement or continued



engagement of such persons even if a better price and/or quality of service could be obtained from another person.

Certain of the Funds' general partners, or their affiliates, may receive distributions in-kind from an investment disposition. In the event general partners, or their affiliates, receive such a distribution, the general partners will generally act in their own interest with respect to their share of securities and may determine to sell the distributed securities (which may include selling their securities prior to the time at which the investor sells its distributed securities), or hold on to the distributed securities for such time as a general partner shall determine. The ability of the general partners to act in their own interests with respect to such distributed shares creates a conflict of interest between the general partners or their affiliates, as an adviser to the Funds, and the Funds.

Certain of the Funds' general partners are permitted to cause the Funds to distribute a portion of shares of a security in-kind to the general partners and limited partners, while holding the remaining Funds shares for such time as the general partner shall determine. This ability creates conflicts of interest between the general partners and the limited partners, because the general partners will generally act in their own interest with respect to their pro-rata share of securities received from the distribution and may determine to sell the distributed securities, while the Funds continue to hold their remaining shares (or vice versa). The ability of the general partners to act in their own interest with respect to partially distributed shares creates a conflict of interest between the general partners or their affiliates, as an adviser to the Funds, and the Funds.

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

Impresa Management, its employees and its independent contractors will devote as much of their time to the activities of each Client as Impresa Management deems, in its sole discretion, necessary and appropriate. Certain Advisory Personnel of Impresa Management do not work exclusively for Impresa Management and engage in outside business activities, including investment advisory activities, for others ("Others"). Such activities create conflicts of interest with Clients of Impresa Management, including that the time and effort of such employee or independent contractor will not be devoted exclusively to the business of Impresa Management. Where such outside business activities involve the provision of investment advisory services to Others, conflicts of interest arise with respect to the allocation of investment opportunities between the Clients and Others, and the employee or independent contractor have financial incentives to favor Others over the Clients (for example, due to higher performance fees or economic interests in other pooled investment vehicles), which may result in certain investment opportunities not being made available to the Clients and may influence the research, analysis and recommendations provided by the employee or independent contractor to Impresa Management. Others may benefit from an employee's or independent contractor's knowledge of Impresa Management's research, analysis and plans and may bear fewer costs as a result. An employee or independent contractor may give advice to Others that may compete or conflict with the recommendations given to Impresa Management, and the accounts of Others and the Clients may be divergently managed.

In exercising its discretion to allocate co-investment opportunities with respect to a particular

investment among the Clients and other potential co-investors, Impresa Management may consider some or all of a wide range of factors, which include, but are not limited to, one or more of the following:

- Impresa Management's evaluation of the size and financial resources of the potential co-investment party and Impresa Management's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources) to efficiently and expeditiously participate in the investment opportunity with the Clients without harming or otherwise prejudicing the Clients, in particular when the investment opportunity is time-sensitive in nature, as is typically the case (including 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);
- Any confidentiality concerns Impresa Management has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Impresa Management's perception of its past experiences and relationships with the potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by Impresa Management and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- Level of demand for participation in such co-investment opportunity;
- 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 chemistry with the management team of the potential portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- Impresa Management's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- Impresa Management's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Clients to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which the Client wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of the Client being able to capitalize on a potential investment opportunity); and
- Whether Impresa Management believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to the Client or future Clients and/or Impresa Management and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the Client or Clients and/or Impresa Management.

The factors above are not listed in order of importance or priority and Impresa Management is not required to, and does not, expect to 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. Impresa Management exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Clients and potential co-investors, and in the manner discussed, above often will not result in proportional allocations among such persons, and such allocations often will be more or less advantageous to some such persons relative to other such persons.

As a condition of the Exemptive Order in regards to the ESC and as a practical matter subject to certain exceptions, any co-investment by an affiliated person of the ESC (with the ESC will be effected only if the affiliated person, prior to disposing of all or part of its investment, (i) gives Impresa Management sufficient notice of its intent to dispose of the investment, and (ii) refrains from disposing of its investment unless the ESC has the opportunity to dispose of its investment prior to or concurrently with, on the same terms as, and pro rata with the affiliated person.

