

FORM ADV PART 2A:

FIRM BROCHURE



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This Investment Adviser Brochure (this “Brochure”) provides information about the qualifications and business practices of Garnett Station Partners, LLC (the “Adviser” or “Firm”). If you have any questions about the contents of this Brochure, please contact us at (914) 806-5935. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

The Adviser is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). However, such registration does not imply a certain level of skill or training.

Additional information about the Firm is also available on the SEC’s website at www.adviserinfo.sec.gov by using a unique identifying number known as a CRD Number. The Adviser’s CRD number is 300033.

ITEM 2. MATERIAL CHANGES

This Brochure is the Adviser's first annual amendment since the 120-day update filed in April 2019. This annual amendment updates the description of the business practices of the Adviser and its affiliates. There are no material changes since the last filing.

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ITEM 4. ADVISORY BUSINESS

The Adviser, a Delaware limited liability company and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to single-purpose investment vehicle structures and investment funds privately offered to qualified investors in the United States and elsewhere. The Adviser was established in April 2016. The Chief Compliance Officer (“CCO”) of the Adviser is Howard Norowitz.

The Adviser’s clients include the following (each, a “Fund,” and together with any future private investment fund to which the Adviser or its affiliates provide investment advisory services, the “Funds” or “Clients”):

- Cambridge Franchise Partners, LLC
- Cardinal Memorial Ultimate Holdings, LLC
- GSP 2.0, A L.P.
- GSP 2.0, L.P.
- GSP Baby Fund, L.P.
- GSP OL Fund, L.P.
- GSP Steak Fund, L.P.
- GSP TP Fund, L.P.

The following general partner entities are affiliated with the Adviser (each, a “General Partner” and together with the Adviser and their affiliated entities “Garnett Station”):

- GSP 2.0 GP, L.P.
- GSP Baby Fund GP, L.P.
- GSP OL Fund GP, L.P.
- GSP Steak Fund GP, L.P.
- GSP TP Fund GP, L.P.

Each General Partner is subject to the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with the Adviser.

The Funds are either single-purpose investment vehicle structures or private equity funds, each of which invests through negotiated transactions in operating entities, generally referred to herein as “Portfolio Companies.”. The Adviser’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. From time to time, where such investments consist of Portfolio Companies, the senior principals or other personnel of the Adviser or its affiliates generally serve on such Portfolio Companies’ respective boards of directors or otherwise act to influence control over management of Portfolio Companies in which the Funds have invested.

The Adviser’s advisory services to the Funds are detailed in the applicable limited partnership or other operating agreements or governing documents (each, a “Partnership Agreement”) and are further described below under “Methods of Analysis, Investment Strategies and Risk

of Loss.” Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Partnership Agreements; for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between the Adviser and any investor. The Funds or the General Partners have entered into side letters or other similar agreements (“Side Letters”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the relevant Partnership Agreement with respect to such investors.

Additionally, from time to time and as permitted by the relevant Partnership Agreement, the Adviser expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants, lenders and other service providers, the Adviser’s personnel and/or certain other persons associated with the Adviser and/or its affiliates. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in the Adviser’s sole discretion, the Adviser reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

The Adviser does not participate in wrap fee programs.

As of December 31, 2019, the Adviser managed approximately \$483,827,000 in client assets on a discretionary basis. The Adviser is principally owned and controlled by Alex Sloane and Matt Perelman (the “Principals”).

ITEM 5. FEES AND COMPENSATION

In general, the Adviser and/or the Principals share in the returns (if any) realized by the Funds alongside investors in such Funds. In certain cases, the Adviser and/or the Principals receive a carried interest (“Carried Interest”) in connection with the provision of the Adviser’s advisory services to the applicable Fund typically equal to 20% of realized profits over and above the return of the limited partners’ original investment, plus a preferred return. The Adviser or an affiliate of the Adviser would be entitled to a 100% “catch-up” of profits equal to 20% of the limited partners’ preferred return. Thereafter the Adviser or an affiliate of the Adviser would be entitled to receive 20% of all realized gains. Please see each individual Funds’ Partnership Agreement for a more fully described calculation of Carried Interest.

The Adviser, the Principals or other affiliates may also receive additional compensation and/or management fees in connection with management and other services performed for Portfolio Companies of the Funds, as further described in the Partnership Agreements. Such additional compensation does not offset any Carried Interest or other compensation otherwise payable to the Adviser, the Principals or other affiliates. Investors in a Fund also bear certain expenses.

The Adviser is permitted to exempt certain investors in the Funds from payment of all or a portion of any Carried Interest, other Adviser compensation or management fees, including the Adviser, employees of the Adviser and any other person designated by the Adviser, such as “friends and family” of the Adviser or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. The General Partner reserves the right to make any such exemption from fees and/or Carried Interest by a direct exemption, a rebate by the Adviser and/or its affiliates, or through other Funds which co-invest with a Fund. Additionally, to the extent permitted by the relevant Partnership Agreement, the Adviser has the right to permit investors, affiliated with the Adviser or otherwise, to invest through the relevant General Partner or other vehicles that do not bear management fees or Carried Interest. The Adviser retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor’s capital account(s).

