

Form ADV Part 2A: Firm Brochure

WM Partners, LP

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Principal Office
WM Partners, LP
1815 Griffin Road, Suite 404
Dania Beach, FL 33004
Telephone: (754) 260-6500
Fax: (754) 260-6505

This brochure (the “Brochure”) provides information about the qualifications and business practices of WM Partners, LP (“WMP”). If you have any questions about the contents of this Brochure, please contact us at gp@wmplp.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional Information about the WM Partners, LP is available on the SEC’s website at www.adviserinfo.sec.gov.

Reference to our being a “registered investment adviser” or as being “registered” does not imply a certain level of skill or training.

ITEM 2: MATERIAL CHANGES

In April 2018, WMP's first fund clients, HPH Specialized Fund I, LP and HPH Specialized International Fund I, LP (collectively, "Fund 1"), sold Nutranext, LLC and its subsidiaries ("Nutranext"), a group of related companies that represented 100% of the then current portfolio of investments of Fund 1 (the "Exit Transaction"). To date, nearly all of the purchase price proceeds relating to the Exit Transaction have been distributed to Fund 1's limited partners. A portion of the purchase price proceeds are held in escrow pending resolution of certain indemnification claims. In the interim, primarily to reduce Fund 1 expenses, we have started the process of dissolving the Fund 1 entities. As part of that process, we transferred all Fund 1 assets into a liquidating trust which we refer to as the "Fund 1 Liquidating Trust" (the "Fund 1 Trust"). The former general partner of Fund 1, MW General Partners, LP is serving as the liquidating trustee in accordance with the Fund I governing agreements.

In March 2019, WMP launched its second fund client, HPH II Investments Master Fund, LP (together with its related feeder funds, parallel funds and alternative investment vehicles, "Fund 2"). Fund 2's fundraising period was extended and will expire on March 29, 2021.

In February 2020, Fund 2 established a subscription line of credit with First Republic Bank. Its purpose is as a bridge to receipt of capital pursuant to capital calls made to fund investments or for general working capital purposes. Advances under this facility must be paid back within ninety (90) days of such advance. The facility is secured by Fund 2's assets (except for portfolio securities), including capital contributions and rights to require capital contributions.

Important Note about this Brochure

Unless otherwise indicated, the term “WMP” is broadly used within this Brochure to refer to our firm’s entire enterprise and not to a specific legal entity. This Brochure is not:

- an offer or agreement to provide advisory services to any person;
- an offer to sell interests (or a solicitation of an offer to purchase interests) in any fund or other entity; or
- a complete discussion of the features, risks or conflicts associated with any fund or advisory service.

As required by the Investment Advisers Act of 1940, as amended (“Advisers Act”), WMP provides this Brochure to current and prospective clients and may also, in its discretion, provide this Brochure to current or prospective investors in a fund, together with other relevant governing documents, such as the fund’s offering or private placement memorandum, prior to, or in connection with, such persons’ investment in the fund. Additionally, this Brochure is available through the SEC’s Investment Adviser Public Disclosure website at www.adviserinfo.sec.gov.

Although this publicly available Brochure describes investment advisory services and products of WMP, persons who receive this Brochure (whether or not from WMP) should be aware that it is designed solely to provide all information about WMP which is necessary to respond to certain disclosure obligations under the Advisers Act. The information in this Brochure does not contain or summarize all information provided in documents governing funds managed by WMP. More complete information about each fund we manage is included in its governing documents, which may be provided to current and eligible prospective investors only by WMP. To the extent that there is any conflict between discussions herein and similar or related discussions in any such documents provided by WMP, WMP-provided documents will govern and control.

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ITEM 4: ADVISORY BUSINESS

WMP is a private equity investment firm established under the laws of Delaware in May 2015. On behalf of its advisory clients, WMP invests primarily in the natural consumer health sector of the health and wellness industry. This industry is generally characterized by a vibrant exit market, with high multiples paid for quality assets. WMP focuses its investments on lower middle market companies, a target area which it believes is typically not the principal focus of private equity firms or larger strategic investors seeking to make investments in the health and wellness industry.

Alejandro Weinstein and Jose Minski are the founders of WMP (the “Principals”). The general partner of WMP is WM Partners GP II, LLC, a Delaware limited liability company formed in June 2018 (“WMP GP”).

WMP’s advisory clients currently consist solely of the Fund 1 Liquidating Trust and Fund 2 (collectively, the “Funds” and individually, a “Fund”). As explained in Item 2, Fund 1 is currently in the process of liquidating and its remaining assets have been transferred to the Fund 1 Liquidating Trust, a liquidating trust formed for the purpose of such liquidation. The trustee of the Fund 1 Liquidating Trust is MW General Partners, LP, which is the entity that was the general partner of Fund 1. The Fund 2 structure is comprised of HPH II Investments Master Fund, LP, a Cayman Islands exempted limited partnership (the “Master Fund”), HPH II MF Parallel, LP, a Delaware limited partnership (“MF Parallel”), HPH II Parallel FF, LP, a Delaware limited partnership (“Parallel FF”, and together with MF Parallel, the “Parallel Fund”), HPH II FF, LP, a Cayman Islands exempted limited partnership (the “Onshore Feeder Fund”), and HPH II International FF, LP, a Cayman Islands exempted limited partnership (the “Offshore Feeder Fund”). Other parallel feeder funds, parallel funds, alternative investment vehicles, blocker corporations and investment subsidiaries may be added to the Fund 2 structure as needed.

We do not plan to make any further investments under Fund 1 due to the Exit Transaction and we are currently expecting the Fund I Liquidating Trust will be distributing remaining proceeds, if any, of the Exit Transaction to the Fund 1 limited partners as described in Item 2. Accordingly, this Brochure principally focuses on Fund 2, particularly with respect to investment strategy and objectives (which are generally similar to those of Fund 1).

Fund 2’s objective is to seek investments that preserve capital and generate attractive risk-adjusted returns. This investment approach has been developed by WMP’s senior management in other business endeavors over the past 30 years, and these objectives are the foundation for the positive investment results achieved in Fund 1.

Fund 2’s principal investment strategy is to make growth equity and buyout investments in lower-middle market companies with branded products engaged in the natural consumer health sector of the health and wellness industry. We will seek to achieve Fund 2’s investment objective by targeting acquisitions of and investments in companies focused on, among others, functional foods, natural personal care products, natural over-the-counter (“OTC”) products/natural remedies, and traditional OTC medicines. We may also invest in companies focused on different, or more specific, categories in the natural consumer health sector of the health and wellness industry.

Given the pace of change, innovation and increasing competition in the consumer health sector of the health and wellness industry, we intend to focus Fund 2’s investments on lower-middle market companies that sell branded products that we believe have significant growth potential. Fund 2 will primarily target earlier stage growth companies with emerging brands with revenues of at least US \$5 million and more stable growth or later stage companies with established brands. Fund 2 will seek to avoid segments and companies that have high commercial product risk, focusing instead on companies that we believe have strong brand

equity.

Fund 2 will seek majority-controlled buyouts as part of a roll-up strategy involving distinct platform companies in some or all of the health and wellness categories discussed above. Fund 2 will also seek to allocate capital in growth equity minority investments with significant minority rights. To the extent that the opportunity arises, Fund 2 would also consider engaging in a transformational deal involving one (or more) of its platforms.

As a private equity fund manager, WMP seeks to create value in the Funds' portfolio companies by working with management to implement operational enhancements and efficiencies. WMP's investment management services are provided directly to the Funds and not individually to the limited partners of the Funds (collectively, the "Investors"). WMP manages the assets of the Funds on a discretionary basis in accordance with the terms of the Funds' governing documents.

The economic terms of each of the Master Fund and the Parallel Fund are substantially similar, except as required or desirable to address the legal, tax, regulatory, accounting or similar considerations of the applicable Investors. The Master Fund and Parallel Fund invest side-by-side in each investment in proportion to the capital commitments to each.

The General Partner of Fund 2 is HPH Specialized II GP, LP, a Cayman Islands exempted limited partnership (the "Fund 2 General Partner"). The general partner of Fund 1, now the trustee of Fund 1 Liquidating Trust, is MW General Partners, LP, a Cayman Islands exempted limited partnership (the "Fund 1 General Partner") and together with the Fund 2 General Partner, the "General Partners"). Pursuant to investment management agreements by and among the Funds, the General Partners and WMP, WMP exercises discretionary authority with respect to the origination, investigation, structuring, finance, acquisition, monitoring, and disposition of investments for the Funds. Investments for the Funds are managed in accordance with each Fund's particular investment objectives, strategies, and guidelines. Investments in the Funds are not tailored to the individual needs of any particular Investor.

Following the Exit Transaction, Fund 1 does not hold any assets other than limited cash amounts reserved for taxes and expenses and rights to proceeds held in escrow for any potential indemnity claims. Fund 2 has made one investment to date, acquiring Ultima Health Products, Inc. WM Partners' assets under management as of March 30, 2020 were \$262,835,374.

Fund 2 may make new investments until the fifth anniversary of the "Final Closing Date", which is the earlier of (i) March 29, 2021 or (ii) the date on which Fund 2 accepts capital commitments aggregating US \$500 million.

The period during which new investments may be made by a Fund is referred to as the "Investment Period". The Funds will not make any new investments after the Investment Period other than investments approved by the LPAC or investments for which, prior to the end of the Investment Period, (a) a binding commitment existed, (b) the decision to consummate the investment had been made by the General Partner or (c) a non-binding letter of intent existed and the remaining exclusivity period thereunder is less than 60 days and substantially all due diligence has been completed ("In Process Investments"). Capital may be called after the Fund 2 Investment Period for expenses, to fund In Process Investments or follow-on investments made after the Investment Period in portfolio companies or to fund reasonable reserves for any of the foregoing.