Impresa Management and its affiliates, and members, officers, principals, employees and independent contractors may buy or sell securities or other instruments that Impresa Management, has recommended to a Client. A conflict of interest may arise because such investing personnel will, for some investments, benefit from the evaluation, investigation, and due diligence undertaken by Impresa Management, on behalf of a Client. In such circumstances, the investing personnel will not share or reimburse the Client and/or Impresa Management, for any expenses incurred in connection with the investment opportunity. In addition, officers and employees of Impresa Management may also buy securities in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Client. Depending on the particular circumstances, positions may be taken by Impresa Management's employees and independent contractors that are the same as, different from, or made at a different time than positions taken for a Client. The transactions described above are subject to the policies and procedures set forth in the Code. The investment policies, fee arrangements and other circumstances of these investments may vary from those of a Client. If officers, principals and employees of Impresa Management have made large capital investments in or alongside a Client they will have conflicting interests with respect to these investments. While the significant interests of such persons generally align the interest of such persons with Clients, such persons are expected to have differing interests from Clients with respect to such investments in certain circumstances (for example, with respect to the availability and timing of liquidity).

Impresa Management generally has an incentive to recommend the products or services of their related businesses to 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.

Impresa Management and/or FMR LLC-affiliated entities may engage in business opportunities arising from a Client's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from a Client's investment and may vary from the Client's interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Client).

In certain instances, one or more of a Client's portfolio companies competes with, is a customer of, or is a service provider to, another Client's portfolio company. In providing advice to a portfolio company's business, Impresa Management may consider the interests of one portfolio company or Client and is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Client. As a result, a conflict of interest may arise in these instances because advice and

recommendations provided by Impresa Management to a portfolio company owned by another Client may have adverse consequences to a separate portfolio company owned by the Client. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

Additional conflicts of interest that could disadvantage the Clients are discussed elsewhere in this brochure.

## **CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING**

A Code in accordance with Rule 204A-1 under the Advisers Act applies to all officers, directors, and employees of Impresa Management and certain independent contractors that provide advisory services to Impresa Management. The Code contains provisions: (1) describing the fiduciary duty those subject to the Code have to Impresa Management's Clients; (2) requiring those subject to the Code to comply with federal securities laws; (3) requiring those subject to the Code to report any violations of the Code to FMR LLC's Ethics Office; and (4) requiring Impresa Management to provide all persons subject to the Code with a copy of the Code and any amendments, and requiring such persons to acknowledge receipt of the Code and that they understand and will comply with the applicable rules under the Code. All personnel of FMR LLC-affiliated entities who provide investment advisory services on behalf of, and through, Impresa Management are treated as employees of Impresa Management and subject to the Code.

In addition, the Code establishes personal securities reporting and transaction requirements for all Advisory Personnel who provide investment-related services to Impresa Management and their covered persons, including members of their family and household. More specifically, the Code: (i) requires employees and their covered persons to move their covered accounts to Fidelity Brokerage Services LLC unless an exception has been granted; (ii) requires reporting of transactions in covered securities on a quarterly basis; (iii) requires reporting of accounts and holdings of covered securities on an annual basis; (iv) prohibits purchases of securities in initial public offerings unless an exception has been approved; and (v) prohibits investments in limited offerings without prior approval.

Impresa Management or an affiliate thereof may buy or sell for itself securities that it also recommends to Clients. In addition to the conditions of the Exemptive Order described previously, potential conflicts of interest in such transactions are governed by the Code's requirement to pre-clear limited offerings. The Code establishes sanctions if its requirements are violated which include, but are not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal.

Impresa Management's employees and independent contractors sometimes buy or sell for themselves securities that they also recommend to the Funds and certain employees and affiliates may invest in the Clients, either through the general partners, as direct investors in a Client or otherwise. These personal investments give rise to potential or actual conflicts of interest and are governed by the Code. The Code establishes pre-clearance of certain securities and other requirements and sanctions if its requirements are violated. From time to time, a Client also invests in a company in which an affiliate, employee or independent contractor (or family member of the foregoing) has a pre-existing investment or other commercial interest. Depending on the particular circumstances, positions are, at times, taken by Impresa Management's Advisory Personnel that are the same as, different from, or made at a different time than positions taken for a Client.

The Code is supplemented by other relevant policies including the Policy on Inside Information and other written policies and procedures. From time to time, in connection with its business, Impresa Management may obtain material, non-public information that is usually not available to other investors or the general public. In compliance with applicable laws, Impresa Management's Advisory Personnel retained by Impresa Management to provide advisory services are subject to a comprehensive set of policies and procedures that prohibit the use of material non-public information.

Impresa Management will provide a copy of the Code to any client or prospective client upon request.