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

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

The Adviser may deduct management fees or other Adviser compensation from the Fund’s account and/or bill the Fund or its affiliates for such fees as further disclosed in Fund’s Partnership Agreement. In addition to the fees described above, the Funds are responsible for certain of its organizational and operating expenses as disclosed in the Partnership Agreement.

Organizational Expenses

Generally, each Fund shall pay or reimburse the General Partner and its affiliates for all organizational expenses in an aggregate amount not to exceed \$1,000,000. Organizational expenses mean all expenses (including travel, printing, legal, capital raising, accounting, regulatory compliance, and any administrative or other filings) incurred in connection with the organization, funding and start-up of a Fund, its General Partner and any affiliated management company, including the preparation of, and negotiations with respect to, this any side letters or similar agreements.

Operating Expenses

Each Fund or its affiliates shall pay or reimburse the General Partners, the Adviser or any

affiliates for operation expenses. Operating expenses means all fees, costs, expenses, liabilities and obligations relating to each Fund's and/or its subsidiaries' activities, investments and business (to the extent not borne or reimbursed by the underlying Portfolio Company), including all fees, costs, expenses, liabilities and obligations attributable to:

1. activities with respect to structuring, organizing, acquiring, financing, refinancing, holding, managing, operating, valuing, dissolving, winding up, liquidating, restructuring, taking public or private, selling or otherwise disposing of, as applicable, the Portfolio Company and the Fund's actual and potential investments or in seeking to do any of the foregoing, whether or not any contemplated transaction or project is consummated and whether or not such activities are successful;
2. indebtedness of, or guarantees made by, the Fund, the Adviser, the General Partner or any affiliates on behalf of the Fund, including interest with respect thereto or of seeking to put in place any such indebtedness or guarantee;
3. broker, dealer, underwriting, investment banker, finder and similar services;
4. brokerage, custodial, depository, account and similar services;
5. legal, accounting, auditing, administration, appraisal, valuation, consulting (including consulting and retainer fees paid to consultants performing investment initiatives and other similar consultants), tax and other professional services;
6. reverse breakup, termination and other similar fees;
7. financing, commitment, origination and similar fees and expenses;
8. directors and officers, errors and omissions liability and other insurance;
9. filing, title, transfer, registration and similar fees and expenses;
10. printing, communications, marketing, and publicity;
11. the preparation, distribution or filing of Fund's financial statements or other reports, tax returns, tax estimates, Schedules K-1, administrative or regulatory filings or reports (including Form PF and any Fund-related filings or reports contemplated by the Alternative Investment Fund Managers Directive or any similar law, rule or regulation), or other information (including an allocable portion of any licensing, maintenance, upgrade and/or implementation fees, expenses and costs of any investor administrative tools (including software and extranet tools) related to the foregoing);
12. any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information;
13. indemnification, except to the extent the Fund's payment of such cost, expense, liability or obligation is otherwise prohibited by each Fund's Partnership Agreement;
14. extraordinary expenses (such as actual, threatened or otherwise anticipated litigation,

- mediation, arbitration or other dispute resolution process, including any judgment, other award or settlement entered into in connection therewith);
15. any taxes, fees and other governmental charges levied against the Fund;
 16. the annual investor meeting and any other conference or meeting with any investor(s);
 17. any compliance or regulatory matters related to the Fund;
 18. any travel, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities;

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses (and/or transaction fees) are expected to be charged to Portfolio Companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the Portfolio Company. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses.

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

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

The Adviser and/or its affiliates generally have discretion over whether to charge transaction fees to a Portfolio Company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a Portfolio Company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of transaction fees generally will give rise to potential conflicts of interest between the Funds, on the one hand, and the Adviser and/or its affiliates on the other hand.

Generally, each Fund is expected to pay management fees or other Adviser compensation as further disclosed in the Partnership Agreement. In the unlikely event that the Adviser does not provide services for a full period, or if accounts are terminated according to the terms set out in the Partnership Agreement, before the end of the relevant period, for any fees paid in advance, a pro-rated fee will be returned to the Fund.

Senior Advisors

Additionally, it is the Advisers' practice to use or retain certain senior advisors ("Senior Advisors") to provide services to (or with respect to) one or more Funds or certain current or prospective Portfolio Companies in which one or more Funds invest. Such Senior Advisors generally provide services in relation to the identification, acquisition, holding, improvement and disposition of Portfolio Companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for Portfolio Companies. Senior Advisors receive compensation, including, but not limited to cash fees, retainers, transaction fees, a profits or equity interest in a Portfolio Company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from the Adviser and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Senior Advisors, a percentage of the value of the Portfolio Company, the invested capital exposed to such Portfolio Company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Senior Advisors also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset or reduce any management fees. The use of Senior Advisors subjects the Advisers to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

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

As mentioned in Item 5 of this Brochure, the Adviser or its affiliates receive performance-based fees in the form of Carried Interest from the Funds. The Advisor is entitled to receive Carried Interest distributions from each Fund based on realized gains from investments described in the Partnership Agreement.