Fund 2 may borrow money for its short-term working capital needs as well as for other capital requirements, including funding investments, as a bridge to receipt of capital contributions. As described in Item 2, Fund 2 entered into a subscription credit facility in February 2020. Fund 2 may incur indebtedness for borrowed money in the sole discretion of the General Partner. The principal amount of Fund 2's borrowed money for short-term working capital needs and other capital requirements will not at any time exceed 35% of the total unfunded commitments to Fund 2. The lender has a pledge of the uncalled commitment obligations

of the Investors in Fund 2. Investors may be required to execute a consent and estoppel with the lender with respect to such facility. Investors may also be required to confirm that their commitment obligations are unconditional, that they will honor any capital calls made by the lender without setoff, counterclaim or deduction and that they will provide any financial information, deliver legal opinions and/or execute any documents required to obtain such facility in accordance with the provisions of the partnership agreements governing the partnerships comprising Fund 2 (each a “Partnership Agreement”). Any claims that an Investor may have against a Fund or the General Partner will be subordinate to all payments due under any such subscription facility.

More complete information about Fund 2, and the particular investment objectives, strategies, guidelines, and risks associated with an investment in Fund 2, is included in its confidential private placement memorandum (the “PPM”) and other governing documents which are available only from WMP (or another party authorized by WMP to provide them). An investment in Fund 2 does not create an advisory relationship between the Investor and WMP.

ITEM 5: FEES AND COMPENSATION

Management Fees Payable to WMP

The Fund 1 Liquidating Trust is authorized to pay a Management Fee to WMP equal to the same management fee Fund 1 would have paid if Fund 1 had not dissolved. However, WMP has waived any further management fees in respect of the Trust’s assets.

During its Investment Period, Fund 2 pays WMP an annual management fee (the “Management Fee”) which does not exceed 2.00% of the aggregate commitments in Fund 2. After the expiration of the Investment Period, the Management Fee will be equal to 2.00% of the aggregate capital invested by Fund 2 in portfolio securities then owned by Fund 2, other than liquidated portfolio investments and other than that portion of the capital invested in a portfolio company which has been written down.

The Management Fee is an expense of Fund 2 which is specially allocated to Investors bearing the Management Fee. WMP may, in its sole discretion, waive, reduce or rebate the Management Fee otherwise payable by certain Investors. Certain Investors in the Fund 2 bear a Management Fee at a rate which is less than 2%.

Management fees are paid quarterly in advance. If the Fund is dissolved before the end of a particular quarter, management fees for such quarter will be pro-rated based on the number of days prior to and after the date of dissolution during such quarter, and WMP will return the amount allocated to the portion of the quarter after the date of dissolution to the Fund for distribution to the Investors.

In the event that an agreement for WMP’s advisory services is terminated without concurrent dissolution of the applicable Fund, any fees paid in advance may or may not be refundable, depending upon the circumstances of the termination and the terms of the advisory contract. If a refund is due, WMP will return the applicable amount to the Fund for distribution to the Investors.

Performance-Based Compensation Payable to the Carry Partner upon Distribution/Realization of Investment Proceeds

The Fund 1 Liquidating Trust does not provide for any further performance based compensation to the Fund 1 General Partner. Rather, interests in the Fund 1 Liquidating Trust reflect the carry earned by the Fund 1 General Partner based upon the Exit Transaction values.

Amounts available for distribution by Fund 2 will first be divided among the General Partner and Investors therein pro rata in proportion to each of their relative aggregate commitments in Fund 2. Each partner's share of distributable cash will be distributed in the following amounts and order of priority (the "Waterfall"): (1) 100% to such partner until the partner has received distributions equal to its capital contributions and an 8% preferred return thereon; (2) 100% to HPH Fund II CV, LP, a Delaware limited partnership (the "SLP"), until the SLP has received distributions equal to 20% of all distributions other than those comprising a return of capital contributions; and (3) thereafter, (a) 80% to such Investor and (b) 20% to the SLP. The distributions to the SLP are referred to as "carried interest". Certain large investors are entitled to a portion of the carried interest earned by the applicable Carry Partner.

Fees and Expenses

The Fund 1 Liquidating Trust bears its own operating expenses. These include audit costs and administrative expenses (and any other expenses which it incurs and which would have been expenses of Fund 1 had it not been dissolved). The expenses that were borne by Fund 1 are substantially the same as those described below with respect to Fund 2.

Organizational and Offering Expenses of Fund 2: Fund 2 bears the expenses incurred in connection with organizing and establishing Fund 2, the Fund 2 General Partner and the SLP, and in connection with the marketing and offering of interests in Fund 2, inclusive of legal and accounting fees and expenses, travel and accommodation expenses, filing fees and expenses, printing costs and other costs incurred in connection with the offering of and subscription for interests in Fund 2 ("Fund 2 Organizational and Offering Expenses"). Fund 2 Organizational and Offering Expenses are capped at \$1.5 million. Any amounts in excess of such cap and all placement fees incurred in connection with the admission of Investors into Fund 2 are paid by Fund 2 but will be borne by WMP by means of an offset against Management Fees payable to WMP.

Management Fee Offset: The concept of Management Fee offset is no longer relevant to Fund 1 as the Fund 1 Liquidating Trust's only purpose is to liquidate and distribute the final proceeds of the Exit Transaction.

The Management Fees payable by Fund 2 are reduced by 100% of the result of (a) commitment, acquisition, closing or other transaction fees, as well as director, consulting, management or similar advisory fees received in connection with the Fund's work with portfolio companies or prospective portfolio companies, *less* (b) the sum of (i) out-of-pocket expenses (including broken deal expenses) paid by WMP or its affiliates to third parties in connection with a Fund's investments or proposed investments, and, (ii) to the extent included in clause (a) (x) director's or similar fees (if any) paid to an individual other than a Principal serving at the request of the General Partner as a director or in a similar position of a portfolio company by reason of his/her industry, financial, technological or management experience, and (y) fees or expenses paid to WMP for legal fees or expenses of WMP's in-house legal counsel.

From time to time, WMP personnel may serve as members of the executive management team of a Fund 2 portfolio company. If that person is compensated therefor by the portfolio company, the compensation does not reduce the management fee payable by Fund 2. For example, with respect to Fund 1, Mr. Minski served as the Chief Executive Officer of Nutranext and President of each of its subsidiaries, but was paid only by WMP. Additionally, Guido Panzera, General Counsel and Chief Compliance Officer of WMP, served as General Counsel and Secretary of Nutranext. Certain portions of his salary relating to his work for Nutranext were funded by such portfolio company to WMP and did not reduce the Fund 1 Management Fee. Likewise, for Fund 2, Mr. Panzera is performing certain work in behalf of Ultima Health Products, Inc. and may provide work for any additional portfolio companies. Certain portions of his salary will be funded by the applicable Fund 2 portfolio company and will not reduce the Fund 2 Management Fee.

To the extent that the Management Fees are insufficient in any quarterly period for such offset to occur, the remainder of the amount to be offset shall reduce Management Fees in subsequent quarterly periods. If Fund 2 is terminated before such excess has been fully credited against Management Fees, the remaining excess shall be distributed to the partners in accordance with the Waterfall. Break-up fees or litigation proceeds received by WMP or its affiliates (other than Fund 2) in connection with any unconsummated investment, less any otherwise unreimbursed out of pocket expenses that are incurred in the collection of such proceeds, will be offset against Management Fees in the same manner.

Operating Expenses. Fund 2 is responsible for all of its direct expenses (“Operating Expenses”) to the extent they are not reimbursed by such Fund’s portfolio companies. Such expenses include:

- Management Fees;
- expenses incurred in connection with the origination, evaluation, negotiation, due diligence, acquisition, monitoring or disposition of investments, including appraisal fees, taxes, brokerage fees, underwriting commissions and discounts, and legal, tax, auditing, accounting, financing, investment banking, consulting, information services and similar professional fees;
- to the extent that they are not otherwise paid or reimbursed by the potential portfolio company, research, travel and other expenses incurred in investigating or evaluating investment opportunities;
- costs, fees and expenses associated with developing, researching, structuring and negotiating investments which are not consummated, such as “broken deal” costs of third-party research, appraisals, reasonable travel, professional advisors (including attorneys, accountants and consultants) and other expenses incurred in sourcing activities related to specific “dead deals” that never materialize;
- expenses incurred in connection with the formation and operation of parallel funds, alternative investment vehicles, investment subsidiaries and blocker corporations;
- legal, filing, accounting, valuation, auditing, consulting, escrow, custodial and other fees and expenses, including expenses associated with the preparation of Fund 1 financial statements, tax returns and Schedules K-1 (and corresponding reports and schedules required of any non-U.S. jurisdiction of which any Investor is a citizen) and reports to Investors;
- taxes and other governmental charges levied against a Fund, including transfer, capital and other taxes, duties and costs incurred in acquiring, holding, selling or otherwise disposing of a Fund’s assets;
- offering and organizational expenses up to US \$1.5 million; however amounts in excess of US \$1.5 million will also be Fund 2 Expenses if the Management Fee is reduced by an equal amount;
- any expenses incurred in connection with the LPAC or Investment Committee, including costs of their meetings;
- valuation and market data related expenses, including costs associated with news, quotation, analytics, communications tools and similar pricing services;
- banking, brokerage, registration, qualification, depository and similar fees or commissions;
- expenses incurred in connection with the carrying or management of investments, including travel, entertainment, custodial, trustee, record keeping and other administration fees;
- expenses of litigation and indemnification;
- expenses payable to a Fund’s administrator;
- insurance premiums and expenses including with respect to director’s and officer’s insurance, errors and omissions coverage and representations and warranties policies;
- expenses of appraisers and consultants;
- expenses relating to reports prepared for and delivered to the Investors and expenses incurred in connection with meetings with investors called by the Fund 2 General Partner or any Investor;
- the costs of winding up and liquidating the Fund;