## **BROKERAGE PRACTICES**

From time-to-time, Impresa Management engages in the sale of publicly traded securities on behalf of the Funds and generally sends such orders to FMR trading personnel to be placed with executing brokers. FMR does not charge for these services and the executing brokers charge customary transaction charges. The commissions from those trades are not used to pay for brokerage and research services. The Treasurer of Impresa Management or his designee reviews the execution of securities transactions and evaluates the reasonableness of the commissions charged in relation to the services provided. In reviewing the execution of the securities transactions, the Treasurer of Impresa Management takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions. Impresa Management and FMR have a trading protocol that allows client orders by FMR and its affiliates to take priority over the trade orders of the Funds, which has the potential to create an execution disadvantage for Impresa Management Clients.

When feasible, orders of various accounts, including those of Impresa Management's Clients, its affiliates' clients, and proprietary accounts, are bunched for order entry and execution. FMR sometimes executes bunched orders through one or more brokers. The allotment of trades among brokers is based on a variety of factors, which may include price, order size, the time of order, the security and market activity. A bunched trade executed with a particular broker is generally allocated pro-rata among the accounts that participated in the bunched trade until any account has been filled. After any account has been filled, the trade is allocated pro-rata among any remaining accounts. Each broker's execution of a bunched order may be at a price different than another broker's bunched order execution price.

In executing orders on behalf of Impresa Management, FMR at times determines that bunching and allocating trade orders for execution is advantageous in reducing transaction costs and avoiding possible inequities that can arise when placing orders independently. FMR often employs this practice because larger transactions may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. In placing trade orders with FMR, Impresa Management relies on FMR policies and procedures that are reasonably designed to ensure that client transactions are not disadvantaged in the bunching and allocation of securities orders. The FMR trading desk executes its trading responsibilities in accordance with the applicable FMR Trade Allocation Policy.

On a limited basis, Impresa Management may request FMR trading personnel seek a block trade when prudent and advantageous to Clients (e.g. when one or more Clients hold a large quantity of shares of an issuer with relatively limited trading volume). Block trades can facilitate a quicker disposition of a Client's investment than market sales, thereby limiting a Client's exposure to market risk, but block trades often involve a discount to current market prices, which could result in a Client receiving less value from a block trade than it could have realized through one or a series of market sales. If multiple Clients are selling a security simultaneously through a bunched block sale, then such trade will be handled in accordance with Impresa's procedures for bunched transactions as described above.

In certain circumstances, Impresa Management may transact with an external broker-dealer. Impresa Management has full discretion to select broker-dealers through which to execute transactions. Impresa Management considers a number of factors when selecting a broker-dealer that is not affiliated with Impresa Management, including one or more of the following: general execution capability; commission or other compensation rates; operational capability to clear and settle transactions; historical trading experience in a certain security, sector or jurisdiction; integrity of personnel; speed, efficiency or confidentiality; financial strength and stability; access to the markets for the security being traded;

implementation of specific controls at Impresa Management's request, and access to liquidity. Impresa Management will incur transaction costs for selecting an external broker, which will result in higher costs than transacting with FMR. Additionally, Impresa Management may request the external broker-dealer seek a block trade when prudent and advantageous to Clients which could result in a Client receiving less value than it could have realized through one or a series of market sales. The commissions from these trades will not be used to pay for brokerage and research services.

The Treasurer of Impresa Management or his designee reviews the execution of securities transactions and evaluates the reasonableness of the commissions charged in relation to the services provided. Impresa Management may place certain restrictions on the external broker that has the potential to create an execution disadvantage for Impresa Management Clients.

Impresa Management maintains policies and procedures that address the identification and correction of errors. Impresa Management addresses and resolves errors based on the facts and circumstances and is not obligated to follow any single method of resolving errors. The determination of whether an incident constitutes an error is made by Impresa Management, in its sole discretion, based on the relevant facts and circumstances of each incident, considered in light of the applicable standard of care. If it has been determined that an error has occurred, the applicable Fund will be notified as soon as practicable and resolution of the error may include reimbursement to an account or allowing an account to keep a gain. The methodology for calculating a gain or a loss varies depending upon the facts and circumstances of the error. If Impresa Management determines that reimbursement to a Fund is appropriate, the Fund will be compensated as determined in good faith by Impresa Management.

## **REVIEW OF ACCOUNTS**

The President or his designee periodically reviews each portfolio to ensure that the Clients' accounts are invested in accordance with applicable policies, procedures and guidelines. Directors of Impresa Management review quarterly the holdings in the Funds' accounts managed by Impresa Management and approve certain investments of the Investor Entities. Impresa Management does not provide management to individuals and does not provide financial planning services.