The Adviser seeks to address the potential for conflicts of interest in these matters with allocation policies and/or practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and

Partnership Agreements, as well as other factors that do not include the amount of performance-based compensation received by the Adviser or any personnel.

Carried Interest distributions may create an incentive for the Firm to cause the Funds to make investments which may be riskier or more speculative than those which would be made under a different fee arrangement, although the Firm generally considers performance-based compensation to better align its interests with those of its investors. The Firm is committed to fulfilling its fiduciary duty to the Funds and to act at all times in the best interest of the Funds.

Carried Interest is allocated in accordance with Rule 205-3 of the Advisers Act, whereby each investor that is charged a performance fee must be a “Qualified Client.” To be considered a Qualified Client, an individual must have a net worth of \$2.1 million (excluding their primary residence) or have at least \$1 million of assets under management with the Adviser. Pursuant to the exemptions from the compensation prohibition of section 205(a)(1) of the Advisers Act, certain investors who do not meet the definition of Qualified Client and entered into advisory contracts prior to required SEC registration will be charged Carried Interest.

ITEM 7. TYPES OF CLIENTS

As further described in Item 4 of this Brochure, the Firm currently provides investment advice solely to the Funds, and references throughout this Brochure to “clients” and to the Adviser’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include private pooled investment vehicles exempt from registration under the Investment Company Act of 1940, as amended. The investors participating in the Funds generally include individuals, other investment entities, family offices, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of the Adviser and its affiliates and members of their families, Senior Advisors or other service providers retained by the Adviser. Investors generally will be limited to individuals and entities that are “accredited investors” as such term is defined in Regulation D promulgated under the Securities Act of 1933, as amended.

Prospective Investors should refer to the Partnership Agreement for complete information on minimum investment requirements for participation. The Adviser expects to require a minimum capital commitment and/or investment for each pooled investment vehicle; although, the Firm maintains discretion to individually waive, increase or reduce the minimum investment required.

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

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

The Adviser is a private investment firm that partners with entrepreneurs and experienced business

owners to seek to build and grow enduring, profitable companies. The Firm is highly collaborative and consists of team players who believe that a culture of partnership, shared ownership and incentive compensation motivates long-term success.

The Adviser's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly of non-public companies although investments in public companies are permitted.

The Adviser's investment strategy for each Fund generally focuses on the acquisition of controlling interests in middle-market, consumer-facing companies that the Adviser believes have strong market positions or franchise value but that are capital constrained and have significant opportunities for growth/expansion, or have addressable operating deficiencies, inadequate or incomplete management or are in out-of-favor industries. As a result of the above factors, the Adviser aims to purchase for each Fund good quality businesses at valuations the Adviser believes to be low relative to underlying potential.

Once an investment opportunity has been identified, the Adviser seeks to implement an effective operating strategy to improve the performance of the acquired company by (i) developing operating plans, (ii) building the management team and (iii) providing significant resources to Portfolio Companies.

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

Investment and Operating Strategy:

The Adviser seeks to: (i) provide patient, long-term capital, (ii) assemble management teams that the Adviser believes are fit to achieve goals of particular investments and (iii) incentivize team members beyond market value to seek to achieve above-market performance.

Deal Sourcing and Due Diligence. The Adviser markets its investment criteria to its deal source network with frequent mailings, telephone calls, public relations, conference attendance and in-person meetings. Once a potential investment is identified, the Adviser develops an investment thesis and, through a detailed due diligence process, seeks to verify such thesis and investigate the major business risks. As part of its diligence process, the Adviser completes a detailed analysis of an industry including contacting a target company's customers and vendors, trade organizations, the Adviser's contact network and, in certain instances, industry consultants.

Develop an Operating Plan. Senior members of the Adviser work with management to develop an operating plan prior to the close of each transaction focusing on the target's strengths, weaknesses, competitive position, industry trends and other relevant factors.

Build Management Team. The Adviser may supplement or replace the management team at a new Portfolio Company or advise the existing management team on ways to improve performance. In certain instances, staff of the Adviser or its affiliates expect to fill key management roles on an interim basis as needed.

Maintain Active Involvement in Portfolio Companies. The Adviser aims to act decisively with respect to newly acquired Portfolio Companies and typically implements growth and operating strategies within the first three months after acquisition. Thereafter, the Adviser stays actively involved in the management of the Portfolio Companies and schedules frequent meetings with the senior staff to focus on operations, competition, new products and personnel.

Internal Growth and Add-on Acquisitions. Once the above strategies have been implemented, the Adviser will often seek to utilize the Portfolio Company's cash flow, equity value and borrowing capacity to accelerate growth through new product and market opportunities and add-on acquisitions.

Exit Strategy. Once the Portfolio Company has attained a track record of sales growth and consistent profitability, the Adviser will consider appropriate exit strategies, including the sale to a strategic or financial buyer, an initial or secondary public offering or a recapitalization. Factors considered include the company size, company growth rate, industry and competitive dynamics, banking market conditions and capital market conditions.