- regulatory expenses, including without limitation regulatory expenses of the Fund 2 General Partner, the SLP, and WMP (subject to a triannual cap);
- filing fees of the Fund and its related entities, including the General Partner, the SLP, and WMP;
- expenses incurred in connection with the winding up or liquidation of Fund 2 and its related entities, including the Fund 2 General Partner and SLP, and the reasonable fees and expenses of any liquidating trustee;
- expenses relating to defaults by investors in the payment of any capital contributions;
- expenses incurred in connection with any restructuring or amendments to the constituent documents of Fund 2 or its related entities;
- expenses incurred in connection with distributions to Investors;
- unreimbursed expenses associated with transfers of Fund 2 partnership interests by Investors;
- expenses incurred by Fund 2 by reason of the actions of Investors which are not reimbursed to Fund 2 by the applicable Investor(s);
- trade association fees related to the business of Fund 2; and
- all other expenses that the General Partner determines to be expenses directly related to Fund 2's activities.

For an additional discussion regarding brokerage fees, commissions and other related transactions costs and expenses, please refer to Item 12 – Brokerage Practices in this *Brochure*.

Expenses incurred for the benefit of two parallel funds will generally be allocated pro-rata in proportion to the relative net asset value (as adjusted to reflect unfunded commitments, if any) of each of such parallel funds, provided that WMP (or its related persons) may allocate such expenses in any other manner they determine fair and reasonable in light of the circumstances and taking account of what is practicable.

WMP (or its related persons) may incur and pay in the name of and on the behalf of a Fund, any expenses that it deems necessary or advisable, in which case such Fund will promptly reimburse WMP (or its related persons) for such expenses.

Fund expenses incurred due to a request from, or by reason of, a specific Investor, such as a side letter or similar request (e.g., as a potential investor in a Fund), or a transfer request or regulatory action involving an Investor, will be specially allocated and charged to the Investor (unless the General Partner determines not to specially allocate and charge such Fund expenses to the Investor).

ITEM 6: PERFORMANCE-BASED COMPENSATION AND SIDE-BY-SIDE MANAGEMENT

The Funds' items of income, gain and loss are generally allocated in a manner consistent with the Waterfall described above in Item 5. Accordingly, the SLP is allocated Fund 2 net profits, or items of income and gain, to support the carried interest distributions to which it is entitled. All such allocations have already been made in the case of the Fund 1 Liquidating Trust.

The SLP's carried interest in Fund 2 is performance-based compensation. As the SLP and the Fund 2 General Partner are commonly controlled, this may create an incentive for the Fund 2 General Partner to cause Fund 2 to make (or to cause WMP, an affiliate of the General Partner and the SLP, to make) more speculative investments and make different decisions regarding the timing and manner of the realization of such investments, than would be made if the Fund 2 General Partner or the SLP were not entitled to such carried interest. WMP has in place policies and procedures to address conflicts related to the allocation of investment opportunities and other conflicts. See Item 11 for a description of these policies and procedures.

ITEM 7: TYPES OF CLIENTS

WMP provides investment advisory services to the Funds and not to Investors. Investors in the Funds were required to meet the eligibility requirements outlined in the Funds' offering documents, which include that the Investor must be both an accredited investor and a qualified purchaser, as well as to make certain representations when investing in the Funds, including but not limited to the following (1) they acquired their interest in the applicable Fund for their own account, (2) they received or had access to all information they deem relevant to evaluate the merits and risks of the prospective investment, and (3) they had the ability to bear the economic risk of an investment in the Funds.

The minimum commitment generally required of an Investor in Fund 2 is \$5 million, although the General Partner in its sole discretion can accept commitments in a lesser amount.

All Investors in the Funds were furnished with a copy of the applicable Fund's PPM and other governing documents prior to their investment in the Fund.

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

Investment Strategies

WMP's fundamental investment objective is to preserve capital and generate attractive risk-adjusted returns. This investment approach has been developed by WMP's senior management in their other business endeavors over the past 30 years, and these objectives are the foundation for the positive investment results achieved by Fund 1. WMP has pursued these objectives, and intends to continue to pursue them, by adhering to a proactive strategy of active participation throughout each stage of the investment process, from origination to exit. WMP believes that the operational control of the portfolio companies will be paramount to a Fund's success and will entail rigorous due diligence and active monitoring of the investment portfolio by experienced professionals.

WMP employs an operationally-focused value creation strategy. WMP believes that brands need strong teams, resources and strategic vision to maximize brand performance, ensure growth, and to build value. WMP's approach to value creation is driven through a number of strategic actions:

- strengthening our investment team with a focus on leadership enhancement, human capital management and recruiting;
- streamlining the business; and
- executing on growth strategic initiatives such as brand building, new product development, strategic partnerships, channel and distribution expansion, and capturing operational synergies.

Investment Process and Monitoring

Investment Process

WMP intends to adhere to a proactive strategy of actively participating throughout each stage of the investment process, from origination to exit. The operational value created in a Fund's portfolio companies will be paramount to such Fund's success and will entail rigorous due diligence and active monitoring of the investment portfolio. WMP's investment team expects to be involved in each step of the life cycle of a portfolio company. In situations where we make growth-equity minority investments in earlier stage companies, we intend to negotiate substantial minority rights and monitoring capabilities, to enable us to have significant input on the direction and operations of these companies.

WMP analyzes potential target companies through an industry-specific evaluation process. WMP's investment team evaluates the growth potential of each target company and its sector, focusing on potential synergies and the overall talent of the management team of the target company, and performs an in-depth analysis of the benefits and potential risks of each such investment. Timing and market conditions are also key to mitigating risks and are factored into each evaluation. After an investment has been made, WMP pursues a hands-on, active monitoring process of such acquired portfolio company to ensure we are following a 100-day plan that lays out a clear strategic direction for the portfolio company.

WMP's investment process customarily consists of the following steps:

- *Screening*: Potential investment opportunities will follow a funnel selection process under which target companies are initially screened for quantitative and qualitative criteria that help determine the merits of each potential target.
- *Initial Due Diligence*: If the potential target company meets the Fund's initial threshold requirements, and a strong level of interest from the investment team is evident, then we will proceed with a preliminary financial, operational, and commercial analysis of the target company. Only a small percentage of all potential target opportunities reach this stage of the investment process.
- *Comprehensive Due Diligence*: After the preliminary analysis is completed, a preliminary decision is made by the Investment Committee to move forward or terminate the process. If we determine to pursue the target, the investment team's objective will then be to enter into an exclusive process based on a non-binding letter of intent or similar document ("LOI") for a reasonable period of time that will allow us to complete a comprehensive due diligence review of the target company. Of course, the investment team also expects to engage in bid processes for attractive targets when necessary. Typically, in a LOI, our obligation to proceed with the proposed transaction will be subject to final Investment Committee approval. At that stage, we will expand on our initial due diligence and conduct a more in-depth analysis of financial, commercial, operational, legal, and systems matters, and we will engage third parties to assist us with our due diligence to help validate the specific opportunity. Comprehensive due diligence involves *quantitative* and *qualitative* analyses to identify and address any potential risks.

Elements of our *quantitative* analysis include some or all of the following:

- Examination of financial statements such as income statements, balance sheets and cash flow reports, as well as margin trends, financial ratios and other applicable performance metrics;
- Review of financial projections and the impact of certain variables on a target company's performance and its ability to service its obligations;
- Analysis of capital required for operations, including growth and maintenance capital expenditures, working capital requirements and any acquisition or divestiture opportunities;
- Comparable analysis relative to other companies and transactions in the health and wellness industry;
- Valuations reflecting a range of enterprise and asset values, and the appraisal of working capital, real property, machinery, equipment, intellectual property and trademarks; and
- Evaluation of channels and other commercial opportunities to grow the brands.

Elements of our *qualitative* analysis include the review of some or all of the following:

- Quality of the management team, including background checks;

- Product and/or service quality;
- Industry fundamentals, including raw material costs, pricing trends and demand drivers;
- Competitive position including discussions with suppliers, customers, and competitors;
- Performance throughout the economic cycle;
- Production cost drivers and sourcing alternatives;
- Quality of information systems and financial infrastructure; and
- Diversity of customers and suppliers.

Transaction Structuring

The Principals have extensive experience structuring transactions and will seek to put capital structures in place that support the operational needs of the companies that can withstand downturns in the economic cycle.

Approval by the Investment Committee is required prior to committing substantial resources to conduct comprehensive due diligence and making any binding commitments on a potential transaction.

Fund 2 Investment Restrictions

As a condition of the Exit Transaction described in Item 2, WMP agreed with the purchaser that for an agreed period, WMP would not invest in or otherwise engage in any business in the United States that is competitive with Nutranext in a manner defined in our agreement with the purchaser. The restrictions do not apply to certain minority investments as well as investments in certain areas of focus for Fund 2, such as functional foods, natural personal care products, natural OTC products/natural remedies and traditional OTC medicines.