Investors in the Investor Entities are delivered quarterly reports by Impresa Management. In addition, investors in the Investor Entities receive annual audited financial statements in compliance with Rule 206(4)-2 of the Advisers Act. For other Funds, the qualified custodians send quarterly statements to an independent representative on behalf of investors. Impresa Management will from time to time, in its sole discretion, provide additional information relating to such Investor Entities to one or more investors in such Investor Entities as they deem appropriate.

## **CLIENT REFERRALS AND OTHER COMPENSATION**

Impresa Management does not, or a related person does not, either directly or indirectly, compensate any person for client referrals. For details regarding economic benefits provided to Impresa Management by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 10 above. In addition, Impresa Management and its related persons may, in certain instances, receive discounts on products and services provided by portfolio companies of Clients and/or the customers or suppliers of such portfolio companies.

## **CUSTODY**

Impresa Management is deemed to have custody of the Funds' assets.

For Funds that are not subject to an annual audit, account statements are delivered directly on a quarterly basis from each qualified custodian to the beneficial owners or to an independent representative, if so designated. Beneficial owners or the independent representative should carefully review those account statements. In addition, these accounts are subject to independent verification each year by an independent public accountant, without prior announcement. For Funds that are subject to an annual audit, audited financial statements are obtained and delivered to investors in compliance with Rule 206(4)-2 of the Advisers Act.

Impresa Management does not have custody of the assets of the ESC, which is an employees' securities company as defined under Section 2(a)(13) of the Investment Company Act of 1940.



## **INVESTMENT DISCRETION**

Impresa Management serves as investment adviser to the Funds and has discretionary investment authority to manage the Funds and certain affiliated entities. Each of the Funds is a separate advisory client of Impresa Management. Investment advice is provided directly to the Funds, subject to the direction and control of the general partner of each Fund and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the advisory agreements with the Funds and/or organizational documents of the applicable Fund. Investment restrictions for the Funds, if any, are generally established in the organizational documents of the applicable Fund.

## **VOTING CLIENT SECURITIES**

The Funds generally make investments in private companies, purchased and sold in privately negotiated transactions, and generally do not purchase publicly traded securities. From time-to-time, Clients hold publicly traded securities, which are typically acquired as the result of a private company's initial public offering or through its acquisition by a public company. It is through the ownership of these publicly traded securities by the Clients that Impresa Management occasionally will be called upon to vote proxies.

Impresa Management maintains a written proxy voting policy that is reasonably designed to ensure that proxies are voted in the best interest of its Clients and to govern how Impresa Management addresses material conflicts between its interests and those of its Clients with respect to proxy voting.

Impresa Management has authority and discretion to vote proxies under an investment management agreement with certain of its respective Clients, or in its capacity as ultimate general partner or manager. Impresa Management votes proxies with a long-term perspective in a manner intended to maximize value to the Clients or otherwise in the best interest of the Clients, and does so without regard to its relationship to other FMR LLC-affiliated companies. Except as set forth in the proxy voting policy, Impresa Management generally votes in favor of routine management proposals and evaluates shareholder proposals by their likelihood to enhance the economic returns or profitability of the portfolio company or to maximize shareholder value.

Impresa Management addresses the potential conflicts of interest related to voting proxies for Fidelity mutual fund shares held by the Clients by "echo voting." Echo voting is the practice of voting proxies in favor of or against proposals in the same proportion as other shareholders. This essentially allows votes to count toward a quorum but not impact the outcome. In addition, if any person involved in the analysis or voting of proxies has knowledge of, or has reason to believe there exists, any potential conflict relating to a proxy vote, such person can notify Impresa Management's Chief Compliance Officer or designee, or certain other officers of such potential conflict. Impresa Management's Chief Compliance Officer or designee, or certain other officers will analyze such potential conflict and consult with counsel to the extent necessary. If the Chief Compliance Officer or designee, or certain other officers determine that a material conflict of interest exists, Impresa Management resolves the conflict in accordance with the proxy voting policy.

Limited partners or members of the Funds should contact Impresa Management directly to obtain a copy of its proxy voting policy and for information on how proxies were voted.

## **FINANCIAL INFORMATION**

Impresa Management does not require or solicit pre-payment of advisory fees six months or more in advance. Furthermore, there are no financial conditions that are reasonably likely to impair Impresa Management's ability to meet any of its contractual commitments to its Clients, and Impresa Management has not been the subject of a bankruptcy proceeding.

## **REQUIREMENTS FOR STATE-REGISTERED ADVISERS**

Impresa Management is not registered with any state securities authority.