Listed below are some of the risks associated with an investment in the Funds. The following explanation of certain risks is not exhaustive, but rather highlights some of the more significant risks involved in the Funds' investment strategies.

Business Risks. A Fund's investment portfolio is expected to consist primarily of securities issued by non-public middle-market performing and under-performing companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk which can result in substantial losses.

Risk of Private Equity Investments. While private equity investments offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies with limited operating history, companies that do not prepare annual audited or reviewed financial statements, companies operating at a loss or with substantial variations in operating results from period to period, companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position, companies with limited internal and financial controls, and companies that rely on a key individual or small group of managers to operate the business. There is generally little or no publicly available information regarding the status and prospects of these companies. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Dependence on Key Personnel. The success of the Funds will depend significantly upon the services of Adviser's investment professionals. The loss of the services of any of these persons for any reason could have a significant adverse impact upon the business and results of the Funds' operations. Moreover, except as specifically provided in the Partnership Agreements, the owners, officers and employees of the Firm will not be required to devote their time and attention exclusively to the Funds. Except as specifically provided in the Partnership Agreements, the Adviser will have the exclusive right and power to manage the Funds' business and affairs.

The Firm may enter into consulting arrangements with Senior Advisors or appoint or admit certain persons to advisory or other committees or boards intended to assist the Firm by providing advice, industry contacts, deal flow, technical expertise or other benefits. Under most circumstances, such persons will have no contractual or other obligation to continue as Senior Advisors or members of such committees or boards or to provide any particular benefits. Prospective investors should not depend upon any specific benefits accruing to the Firm or the Funds in respect of any such Senior Advisors.

Concentration of Investments. Each Fund will participate in one or a limited number of investments (and may seek to make several investments in one industry or one industry segment or within a short period of time) and, as a consequence, the aggregate return of a Fund may be materially affected by the performance of a single investment or a single industry segment.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

No Assurance of Profit or Distributions. There is no assurance that the Funds' investments will be profitable or that any distributions will be made to the limited partners. Any return on investment to the limited partners will depend upon profitable investments being made and disposed of by the Funds. The marketability and value of any such investment will depend upon many factors beyond the control of the Funds. The Funds may not have sufficient cash available to make any distributions, including tax distributions, to the partners. The expenses of the Funds may exceed its income and the limited partners could lose the entire amount of their contributed capital.

Effect of Fees and Expenses on Returns. The Funds will bear the expenses related to the Funds' operations. Such fees will reduce the actual returns to the limited partners. The expenses will be paid regardless of whether the Funds produce positive investment returns. If the Funds do not produce significant positive investment returns, these fees and expenses could reduce the amount of the investment recovered by a limited partner to an amount less than the amount invested in the Funds by such limited partner.

Past Performance May Not Be Indicative of Fund's Returns. There can be no assurance that investments by the Funds will yield comparable results to those previously made by the Adviser. Prior experience and performance that the Firm, or its owners, officers or employees may have had in making investments of the type to be made by the Funds was obtained under different market conditions and there can be no assurance that comparable returns will be achieved by the Funds' investments individually or in the aggregate.

Long-Term Investments. The Funds' investments are illiquid and long-term. In many cases investments may require several years from the date of initial investment before disposition. It is possible that the Funds will still hold some illiquid securities at the end of the Funds' term, with the result that such securities may need to be distributed in-kind or sold for a price that reflects their illiquid nature. There can be no assurance that the Funds will ultimately be able to sell such investments at attractive prices or otherwise be able to affect a successful realization or exit strategy. Illiquidity may result from the absence of an established market for investment securities as well as from legal or contractual restrictions on the resale of such securities by the Funds.

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

Subscription Lines. A Fund may enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Partnership Agreements, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement may contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in the Fund. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would

not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A Fund may also utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

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

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

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses,

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

Outbreaks of Infectious or Contagious Diseases. As of the date of this Brochure, there is an outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared to constitute a "pandemic." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain equity and debt markets. The global impact of the outbreak is rapidly evolving, and many countries have reacted by instituting quarantines, prohibitions on travel and the closure of offices, businesses, schools, retail stores and other public venues. Businesses are also implementing similar precautionary measures. Such measures, as well as the general uncertainty surrounding the dangers and impact of COVID-19, are creating significant disruption in supply chains and economic activity and are having a particularly adverse impact on transportation, hospitality, tourism, entertainment and other industries. As COVID-19 continues to spread, the potential impacts, including a global, regional or other economic recession, are increasingly uncertain and difficult to assess.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Funds and their investments and could adversely affect the Funds' ability to fulfill their investment objectives.