Risk Inherent in Private Equity Investments

As Fund 1 is not engaged in any investment activity, the below discussion addresses only risks associated with Fund 2.

An investment in Fund 2 involves a significant degree of risk that Investors should be prepared to bear. While WMP seeks to manage Fund 2 so that risks are commensurate with the expected financial return of Fund 2's investment strategy, it is often not possible or appropriate to fully mitigate risks. An investment in Fund 2 contemplates the risk of loss, and there can be no assurance that Investors will receive their capital back or any particular level of return on their capital. Investors should be aware that Fund 2 will not be diversified nor is it intended to provide a complete investment program for Investors. WMP assumes that Investors in Fund 2 will not invest all of their assets in Fund 2. Investors are responsible for appropriately diversifying their assets to guard against the risk of loss.

As private equity-focused investment funds, Fund 2 invests in securities which are generally highly illiquid and the return of capital and the realization of gain, if any, from an investment generally will occur only upon the partial or complete disposition of such investment. Certain portfolio companies may, after a period of time, become publicly traded companies, as part of the strategy to exit the initial investment, while others will depend on a private market transaction.

As it is not possible to identify all of the risks associated with investing in Fund 2, this section discusses certain material risks specifically relating to WMP's investment strategies and the types of assets in which WMP expects Fund 2 assets to be invested. Moreover, the particular risks applicable to Fund 2 will depend upon various factors, including its investment strategies, restrictions, and holdings. Prospective Investors in Fund 2 should read carefully Fund 2's PPM which contains a more comprehensive description of the different risk factors associated with making private equity investments.

Coronavirus and other public health risks

The recent outbreak of the novel coronavirus (COVID-19) in many countries is adversely impacting global commercial activity and has contributed to significant volatility in financial markets. The global impact of the outbreak has been rapidly evolving and has created significant disruptions in global demand and supply chains. Government and self-imposed quarantines and restrictions on travel may continue for a long period of time. Such actions are adversely impacting a wide range of different industries. While the longer-term scope of the potential impact of the novel coronavirus (COVID-19) on global markets cannot be known at this time, the coronavirus outbreak and any other outbreak of any infectious disease or any other serious public health concern, together with any resulting restrictions on travel or quarantines imposed, are likely to have a profound negative impact on economic and market conditions and trigger a period of global economic slowdown. Any such economic impact could adversely affect the performance of Fund 2's investments. As a result, the novel coronavirus (COVID-19) presents material uncertainty and risk with respect to Fund 2's overall performance and financial results may also be materially and adversely affected.

Early termination of Fund 2, or premature liquidation of its investments, is always possible. The Principals have discretion in the types of companies described herein in which Fund 2 will invest and will, in large part, rely upon their own assessments and projections of a potential target company's performance in making investment decisions. If the Principals determine that they are unlikely to achieve the investment objective of Fund 2, either as a result of their inability to (i) locate or complete suitable or sufficient investments (which may be based on pricing, supply, opportunity cost to Fund 2, and other non-financial factors) or (ii) implement any of its investment strategies for Fund 2, then the General Partner may determine to dissolve and terminate the Fund, and/or liquidate all or a portion of its investments, earlier than an investor may expect. No assurance can be given of the accuracy of the Principals' assessments and projections of Fund 2's performance or the performance of portfolio companies, which are inherently subject to uncertainty and to certain factors beyond the control of the Principals. An early termination or liquidation of Fund 2 might, therefore, result in investors receiving investment returns greater than, or less than, those that might be received in scenarios where the investments of Fund 2 are held for a longer period of time.

Fund 2 may not realize income or gains from its investments. Fund 2's investments may not appreciate in value and, in fact, may decline in value. Accordingly, Fund 2 may not be able to realize income or gains from its investments. Any gains or income that Fund 2 realizes may not be sufficient to offset any losses it experiences.

No assurance can be given of profit or distributions. Fund 2 cannot provide assurance that it will be able to choose, make and realize investments in any particular company or portfolio of companies. Investment in Fund 2 requires a long-term commitment, with no certainty of return. Most of Fund 2's investments will generally be in private, illiquid securities. There is no assurance that the investments of Fund 2 will be profitable or that any distribution will be made to the investors. Proceeds received from Fund 2's investments, including proceeds of sale, may be used to pay management fees or other fund expenses or may be reinvested to the extent allowed under the terms of the Partnership Agreement or may be held by the applicable Fund pending anticipated investment commitments. Any return on investment to the investors will depend upon the success of the applicable Fund's investments. The marketability and value of Fund 2's investments will depend upon many factors beyond our control. Fund 2 may not have sufficient cash available to make tax distributions, if any, to investors. There is no assurance that Fund 2 will be able to invest its capital on attractive terms or generate returns for its investors.

Investors are dependent on WMP. Fund 2 will be dependent upon the activities of WMP and its managers, partners, employees, members and affiliates. The loss of one or more of these individuals could have a significant adverse impact on the business of Fund 2. Fund 2 will be particularly dependent upon the Principals. The loss of any such Principal could have a material, adverse effect on the business of Fund 2. In addition, WMP is dependent upon the expertise of certain of its key employees in providing advisory services with respect to Fund 2's investments. The success of Fund 2 will depend to a great extent, among other things, upon the ability of WMP to identify, select, effect and realize appropriate investments. There is no guarantee that suitable investments will or can be acquired or that investments will be successful.

Long-term investment. An investment in Fund 2 is a long-term commitment, and there is no assurance of any distribution to the investors prior to or upon liquidation of such Fund.

Middle-market companies may pose larger risks than large companies. Fund 2 expects to concentrate its investments in lower-middle market companies in the health and wellness industry. Investments in lower-middle market companies such as those that Fund 2 intends to invest in, while often presenting greater opportunities for growth, may also entail larger risks than are customarily associated with investments in large companies. Medium-sized companies may have more limited product lines, markets and financial resources, and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms or at all when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in small- and medium-sized companies, could make it difficult for Fund 2 to react quickly to negative economic or political developments.

Government regulation could have a material adverse effect on operations. Products in the health and wellness industry are highly regulated both in the United States and in other countries. The processing, formulation, manufacturing, packaging, labeling, advertising, distribution, and sale of food, food ingredients, dietary supplements, cosmetics, over-the-counter medications, and related products are generally subject to regulation by one or more federal agencies, including the Food and Drug Administration (the "FDA"), the Federal Trade Commission (the "FTC"), the Consumer Product Safety Commission, and the Environmental Protection Agency. These products are regulated by the FDA to ensure they are not adulterated or misbranded. The FTC regulates the advertising of these products to ensure that any advertising is truthful and not misleading, and that an advertiser maintains adequate substantiation for all product claims. These activities and products are also regulated by various state and local agencies in the United States, as well as corresponding authorities of countries outside the United States. Compliance with the rules and regulations of such agencies is complex and entails continued diligence.

These governmental regulations could restrict the permissible scope of product claims made by one or more of our portfolio companies or the ability of one or more of our portfolio companies to manufacture or sell its products in the future. Failure to comply with FDA requirements may result in, among other things, injunctions, product withdrawals, product reformulations, recalls, product seizures, fines and criminal prosecutions against one or more of our portfolio companies. FTC enforcement actions may result in consent decrees, cease and desist orders, judicial injunctions and the payment of fines with respect to advertising claims that are found to be unsubstantiated. In recent years the FTC has initiated numerous investigations of companies in the health and wellness industry. Additionally, some states permit advertising and labeling laws to be enforced by private attorneys general, who may seek relief for consumers, seek class action certifications and seek class wide damages and product recalls of products sold by one or more of our portfolio companies.

From time to time, Congress, the FDA, the FTC, or other federal, state, local, or foreign legislative and regulatory authorities may impose additional laws or regulations, repeal laws or regulations that may be favorable, or impose more stringent interpretations of current laws or regulations on our portfolio companies.

We are not able to predict the nature of such future laws, regulations, repeals, or interpretations or to predict the effect that additional governmental regulation, when and if it occurs, would have on the business of our portfolio companies in the future. Our portfolio company operations could be harmed if new guidance or regulations require any of our portfolio companies to reformulate products or effect new registrations, if regulatory authorities make determinations that any of their products do not comply with applicable regulatory requirements, if the cost of complying with regulatory requirements increases materially, or if they are not able to effect necessary changes to their products in a timely and efficient manner to respond to new regulations. In addition, our portfolio company operations could be harmed if governmental laws or regulations are enacted that restrict the ability of the companies to market or distribute their products or impose additional burdens or requirements on companies in the health and wellness industry. These developments could require some of our portfolio companies to reformulate some of their products to meet new standards, recall or discontinue some products not able to be reformulated, impose additional record-keeping requirements, increase documentation of the properties of some products, add or modify product labeling, provide additional scientific substantiation, or other new requirements. Any of these developments could increase the costs to our portfolio companies significantly and may result in significant lost sales.

Our portfolio companies are also subject to federal, state, local and international environmental laws and regulations governing the use, manufacture, storage, handling, and disposal of materials and certain waste products. Our portfolio companies may incur significant costs in complying with these laws and regulations, and the failure to comply with applicable requirements, including any future changes to such requirements, could have a material adverse effect on our business, prospects, financial condition and results of operations.

Any adverse actions against Fund 2 or its portfolio companies by governmental authorities or private litigants could have a material adverse effect on the business, financial condition and results of operations of one or more of our portfolio companies and adversely impact Fund 2 and the value of its investments.