The extent of the impact of any public health emergency on the Funds' and their investments' operational and financial performance will depend on many factors, including the duration and scope of such public health emergency, the extent of any related travel advisories and restrictions implemented, the impact of such public health emergency on overall supply and demand, goods and services, investor liquidity, consumer confidence and levels of economic activity and the extent of its disruption to important global, regional and local supply chains and economic markets, all of which are highly uncertain and cannot be predicted. The effects of a public health emergency may materially and adversely impact the value and performance of the Funds' investments, the Funds' ability to source, manage and divest investments and the Funds' ability to achieve their investment objectives, all of which could result in significant losses to the Funds. In addition, the operations of the Funds, their investments, the general partners and the investment manager may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, voluntary and precautionary restrictions on travel or meetings and other factors related to a public health emergency, including their potential adverse impact on the health of any such entity's personnel.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the Adviser in its discretion. In all cases, projections are only estimates of future results that are based upon

information received from the company and third parties and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material impact on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given Portfolio Company, the Adviser may decide to provide additional funds to such Portfolio Company or may have the opportunity to increase its investment in a Portfolio Company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There is no assurance that any Fund will make add-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a Portfolio Company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made) or may result in a lost opportunity for such Fund to increase its participation in a successful operation. Additionally, certain Fund investors may be afforded the opportunity to participate in follow on investments as a co-investment and such form of co-investment may be invested in securities of the Portfolio Company that have different priorities from that of the Fund investors.

Co-Investments. The Funds may acquire interests in certain Portfolio Companies in cooperation with others through co-investment arrangements. The Funds' ability to exercise significant influence over management in these cooperative efforts will depend upon the nature of the co-investment arrangement. Such investments may, under certain circumstances, involve risks not otherwise present, including the possibility that the Funds' co-investor may not be able to satisfy its financial obligations, that such co-investor might at any time have economic or business interests or goals that are inconsistent with those of the Funds, and that such co-investor may be in a position to take action contrary to the instructions or requests of the Funds or contrary to the Funds' policies or objectives. In addition, such arrangements are likely to involve additional restrictions on the resale of the Funds' interest in the Portfolio Company.

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

Public Company Holdings. A Fund's investment portfolio may contain debt and/or equity securities issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Adviser's principals, and increased costs associated with each of the aforementioned risks.

Lack of Unilateral Control. Even if a Fund is the majority investor or controlling

shareholder, as applicable, of a Portfolio Company, in certain circumstances it may not have unilateral control of the Portfolio Company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, the relevant Portfolio Companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the Funds or their investors. Such third parties may be in a position to take action contrary to a Fund's business, tax or other interests, and the Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such Portfolio Companies in a manner that maximizes or protects value.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or the Adviser generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of the Adviser's control. Decisions by the Adviser or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor the Adviser and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and the Adviser reserves the right to withhold certain information from investors subject to such laws for reasons relating to the Adviser's public reputation, business strategy or other reasons.

Litigation Risks. The Funds are subject to a variety of litigation risks, particularly since it is possible that one or more of the Portfolio Companies will face financial or other difficulties during the term of the Funds' investment. Litigation risks may arise because the owners, officers or employees of the Firm actively assist Portfolio Companies that are in financial distress. The Funds may also participate in Portfolio Company financings at implicit Portfolio Company valuations lower than the valuations implicit in preceding rounds of financing. In the event of a dispute arising from any of the foregoing activities (or other activities relating to the operation of the Funds or the Manager), it is possible that the Funds, the Firm, employees or officers may be named as defendants. In connection with such actions, subject to the terms of the Partnership Agreements, the Funds would be obligated to bear defense, settlement and other costs, and the Firm would generally be entitled to indemnification by the Funds. Such costs and indemnification could adversely

affect the Funds' rate of return. Beyond direct costs, such disputes may adversely affect the Funds in a variety of ways, including by distracting the Firm and harming relationships between the Funds and its Portfolio Companies or other investors in such Portfolio Companies.

Material Non-Public Information. As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of Adviser personnel, the Adviser frequently comes into possession of confidential or material non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent the Adviser or the funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or Portfolio Companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a Portfolio Company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain Portfolio Companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of the Adviser's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain Portfolio Companies on a timeline or in a manner deemed undesirable by the Adviser or may limit the ability of one or more Portfolio Companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

Valuation of Investments. Generally, the relevant General Partner will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Fund's investments because, among other things, the securities of Portfolio Companies held by such Fund generally will be illiquid and not quoted on any exchange. Each General Partner will determine the value of all the Fund's investments that are not

readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by such General Partner may cause it to ineffectively manage the relevant Fund's investment portfolios and risks and may also affect the diversification and management of such Fund's portfolio of investments.

Side Letters. As permitted by the Partnership Agreements, the Adviser and/or its affiliates reserve the right to, in their sole discretion, agree to supplement, waive or modify provisions of the Partnership Agreements, a limited partner's subscription agreement or any of the offering terms set forth with respect to any limited partner by a Side Letter or any other similar agreement, without obtaining the consent of any other limited partner. The Adviser has entered into such Side Letter arrangements with certain limited partners. Any such Side Letter or similar agreement may have the effect of establishing rights under the Partnership Agreements with respect to such limited partner that are more favorable to such limited partner than those applicable to other limited partners. The terms of such Side Letters may include, without limitation, the following: (i) various notification requirements (e.g. with respect to legal or regulatory actions); (ii) rights with respect to securities distributed in kind by the Funds or other economic rights or benefits (such as modifications to the fees or Carried Interest borne by such limited partner); (iii) covenants requiring the Funds to provide notices, financial statements, reports or other information within certain time periods or in a specified format; (iv) the acknowledgement of specific legal rights of a certain limited partner, such as sovereign immunity, rights with respect to the jurisdiction in which the Funds can bring a claim against a limited partner and limitations on the enforcement of the terms of the Partnership Agreements against a limited partner; (v) minor investment restrictions that are not expected to materially affect the Funds; (vi) the use and disclosure of confidential information and other provisions regarding the confidential treatment of certain information; (vii) limitations on indemnification; (viii) tax related provisions, such as limitations on withholding taxes with respect to certain limited partner or engaging in certain transactions that could result in adverse tax consequences for a limited partner; (ix) rights of limited partner or obligations of the Adviser or the Funds designed to address specific legal or regulatory requirements or public policy characteristics applicable to certain limited partner; (x) representations and covenants regarding certain factual matters relating to, and the ongoing business activities and operations of, the Firm and the Funds; (xi) appointing members of the advisory committee; and (xi) co-investment rights. The Firm will be required to disclose any Side Letters entered into with the limited partner only to those actual or potential investors that have separately negotiated with the Firm for the right to review Side Letters.

Enhanced Scrutiny and Potential Regulation of Private Investment Funds: The Funds'

ability to achieve its investment objectives, as well as the ability of the Funds to conduct its operations, is based on laws and regulations that are subject to change through legislative, judicial or administrative action. Enhanced government scrutiny or regulation could have an adverse impact on the Funds' operations or its ability to achieve its investment objectives. The combination of scrutiny of private equity firms (along with other alternative asset managers), and their investments, by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to downturns in the U.S. and global financial markets, may complicate or prevent the Funds' efforts to consummate investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Funds may invest in fewer transactions or incur greater expenses or delays in completing investments.

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

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations ("Privacy Laws") in the United States, Europe and elsewhere could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the General Partner, the Funds and/or their Portfolio Companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the the Adviser, the General Partners, the Funds and/or their Portfolio Companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially

including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include the Adviser, the General Partner, the Funds and/or their Portfolio Companies.

Conflicts of Interest

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

Without limitation, the Principals currently manage, and expect in the future to manage, several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. The Adviser's Principals and the Adviser's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the commitment period of a Fund, the Adviser's Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, the Adviser will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of the Adviser. In determining which investment vehicles should participate in such investment opportunities, the Adviser and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Partnership Agreements, the Adviser is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of the Adviser in a Portfolio Company also have the potential to raise the risk of using assets of a client of the Adviser to support positions taken by other clients of the Adviser.

The Adviser must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. The Adviser generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Partnership Agreements, as well as

factors including but not limited to: investment restrictions and objectives (including those set forth in the Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliated adviser of the Adviser in the manner set forth in the Partnership Agreements and the Adviser's Allocation Policy. the Adviser will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with the Adviser's obligations and reserves the right to take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, the Adviser will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and the Adviser reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Partnership Agreements, Side Letters and the Adviser's procedures regarding allocation. the Adviser's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to:

- The size and financial resources of the potential co-investment party and the ability of that person or entity to efficiently and expeditiously participate in the investment opportunity with the relevant Fund;
- Any confidentiality concerns the Firm may have that may arise in connection with providing the potential co-investment party with specific information relating to the investment opportunity;
- The Firm's past experiences and relationships with the potential co-investment party;
- The Firm's evaluation of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, reporting, public relations, media or other burdens that make it less likely that the potential co-investment party would act upon the investment opportunity if offered;
- The Firm's evaluation of whether the co-investor is able to provide strategic perspectives and/or credibility or otherwise add value to the investment at the operational level.

Furthermore, the Adviser or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities may, and typically will, be offered to some and not to other Fund investors, and the consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of the Adviser and its affiliates make capital investments in or alongside certain Funds, the Adviser and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Fund participating in

the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

The Adviser's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While the Adviser will allocate investment opportunities in a manner that it believes is fair and equitable to its Clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which the Adviser expects to be subject, discussed herein, did not exist.

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

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

Subject to any relevant restrictions or other limitations contained in the Partnership Agreements

of the Funds, the Adviser will allocate fees and expenses in a manner that it believes is fair and equitable to its Clients under the circumstances and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, the Adviser expects to be faced with a variety of potential conflicts of interest.

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

As a result of the Funds' controlling interests in Portfolio Companies, the Adviser and/or its affiliates typically have the right to appoint Portfolio Company board members (including current or former Firm personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, Portfolio Company board members approve compensation and/or other amounts payable to the Adviser and/or its affiliates. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any management fees or Carried Interest paid by a Fund to the Adviser.

Additionally, a Portfolio Company typically will reimburse the Adviser or service providers retained at the Adviser's discretion for expenses (including without limitation travel expenses) incurred by the Adviser or such service providers in connection with its performance of services for such Portfolio Company. This subjects the Adviser and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. The Adviser determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to the Adviser or such service providers generally is subject to restrictions as further details in the Partnership Agreements. These factors help to mitigate related potential conflicts of interest.