Material product liability claims could adversely affect the value of our investments. Our portfolio companies market and manufacture products designed for human and animal consumption, and are subject to product liability claims if the use of their products is alleged to have resulted in injury. Some of the products may contain innovative ingredients that do not have long histories of human consumption. Previously unknown adverse reactions resulting from human consumption of these ingredients could occur. Our portfolio companies may be subject to various product liability claims, including, among others, that their products include inadequate instructions for use or inadequate warnings concerning possible side effects and interactions with other substances. A product liability claim could result in increased costs and could adversely affect the companies' reputation with customers, which, in turn, could have a materially adverse effect on the business, results of operations, financial condition and cash flows.

Fund 2 is investing in a highly competitive industry. The health and wellness industry is highly competitive with respect to price, shelf space and store placement, brand and product recognition, new product introductions and raw materials. This sector includes international, national, regional and local producers and distributors, many of whom have substantially greater production, financial, research and development, personnel, distribution and marketing resources than our portfolio companies are likely to have, and many of whom offer a greater variety of products than our portfolio companies will offer. As a result, each of these companies could compete more aggressively with our portfolio companies and sustain that competition over a longer period of time than our portfolio companies are likely to be able to sustain.

Adverse publicity could have a material adverse effect on operations. Companies operating in the health and wellness industry are highly dependent upon positive consumer perceptions of the safety, quality and efficacy of their products as well as similar products distributed by other companies. Future scientific research or publicity may not be favorable to this industry or any particular product. Consumer perception can be substantially influenced by such scientific research or findings, regulatory investigations, litigation, media attention, or other publicity about product use. Adverse publicity from these sources regarding the safety, quality or efficacy of our portfolio companies' products could harm our reputation, the reputation and operating results of our portfolio companies and the value of our investments in portfolio companies. The

mere publication of news articles or reports asserting that such products may be harmful, associated with illness or questioning their efficacy could have a material adverse effect on a portfolio company's business, financial condition and results of operations, regardless of whether such news articles or reports are credible or scientifically supported or even if the adverse effects associated with such products resulted from failure to consume such products as directed. Adverse publicity could also increase our portfolio companies' product liability exposure, result in their increased regulatory scrutiny and lead to the initiation of private lawsuits.

Product recalls, withdrawals, or seizures may adversely affect our investments. Selling products for human consumption involves a number of risks. The portfolio companies in which we invest are subject to recalls, withdrawals, or seizures of some of their products if they are believed to cause injury or illness or if the companies are alleged to have violated governmental regulations in the manufacturing, labeling, promotion, sale, or distribution of those products. A widespread product recall, withdrawal, or seizure could result in adverse publicity, damage to reputation, and a loss of consumer confidence in such products, which could have a material adverse effect on our portfolio companies' business results and the value of their brands. Such portfolio companies also may incur significant liability if their products or operations violate applicable laws or regulations, or in the event such products cause injury, illness or death. In addition, our portfolio companies could be the target of claims that their advertising is false or deceptive under U.S. federal and state laws as well as foreign laws, including consumer protection statutes of some states. Even if a product liability, consumer fraud, or other claim is unsuccessful or without merit, the negative publicity surrounding such assertions regarding such products could adversely affect our reputation, the reputation of our portfolio companies and their brand image.

The success of our investments depends, in part, on the quality standards and safety of our products. The success of our investments in portfolio companies depends, in part, on the quality and safety of their products, including the procedures they employ to detect the likelihood of hazard, manufacturing issues, and unforeseen product misuse. If such products are found to be, or are perceived to be, defective or unsafe, or if they otherwise fail to meet distributors' or end customers' standards, our portfolio companies' relationships with distributors or end customers could suffer, they could need to recall some of their products, our reputation and the reputation of our portfolio companies, or the appeal of their brands, could be diminished and we could lose market share and or become subject to liability claims, any of which could result in a material adverse effect on our portfolio companies' business, results of operations, and financial condition.

Non-compliance with information privacy laws could harm our investments. The regulatory environment surrounding information security and privacy is increasingly demanding, with the frequent imposition of new and changing requirements across businesses. The portfolio companies in which we may invest are required to comply with increasingly complex and changing data privacy regulations in the United States and in other countries in which they may operate that regulate the collection, use and transfer of personal data, including the transfer of personal data between or among countries. Some foreign data privacy regulations are more stringent than those in the United States and continue to change. For example, in May 2018, the General Data Protection Regulation imposed more stringent European Union data protection requirements, and provided for greater penalties for noncompliance. Complying with these and other changing requirements could cause the portfolio companies to incur substantial costs and require them to change their business practices in certain jurisdictions, any of which could materially adversely affect their business operations and operating results and, therefore, materially adversely affect Fund 2' investments. Such portfolio companies may also face audits or investigations by one or more domestic or foreign government agencies relating to their compliance with these regulations. Compliance with changes in privacy and information security laws and standards may result in significant expense due to increased investment in technology and the development of new operational processes. If our portfolio companies or those with whom they share information fail to comply with these laws and regulations or experience a data security breach, their and our reputation could be damaged, and they and we could be subject to additional litigation and regulatory risks. Our portfolio companies' security measures may be undermined due to the actions of outside parties, employee error, malfeasance, or otherwise, and, as a result, an unauthorized party

may obtain access to their data systems and misappropriate business and personal information. Any such breach or unauthorized access could result in significant legal and financial exposure, damage to their and our reputation, and potentially have a material adverse effect on their business operations, financial condition and results of operations and, therefore, materially adversely affect Fund 2's investments.

Non-compliance with economic sanction and anti-corruption laws could harm our investments.

Economic sanction laws in the United States and other jurisdictions may prohibit us and Fund 2 from transacting with or in certain countries and with certain individuals and companies. In the United States, the U.S. Department of the Treasury's Office of Foreign Assets Control ("**OFAC**") administers and enforces laws, Executive Orders and regulations establishing U.S. economic and trade sanctions. Such sanctions prohibit, among other things, transactions with, and the provision of services to, certain foreign countries, territories, entities and individuals. These entities and individuals include specially designated nationals, specially designated narcotics traffickers and other parties subject to OFAC sanctions and embargo programs. The lists of OFAC prohibited countries, territories, persons and entities, including the List of Specially Designated Nationals and Blocked Persons, as such list may be amended from time to time, can be found on the OFAC website at www.treasury.gov/resource-center/sanctions/Pages/default.aspx. In addition, certain programs administered by OFAC prohibit dealing with individuals or entities in certain countries regardless of whether such individuals or entities appear on the lists maintained by OFAC. These types of sanctions may significantly restrict Fund 2's investment activities in certain emerging market countries.

Our portfolio companies' international operations are subject to anti-corruption laws, including the Foreign Corrupt Practices Act (the "**FCPA**"). Any allegations that we or our portfolio companies are not in compliance with anti-corruption laws may require us or our portfolio companies to dedicate time and resources to an internal investigation of the allegations or may result in a government investigation. Any determination that a portfolio company's operations or activities are not in compliance with existing anti-corruption laws or regulations could result in the imposition of substantial fines and other penalties and may cause adverse publicity or increased scrutiny of our investments and harm our business. Although our portfolio companies will have implemented anti-corruption policies and controls to protect against violation of these laws, we cannot be certain that these efforts will be effective.

Diverse investor group may lead to conflicts. The investors may have conflicting investment, tax, and other interests with respect to their investments in Fund 2. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by Fund 2, the structuring or the acquisition of investments, and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by WMP, including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, particularly with respect to investors' individual tax situations. In selecting and structuring investments appropriate for Fund 2, the applicable General Partner and WMP will consider the investment and tax objectives of the applicable Fund and the investors as a whole, not the investment, tax, or other objectives of any investor individually. Notwithstanding the foregoing, the Fund 2 General Partner has structured Fund 2 such that the Onshore Fund is intended to be of interest primarily to U.S. domestic taxable investors and the Offshore Fund is intended to be of interest primarily to non-U.S. investors and U.S. tax-exempt investors. While the Feeder Funds are substantially similar, the performance of the Onshore Fund may differ from the performance of the Offshore Fund due to tax, regulatory, operational and other similar factors.

Establishing appropriate levels of reserves is difficult and may adversely impact returns. In managing Fund 2, the applicable General Partner may seek to establish reserves for Fund level liabilities. Estimating a proper level of reserves is difficult. Inadequate or excessive reserves may adversely affect the investment returns of the investors.

Capital contribution structure may lead to disproportionate unfunded commitments. Capital contributions are made by the subsequent investors on a sequential basis such that subsequent investors will bear all of the future capital contributions of the applicable Fund until they have equalized their unfunded commitments

(on a proportional basis) with those of the previously admitted investors admitted to such Fund at the initial closing of such Fund (the “Equalization”). As a result, there is the risk that, to the extent such Fund does not make aggregate capital calls over the term of such Fund in an amount required to satisfy the Equalization of all investors in such Fund, one or more subsequent investors may have a disproportionate unfunded commitment (as compared to an investor admitted at the initial closing of such Fund that made an identical commitment), resulting in such subsequent investors having a lower percentage interest in such Fund than would be the case if capital contributions were not made on a sequential basis.

Side Letters with investors may provide additional rights. The applicable General Partner may enter into or may have entered into side letters or similar agreements with investors in the applicable Fund (each a “Side Letter”) pursuant to which such General Partner may agree, among other things, to extend certain information rights or additional reporting to such investor; or provide special rights to such investor with respect to the activities of such Fund or the applicable General Partner or any of their respective affiliates. The applicable General Partner may enter into any Side Letter without the vote or consent of other investors. In addition, the terms of any Side Letter will not be disclosed to other investors unless another Side Letter so provides.

Economics to the Fund 2 General Partner, the SLP and WMP may create certain disincentives. The SLP will be entitled to receive a carried interest from investors in the applicable Fund. The Principals are entitled (indirectly) to a significant portion of such carried interest. The existence of the carried interest may give the Principals an incentive to make more aggressive investments than it would otherwise make were the SLP not entitled to the carried interest. In addition, the carried interest may constitute an incentive to the Principals to dispose of investments earlier than when they might otherwise dispose of them. Management fees collected from investors in Fund 2 are paid, at the direction of Fund 2’s General Partner, to WMP. The fact that the Management Fee is based, after the Investment Period, on invested capital may be an incentive to retain investments longer the Principals otherwise would.

The Recycling Right subjects investors to additional risks. Under certain circumstances summarized herein and as set forth in Fund 2 partnership agreement, the applicable General Partner has the right to recall, redeploy or retain investment proceeds. Accordingly, during the term of Fund 2, an investor may be required to invest capital in excess of its commitment, and to the extent such recalled, redeployed or retained amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.

No assurance of additional financing for portfolio companies. A portfolio company may not be able to obtain additional financing to support its needs for working capital or expansion capital, which could materially and adversely affect the value of the portfolio company, and thus, the value of Fund 2.

Financial leverage exposes portfolio companies to financial risk. Portfolio companies in which we may invest may make use of financial leverage, utilizing debt from a number of sources including banks, investment banks and public debt markets. The use of debt at the portfolio company level may expose Fund 2’s investments to financial risk, including their inability to meet debt obligations as they mature and possible bankruptcy. Such risks could be heightened in an environment of increasing interest rates or an overall decline in economic conditions within the United States and the global economy.

No limit on concentration could adversely affect performance. Fund 2 is not subject to specific diversification requirements and may participate in a limited number of investments, in which case the investment returns of Fund 2 could be substantially adversely affected by the unfavorable performance of a single investment.

Investments in less established companies involve greater risks. Fund 2 may invest its assets in securities issued by less established companies. Such investments involve greater risks than generally are associated with later-stage companies. To the extent that there is any public market for such securities, price movements may be more abrupt and erratic than is the case for securities issued by more established companies. Less

established companies also tend to have smaller capitalization and fewer resources, making them potentially more vulnerable to financial failure. These companies also may have shorter operating histories on which to judge future performance and may have negative cash flow.

Insufficient capital for follow-on investments may have negative results. From time to time, a portfolio company may require additional capital. There is no assurance that Fund 2 will make follow-on investments or that Fund 2 will have sufficient resources to, or be permitted to, make such follow-on investments. A decision to not make a follow-on investment or Fund 2's inability to make a follow-on investment when needed may have a substantial negative impact on a portfolio company, may result in missed opportunities for Fund 2 or may result in dilution of Fund 2's investment in the portfolio company.

Non-U.S. investments are subject to certain additional risks. Fund 2 may invest in the assets and securities of companies based outside the United States, including companies located in emerging markets. Investments of this type are subject to certain risks not typically associated with investing in the United States including, but not limited to, price fluctuations, currency exchange rate fluctuations and costs, the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, less governmental supervision and regulation, and certain economic and political risks, including potential exchange control regulations and restrictions on foreign investment and repatriation of capital, the risks of political, economic or social instability, the possibility of expropriation or confiscatory taxation, seizure, nationalization, or creation of government monopolies, and the possibility of non-U.S. taxes assessed on income and gains recognized with respect to such investments. These risks may be more pronounced in emerging markets. Inflation and rapid fluctuations in inflation rates have had, and may continue to have, negative effects on the economies and securities markets of certain emerging market countries.

In addition, portfolio companies located in non-U.S. jurisdictions may be involved in restructurings, bankruptcy proceedings and/or reorganizations that are not subject to laws and regulations that are similar to the U.S. Bankruptcy Code and the rights of creditors afforded in U.S. jurisdictions. To the extent such non-U.S. laws and regulations do not provide Fund 2 with equivalent rights and privileges necessary to promote and protect its interest in any such proceeding, Fund 2's investments in any such portfolio company may be adversely affected. For example, bankruptcy law and process in a non-U.S. jurisdiction may differ substantially from that in the United States, resulting in greater uncertainty as to the rights of creditors, the enforceability of such rights, reorganization timing and the classification, seniority and treatment of claims. In certain developing countries, although bankruptcy laws have been enacted, the process for reorganization remains highly uncertain. While we intend, where deemed appropriate, to manage Fund 2 in a manner that will minimize exposure to the foregoing risks, there can be no assurance that adverse developments with respect to such risks will not adversely affect the assets of Fund 2 that are held in certain countries.

Litigation may adversely Fund 2's investments. Litigation can and does occur in the ordinary course of the management of a portfolio of investments. Fund 2 may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where Fund 2 exercises control or significant influence over a portfolio company's direction, including as a result of board participation. Such litigation can arise as a result of portfolio company default, portfolio company bankruptcies and/or other reasons. In certain cases, such portfolio companies may bring claims and/or counterclaims against Fund 2, WMP, the General Partner and/or their respective principals and affiliates alleging violations of securities laws and other typical portfolio company claims and counterclaims seeking significant damages. The expense of defending against claims made against Fund 2 by third parties and paying any amounts pursuant to settlements or judgments would be borne by Fund 2 to the extent that (1) Fund 2 has not been able to protect itself through indemnification or other rights against the portfolio companies, (2) Fund 2 is not entitled to such protections or (3) the portfolio company is not solvent. WMP, its affiliates and others may be indemnified by Fund 2 in connection with such litigation.

In addition, the financial performance of portfolio companies in which Fund 2 has invested may be adversely affected from time to time by litigation such as, without limitation, contractual claims, intellectual property

claims, occupational health and safety claims, public liability claims, employee claims, environmental claims, industrial disputes, tenure disputes and legal action from special interest groups. Such litigation could materially reduce the value of Fund 2's investments.

Fund 2 is subject to third-party investment restrictions. As a condition of the Exit Transaction, WMP agreed with the purchaser in the transaction that, for a restricted period, WMP would not, including through Fund 2, invest in or otherwise engage in any business in the United States that is competitive with Nutranext in a manner defined in our agreement with the purchaser. The restrictions do not apply to certain minority investments as well as in areas of focus for Fund 2, such as functional foods, natural personal care products, natural OTC products/natural remedies and traditional OTC medicines. While the subsectors within the health and wellness industry that Fund 2 expects to target for investment are not included in such restricted businesses, Fund 2 may experience losses as a result of any claims that such restrictions were breached as a result of such Fund's investment activities.

Use of a master-feeder fund structure presents unique risks. The Feeder Funds will invest substantially all of their assets through a "master-feeder" structure, conducting all of its investment and trading activities indirectly through an investment in the Master Fund, an exempted limited partnership formed to conduct trading activities on behalf of the Feeder Funds. The purpose of the Master Fund is to achieve trading and administrative efficiencies.

Use of a "master-feeder" fund structure presents certain unique risks to investors. For example, a smaller feeder fund investing in the Master Fund may be materially affected by the actions of a larger feeder fund. If a larger feeder fund withdrew from the Master Fund, the remaining feeder fund may experience higher pro rata operating expenses, thereby providing lower returns. The Master Fund may become less diverse due to redemption by a larger feeder fund, resulting in increased portfolio risk. In addition, the Master Fund is a single entity and creditors of the Master Fund may enforce claims against all of the assets of the Master Fund.

Cayman Islands law may not recognize or enforce U.S. judgments. Judgments obtained in the courts of any state within the U.S. generally will be recognized and enforced by courts in the Cayman Islands, except for judgments regarding penalties, fines, taxes or other fiscal or revenue obligations of Fund 2, if these judgments are final, for a liquidated sum, were not obtained in a fraudulent manner and are not of a kind the enforcement of which is contrary to Cayman Islands public policy. There is some doubt as to whether the courts of the Cayman Islands would recognize or enforce judgments of U.S. courts obtained against Fund 2 or its directors or officers based on the civil liabilities provisions of the federal or state securities laws of the U.S., or would hear actions against Fund 2 or those persons based on those laws. Fund 2 have been advised by their legal advisors in the Cayman Islands that the U.S. and the Cayman Islands do not currently have a treaty providing for the reciprocal recognition and enforcement of judgments in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any federal or state court in the U.S. based on civil liability, whether or not based solely on U.S. federal or state securities laws, may not be enforceable in the Cayman Islands.

As outlined above, there are grounds upon which a Cayman Islands court may not enforce the judgments of U.S. courts and certain remedies available under the laws of U.S. jurisdictions, including certain remedies available under U.S. federal securities laws, may not be enforceable by Cayman Islands courts on the basis that they are contrary to public policy in the Cayman Islands. Similarly, those judgments may not be enforceable in countries other than the U.S. where we have assets. Further, no claim may be brought in the Cayman Islands by or against Fund 2 or its directors and officers in the first instance for violation of U.S. federal securities laws, because these laws have no extraterritorial application under Cayman Islands law and do not have force of law in the Cayman Islands; however, a Cayman Islands court may impose civil liability, including the possibility of monetary damages, on Fund 2 or its directors and officers if the facts alleged in a complaint constitute or give rise to a cause of action under Cayman Islands law.