The Adviser generally exercises its discretion to recommend to a Fund or to a Portfolio Company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) the Adviser or a related person of the Adviser (which may include a Portfolio Company of such Fund), (ii) an entity with which the Adviser or its affiliates or current or former members of their personnel has a relationship or from which the Adviser or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain investors or their affiliates. For example, the Adviser may be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain investors or their affiliates that are engaged in lending or related business. This discretion subjects the Adviser

to conflicts of interest, because although the Adviser selects service providers that it believes are aligned with its operational strategies and will enhance Portfolio Company performance and, relatedly, returns of the relevant Fund, the Adviser has a potential incentive to recommend the related or other person (including an investor) because of its financial or other business interest. There is a possibility that the Adviser, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or the Adviser), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. The Adviser will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its Portfolio Companies to incur) such expenses. Although the Adviser generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. In certain circumstances where the Adviser commits or has committed to seek “market” or “arms-length” rates or terms, the Adviser will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Consequently, the Adviser undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking relates specifically to the assets or services to which such rates or terms relate. Whether or not the Adviser has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. Furthermore, the Adviser may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies of the Funds or other investment vehicles advised by Garnett Station and/or its affiliates; conversely, personnel or executives of Garnett Station and/or its affiliates may serve in significant management roles at portfolio companies or service providers recommended by the Adviser.

In addition, as described above, Portfolio Companies (and, to a lesser extent, the Funds) typically pay certain fees to Senior Advisors and other consultants (including consultants introduced or arranged by the Adviser and/or its affiliates that regularly provide services to one or more Portfolio Companies), and such fees do not offset or reduce any management fees charged to the Funds. Senior Advisors generally make use of Adviser resources or otherwise are associated with the Adviser. The Adviser and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent Portfolio Company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Senior Advisors generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce any management fees of any Fund, as described herein. Although the use of Senior Advisors and the allocation of compensation paid to them by the Adviser, its affiliates and/or the Portfolio Companies subjects the Adviser and/or its affiliates to potential conflicts of interest, the Adviser believes that such potential conflicts may be reduced by the anticipated cost savings to Portfolio Companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Senior Advisor is lower than market rates for the services provided and/or if the services of the Senior Advisor align with the Adviser’s model for the Portfolio Company and improve Portfolio Company performance. Although the Adviser seeks to retain Senior Advisors with a view to reducing costs to Portfolio Companies (and, ultimately, the Funds) and/or improving Portfolio Company performance, a number of factors may result in limited or no cost savings from such retention. The Adviser also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that the Adviser believes will align such persons’ interests with those of the Funds’ limited partners, and seeks to retain only Senior Advisors and service providers

which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

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

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

The Adviser and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in Portfolio Companies owned by the Funds or other investment vehicles advised by the Adviser and/or its affiliates; conversely, current or former personnel or executives of the Adviser and/or its affiliates may from time to time serve in significant management roles at Portfolio Companies or service providers recommended by the Adviser. Similarly, the Adviser, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and Portfolio Company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former Portfolio Company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or

provide services (including services at reduced rates) to, the Adviser and/or its affiliates, and/or the Funds or other investment vehicles they advise. The Adviser expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a Portfolio Company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide the Adviser information about markets and industries in which the Adviser operates (or is contemplating operations) or will provide other services that are beneficial to the Adviser or one or more other Funds. The Adviser expects to be subject to a potential conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between it and the existing and prospective Portfolio Companies for a Fund, while the products or services recommended may not necessarily be the best available to the Fund or the Portfolio Companies held by a Fund.

The Adviser, its affiliates, and equity holders, officers, principals and employees of the Adviser and its affiliates reserve the right to buy or sell securities or other instruments that the Adviser has recommended to a Fund. In addition, officers, principals and employees reserve the right to buy securities in transactions offered to but rejected by a Fund. Any such transactions are subject to any restrictions in the Partnership Agreements and any related policies and procedures set forth in the Adviser's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of the Adviser have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective Portfolio Companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

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

As described above, the Adviser and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by Partnership Agreements, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

The Adviser has incentives to use or to recommend products or services of one Portfolio Company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as the Adviser has incentives to maintain goodwill between it and its former, existing and prospective Portfolio Companies, and as a result the products or services recommended may not necessarily

be the best or lowest cost option. From time to time the Adviser, its Senior Advisors, its affiliates and personnel and persons selected by them expect to receive the benefit of “friends and family” and similar discounts from Portfolio Companies owned by the Funds under which such Portfolio Companies make their goods and/or services available at reduced rates. Because its Portfolio Companies offer such discounts to customers other than the Adviser and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, the Adviser believes that the potential for conflicts of interest relating to such discounts is mitigated. The Adviser, its Senior Advisors, its affiliates and personnel generally refrain from requesting or negotiating for such discounts in the ordinary course. Discounted prices or better terms offered by a Portfolio Company to the Adviser, any other Portfolio Company or third parties have the potential to affect the returns of the Portfolio Company.