The Cayman Islands Model 1 IGA adopted in response to FATCA. The Cayman Islands Government has adopted a Model 1 intergovernmental agreement (“IGA”) in response to FATCA. A foreign government that signs a Model 1 IGA agrees to adopt rules to identify and report information about certain U.S. account holders and equity holders. To the extent that the Feeder Funds come within the scope of the Model 1 IGA between the U.S. and the Cayman Islands, generally it must identify U.S. account holders and equity holders in accordance with due diligence rules adopted by the Cayman Islands Government and report information about U.S. account holders and equity holders to the Cayman Islands Government instead of reporting such information directly to the IRS. Under a Model I IGA, the Feeder Funds would not be required to register or enter into an agreement with the IRS. Instead, Feeder Funds would be required to comply with reporting and due diligence requirements applicable to the Cayman Islands Government. Information conveyed to the Cayman Islands Government by the Feeder Funds automatically would be transferred by the Cayman Islands Government to the IRS under an income tax treaty or tax information exchange agreement between the U.S. and the Cayman Islands Government.

Cyber security risk may cause Fund 2’s investments to lose value. In the digital world that Fund 2 and WMP, and other service providers and the vendors of each (collectively “Service Providers”) exist in, we and they are exposed to the risk that our and their operations and data may be compromised as a result of internal and external cyber-failures, breaches or attacks (“Cyber Risk”). This could occur as a result of malicious or criminal cyber-attacks or from human error, faulty or inadequately implemented policies and procedures or other systems failures unrelated to any external cyber-threat may have effects similar to those caused by deliberate cyber-attacks. Successful cyber-attacks or other cyber-failures or events affecting Fund 2 or its Service Providers may adversely impact Fund 2 or their investors or cause an investment in Fund 2 to lose value. For instance, such attacks, failures or other events may interfere with the processing of investor transactions, impact Fund 2’s ability to calculate its NAV, cause the release of private information or confidential information, impede trading, or cause reputational damage. Such attacks, failures or other events could also subject Fund 2 or its Service Providers to regulatory fines, penalties or financial losses, reimbursement or other compensation costs, and/or additional compliance costs. A Fund or its Service Providers may also incur significant costs to manage and control Cyber Risk. Cyber Risk is also present for the portfolio companies in which Fund 2 invests, which could result in material adverse consequences for such portfolio companies, and may cause Fund 2’s investment in such portfolio companies to lose value.

Delayed tax reporting. Each year, Fund 2 will distribute a Schedule K-1 to each investor so that they can prepare their respective income tax returns. The preparation of such returns is each investor’s sole responsibility. Tax information may not be provided on a timely basis as Fund 2’s ability to provide final Schedule K-1s to the investors is dependent upon when Fund 2 receives the requisite information from its portfolio companies. In fact, it is highly unlikely that Fund 2 will be able to provide final Schedule K-1’s prior to April 15 of any tax year. The investors should be prepared to obtain extensions of the filing dates for their federal, state and local income tax returns.

Investors may incur tax liabilities prior to receiving distributions. An investor’s federal, state or local tax liability for a year may exceed such investor’s cash distributions for such year. In such event, the investor will have to utilize other means to satisfy such tax liabilities in the event Tax Distributions are not made or are not sufficient to satisfy such tax liabilities.

ITEM 9: DISCIPLINARY INFORMATION

Not applicable.

ITEM 10: OTHER FINANCIAL INDUSTRY ACTIVITIES & AFFILIATIONS

Other Financial Industry Affiliations

While certain WMP internal management persons are involved in personal investment activities, they do not participate in other ventures that would constitute material financial industry activities or affiliations.

WMP does not have any business arrangements with any of such ventures or activities that are material to its advisory role to Fund 2 or to Fund 2 itself and does not expect any conflicts of interest to arise with respect to its Principals' ownership interests in or board involvement with such entities.

Participation or Interest in Client Transactions

In general, it is not anticipated that WMP will for its own account, or for the account of one of its employees or affiliates, purchase securities from, or sell securities to, Fund 2 (a "principal transaction"). Principal transactions may give rise to potential conflicts of interest, such as the execution of transactions with clients at unfavorable prices, the sale of unwanted securities to Fund 2, or the purchase of desirable securities from Fund 2. In the event that WMP or its affiliate were to engage in any such transaction, it would only do so in accordance with the requirements of Section 206(3) of the Investment Advisers Act of 1940, as amended, including the requirement to obtain the prior consent of Fund 2. This prior consent will generally be requested from the LPAC.

Managerial and other Services to Portfolio Companies

WMP may receive fees for managerial and other management services to certain portfolio companies of Fund 2. This ability to receive fees for such services represents a potential conflict of interest to the extent that Fund 2 has or will have control of significant influence over such portfolio companies, although this potential conflict of interest is mitigated by the fact that the amount of such fees is typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, as well as by the Management Fee offset provisions previously described.

Other Activities

During the Investment Period of Fund 2, each of the Principals is required to devote a certain amount of his time and attention to Fund 2. This requirement, however, will not restrict the Principals from (i) managing a permitted Successor Fund, (ii) serving on the board of directors or advisory boards of corporations, investment funds, or other entities where such participation is not believed to be inconsistent with the objectives of Fund 2, (iii) serving on the boards of directors of charitable, civic and other business organizations where such activities will not materially interfere with the objectives of Fund 2, (iv) conducting and managing such Principal's personal and family investment activities, (v) engaging independently or with others in current or future business ventures of any kind, in each case that the Fund 2 General Partner determines in good faith will not interfere in any material respect with the interests of the Fund 2, and (vi) any other activities approved by the LPAC. Other members of the investment team may also participate in other investment activities.

Diverse Investor Group

The investors may have conflicting investment, tax and other interests with respect to their investments in Fund 2. The conflicting interests of different investors may relate to or arise from, among other things, the strategic business of the investor, the taxable or tax-exempt status of the investor, the jurisdiction of organization of non-individual investors, the nature of investments made by Fund 2, the structuring or the acquisition of investments, and the timing of disposition of investments. In selecting and structuring investments appropriate for Fund 2, and otherwise while acting in its capacity as general partner of Fund 2, the Fund 2 General Partner will consider the investment and tax objectives of such Fund as a whole, and not the strategic, investment, tax, or other objectives of any investor individually. Notwithstanding the foregoing, the Fund 2 General Partner has structured Fund 2 such that the Onshore Fund is intended to be of interest primarily to U.S. domestic taxable investors and the Offshore Fund is intended to be of interest primarily to non-U.S. investors and U.S. tax-exempt investors. While the Feeder Funds are substantially

similar, the performance of the Onshore Fund may differ from the performance of the Offshore Fund due to tax, regulatory, operational and other similar factors.

In certain cases, the Fund 2 General Partner may consult with an investor regarding the strategic objectives of Fund 2 investment. There is no obligation to consult with any or all investors or any of their representatives. The Fund 2 General Partner may or may not do so, in its discretion. Any such consultation with an investor may orient an investment in a manner that is not favorable to the strategic objectives of another investor.

ITEM 11: CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS, AND PERSONAL TRADING

WMP's Code of Ethics, which is included in WMP's Compliance Manual and Code of Ethics dated December 2019 (the "Code"), is designed to meet the requirements of Rule 204A-1 of the Advisers Act.

The Code applies to WMP's "Supervised Persons" and "Access Persons". Supervised Persons include, any partner, officer or director (or other person occupying a similar status or performing similar functions) or employee of WMP, or other persons who provide investment advice on behalf of WMP and is subject to WMP's supervision and control. Access Persons are Supervised Persons who have access to nonpublic information regarding any investor's trading or any of the Fund's holdings, who are involved in making securities recommendations or who have access to nonpublic securities recommendations. WMP may also treat additional persons, who are not Supervised Persons, as Access Persons in its discretion if it deems appropriate to do so.

The Code sets forth a standard of business conduct that takes into account WMP's status as a fiduciary and requires Supervised Persons to place the interests of the Fund and its investors above their own interests and the interests of WMP. The Code requires Supervised Persons to comply with applicable federal securities laws. Further, the Code requires that Supervised Persons bring violations of the Code to the attention of WMP's Chief Compliance Officer ("CCO") promptly. All Supervised Persons are given, and required to acknowledge receipt of, the Code when they commence working for WMP. Thereafter, they are required to affirm compliance with the Code on an annual basis. The Code will also be provided to any client or prospective client upon request. Any client or potential client may contact the CCO at gp@wmplp.com in order to obtain a copy of the Code.

WMP mitigates potential conflicts of interest inherent in a Supervised Person's or Access Person's personal trading through diligent enforcement of its Code, including clearance and reporting guidelines for Supervised Persons or Access Persons as to personal securities accounts, holdings and transactions. Clearance is required in connection with any transactions by Supervised Persons or Access Persons in limited offerings and initial public offerings. In addition, WMP follows a policy pursuant to which certain transactions made by certain Supervised Persons or Access Persons are periodically reported to and reviewed by the CCO or his designee for consistency of the Supervised Person's or Access Person's personal securities transactions with the Code.

Supervised Persons and Access Persons are strictly prohibited from trading on the basis of any material, non-public information. WMP maintains and updates as necessary a list of issuers about which WMP (or its Supervised Persons or Access Persons) has learned material, non-public information.

Participation or Interest in Client Transactions

In general, it is not anticipated that WMP will for its own account, or for the account of any of its employees or affiliates, purchase securities from, or sell securities to, Fund 2 (a "principal transaction"). The Principal's original in-kind contribution of Nutranext to Fund 1 were in essence principal transactions as

they were transactions between WMP's founders and Fund 1 through which Fund 1 was formed. However, such contribution was the initial transaction that started Fund 1. They all occurred prior to and were disclosed in connection with the offering of interests in Fund 1. Investors effectively consented to these transactions through execution of Fund 1's subscription agreement.

If persons associated with WMP were to engage in principal transactions, it would only do so in accordance with the requirements of Section 206(3) of the Advisers Act, including the requirement to obtain the requisite consent to the potential conflicts of interest inherent in such transactions. Under Fund 2's governing documents, each Investor has agreed that approval by Fund 2's Limited Partner Advisory Committee will serve as the consent required by Section 206(3). Principal transactions may include, without limitation, the execution of transactions with Fund 2 or any of its direct or indirect portfolio companies at unfavorable prices, the sale of securities to or purchase of securities from Fund 2 or its direct or indirect portfolio companies.

Additionally, while they have not received such fees to date, Fund 2's governing agreements contemplate that WMP and/or its affiliates could receive fees from Fund 2's portfolio companies. This ability to receive fees represents a potential conflict of interest to the extent Fund 2 has or will have control or significant influence over its portfolio companies. The conflict of interest is mitigated by the fact that the amount of such fees would typically be negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, and by the offset against Fund 2's management fee described in Item 5 above.

ITEM 12: BROKERAGE PRACTICES

WMP expects to invest Fund 2 primarily in private securities, thus it does not ordinarily deal with any financial intermediary such as a broker-dealer acting on its behalf in making investments, and commissions are not ordinarily payable in connection with such investments. WMP seeks to execute private transactions on behalf of each Fund efficiently in light of relevant circumstances.

To the extent WMP might transact in public securities for Fund 2, it will select brokers based upon WMP's assessment of the broker's ability to provide quality and well-priced execution for such Fund. WMP is generally authorized to make the following determinations, subject to Fund 2's investment objectives and restrictions, without obtaining prior consent from Fund 2 or any of their Investors: (1) which securities or other instruments to buy or sell; (2) the total amount of securities or other instruments to buy or sell; and (3) where relevant, the executing broker or dealer for any transaction and the commission rates or commission equivalents charged for transactions.

WMP seeks to execute securities transactions in such a manner that a client's total cost or proceeds in each transaction is the most favorable under the totality of the circumstances. In making its decisions regarding the allocation of brokerage transactions for Fund 2, WMP will consider a variety of factors including but not limited to WMP's assessment of the broker's or a counterparty's: (1) ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (2) operational efficiency in effecting transactions (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution; (3) financial strength, integrity and stability; and (4) commission rates in comparison with other broker-dealers. Although WMP generally seeks competitive commission rates and commission equivalents, it will not necessarily pay the lowest commission or equivalent. Transactions may involve specialized services on the part of a broker-dealer, which may justify higher commissions and equivalents than would be the case for more routine services.

WMP has no formal arrangements with broker-dealers to receive research or other products or services other than execution or any formal soft dollar or commission sharing agreements in place that would require WMP to direct any specified amount of brokerage to a broker-dealer. WMP, however, may receive "over

the transom” research reports from broker-dealers that may provide or seek to provide services to WMP, Fund 2 or its portfolio companies. Any information received from a broker-dealer is expected to be consistent with the safe harbor for brokerage and research services under Section 28(e) of the Securities Exchange Act of 1934. When WMP receives research or other information or opportunities from a broker-dealer in these circumstances, it could be viewed as receiving a benefit it does not have to pay for, and WMP could be viewed as having an incentive to select or recommend a broker-dealer for a transaction on behalf of Fund 2 or portfolio company based on its interest in receiving such benefits rather than on receiving most favorable execution.

ITEM 13: REVIEW OF ACCOUNTS

Fund 2 and their portfolio companies, if any, are under continuous review by WMP. Typically, WMP and its personnel will not be involved in the day-to-day operations of a portfolio company other than when (1) the portfolio company’s performance has deteriorated (or may deteriorate) and Fund 2’s investment may be at risk; or (2) Fund 2’s investment strategy with the portfolio company was to own and be significantly involved in the management of the company. This was the case for Jose Minski in his role, discussed above, as the Chief Executive Office of Nutranext and President of its portfolio companies and for Guido Panzera in his role, discussed above, as the General Counsel and Secretary of Nutranext; they were, accordingly, involved in the day to day operations of Fund 1’s portfolio companies. Likewise, both Messrs. Minski and Panzera are taking on the same roles with respect to Fund 2’s first acquisition, Ultima Health Products, Inc., and expect to do so for additional Fund 2 acquisitions.

WMP has in place an investment monitoring process which generally includes the following on a quarterly or other periodic basis:

- review of company financial statements;
- review of management prepared budgets;
- periodic contact with executives and management at the portfolio company that are not already directly in contact with or involved with WMP; and
- board level strategic, financial, and operational assistance.

In situations where Fund 2 is a control equity investor, as is the case with Ultima Health Products, Inc., WMP expects to have greater involvement with the portfolio company, for example, involvement with the preparation of the financial statements and budgets, hiring key employees, full participation in board meetings and decisions, strategic oversight, establishing banking relationships and developing exit strategies. WMP also expects to have significant interaction with senior management in the day-to-day operations of these portfolio companies, and key strategic decisions related to these portfolio companies.

Generally, Investors in Fund 2 will receive unaudited, estimated quarterly performance reports. In addition, Investors in Fund 2 will receive annual financial statements prepared in accordance with GAAP and audited by an independent public accounting firm that is registered with and subject to inspection by the PCAOB.

ITEM 14: CLIENT REFERRALS AND OTHER COMPENSATION

WMP entered into placement agent agreements in connection with the offering of interests in Fund 2. All fees payable to such placement agents were paid by Fund 2, and the management fees payable to WMP were reduced by an amount equal to 100% of such placement agent fees.

On occasion, WMP may have a conflict of interest in selecting a broker who acts as a placement agent to also execute portfolio transactions for Fund 2.

Other Compensation

As discussed above and in Item 5, WMP or its related persons may receive fees for the managerial and other management services provided to Fund 2 portfolio companies. This represents a potential conflict of interest to the extent Fund 2 has or will have control of significant influence over such portfolio companies. This potential conflict of interest is mitigated by the fact that (i) the amount of such fees is typically negotiated with the applicable portfolio company's management team and/or any roll-over equity holders, and (ii) the management fee is offset by the amount thereof (as described above in Item 5).

ITEM 15: CUSTODY

Fund 2 cash is held by a bank that is a qualified custodian. All of the securities of portfolio companies owned directly or indirectly Fund 2 are uncertificated. WMP is deemed to have custody of Fund assets because the General Partner serves as the general partner of the Fund. To comply with the Custody Rule, Fund 2's audited financial statements are prepared in accordance with generally accepted accounting principles by an independent auditor (which is registered with and subject to inspection by the PCAOB) and distributed within 120 days after Fund 2's fiscal year end.

ITEM 16: INVESTMENT DISCRETION

WMP has discretionary authority to manage securities accounts on behalf of Fund 2, subject to such Fund's strategies, objectives and restrictions whenever exercising discretion on such Fund's behalf. As explained in Item 4 above, Fund 2's investment strategy is set forth in detail in Fund 2's governing documents. Investors in Fund 2 do not have the ability to impose limitations on the discretionary authority of WMP. Investors in Fund 2 must execute a subscription agreement in which they make various representations, including representations regarding their suitability to invest in a high-risk pooled investment fund. Further, Investors in Fund 2 must execute a limited partnership agreement that contains a limited power of attorney.

ITEM 17: VOTING CLIENT SECURITIES

Given its private equity focus, WMP generally does not expect to hold interests in publicly traded securities except in the event one of its portfolio companies undertakes a public offering of its securities or is sold to an issuer of public securities. As such, WMP typically does not expect to vote proxies except in unusual circumstances.

To the extent WMP votes proxies, WMP understands and appreciates the importance of proxy voting. Where WMP has discretion to vote the proxies of Fund 2, WMP will vote any such proxies in the best interests of such Fund and generally in accordance with the policies provided below. These same policies generally apply to votes cast by WMP on behalf of Fund 2 with respect to securities owned by it in any portfolio companies it may acquire.

All proxy materials received by WMP for Fund 2 will be forwarded to the CCO. The proxy information will be recorded onto a proxy log, including the name of the issuer to which the proxy materials relate, the shareholder meeting date, voting number of shares, date voted, and the means of vote (i.e., mail/electronic), including a brief description of the matter voted on, whether the matter was proposed by the issuer or security holder, how the vote was cast and whether a material conflict of interest was presented. Prior to voting any proxies, WMP's CCO will determine if there are any conflicts of interest related to the proxy in question. If a conflict is identified, the CCO will then make a determination (which may be in consultation with outside legal counsel or compliance consultants) as to whether the conflict is material or not. WMP shall make and maintain a record describing any steps taken to prevent a potential material conflict of interest from causing a proxy to be voted in a manner that is not in the best economic interest of Fund 2. Where it is determined that no material conflict of interest exists, the matter will be analyzed based on its specific facts and circumstances and the proxy will be voted in the best interests of Fund 2.

If no material conflict is identified pursuant to the foregoing procedures, the Principals will make a decision on how to vote the proxy in question, and such decision may be based upon input received from WMP's investment professionals. The CCO will thereupon ensure delivery of the proxy, in accordance with instructions related to such proxy, in a timely and appropriate manner.

ITEM 18: FINANCIAL INFORMATION

Not Applicable.