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

ITEM 9. DISCIPLINARY INFORMATION

There have been no legal or disciplinary events involving either the Adviser or any of its management persons that are material to the Firm’s advisory business.

ITEM 10. OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Adviser is affiliated with the General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. These entities operate as a single advisory business together with the Adviser and serve as managers or general partners of Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

The Adviser and its employees do not have any other relationships or arrangements with other financial services companies that pose material conflicts of interest.

Furthermore, the Adviser does not recommend or select other investment advisers for its Funds to which it receives compensation directly or indirectly from those advisers.

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

The Adviser has adopted policies and procedures to address potential conflicts of interest. The Firm has adopted a Code of Ethics (the “Code”), which sets forth standards of conduct that are expected of the Adviser’s Principals and employees and addresses conflicts that arise from personal trading. The Code requires Firm personnel to report their personal securities transactions, prohibits or requires pre-clearance for Firm personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Firm personnel from directly or indirectly acquiring beneficial ownership of certain securities, without first obtaining approval from the CCO. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information.

The Adviser and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, the Adviser and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Adviser.

Accordingly, should the Adviser or any of its affiliated persons come into possession of material non-public or other confidential information with respect to public and non-public company, the Adviser generally would be prohibited from communicating such information to Clients, and the Adviser will have no responsibility or liability for failing to disclose such information to Clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of the Adviser personnel serving as directors of public companies and may restrict trading on behalf of Clients, including a Fund.

The Firm’s Principals and employees are also required to comply with applicable provisions of the federal securities laws and make prompt reports to the Firm or other appropriate parties of any actual or suspected violations of such laws by the Firm or its employees. Initially, upon hire, and on an annual basis thereafter, the Firm requires that all employees certify to their receipt, review, understanding and compliance with the provisions of the Firm’s Code. The Firm will provide a complete copy of the Code to any Investor or prospective Investor upon request.

From time to time, consistent with the Funds’ investment objectives and subject to satisfaction of the policies and procedures set forth in the Code, the Firm may recommend that the Funds acquire or sell securities in which a related person of the Firm has a pre-existing interest. A potential conflict of interest could arise in that the interested related person of the Firm could benefit from such a purchase or sale of the applicable security by the Fund.

Principals and employees of the Adviser and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are expected to invest in one or more of the same Portfolio Companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of the Adviser, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular

Portfolio Company or through an intermediate entity in a Portfolio Company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

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

From time to time, a General Partner reserves the right to advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is borne by the relevant Fund, consistent with the Partnership Agreements.

In borrowing on behalf of a Fund, the Adviser is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the General Partner called capital, and thus could result in the relevant General Partner receiving carried interest sooner than it would without borrowing. The relevant General Partner generally will not participate in a Fund-level borrowing facility, and generally will not bear the related costs attributable thereto, including interest expenses or costs payable, in which case such amounts will be borne solely by the limited partners. In addition, when the management fee is calculated as a percentage of invested capital, a limited partner may pay management fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

The Adviser will effect such borrowings consistent with a Fund's Partnership Agreements and in a manner it believes to be fair and equitable under the circumstances to the relevant Fund.

ITEM 12. BROKERAGE PRACTICES

The Adviser focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, the Adviser reserves the right to also distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although the Adviser does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If the Adviser sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Adviser. In such event, the Adviser will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Adviser reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

The Adviser has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting Client transactions to the extent consistent with the interests of such Clients. Although the Adviser generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Adviser seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time and has not made use of such services since its inception.

The Firm does not receive soft dollars, research or other products and services from any broker dealers.

As noted above, the investment advisory services provided by the Firm to the Funds will generally be in relation to private investments, for which the aggregation of orders is not applicable.

ITEM 13. REVIEW OF ACCOUNTS

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. The Principals of the Adviser monitor Portfolio Companies in which the Funds invest, and the CCO periodically checks to confirm that each Fund is maintained in accordance with its stated objectives. Audited financial statements are provided to investors in the Funds, within 120 days of the end of each Funds’ fiscal year as required by Rule 206(4)-2 under the

Advisers Act, as amended (the “Custody Rule”).

ITEM 14. CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser and/or its affiliates intend to provide certain business or consulting services to Portfolio Companies and may receive compensation from these companies in connection with such services. Such fees do not offset any carried interest or other compensation otherwise payable to the Adviser. See “Fees and Compensation.”

A potential conflict of interest could arise as a result of any fees or expenses received by the Firm from Portfolio Companies. The Firm has policies and procedures designed to identify and manage these potential conflicts of interest.

The Adviser does not compensate any person for Client referrals.

ITEM 15. CUSTODY

The Adviser is deemed to have custody of the Funds’ assets because it or an affiliate serves as each Fund’s general partner. Such General Partner can withdraw a Fund’s cash and/or securities held with a custodian upon the General Partner’s instruction. As such, the Firm is subject to the Custody Rule under the Advisers Act.

However, the Firm is generally not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to the Funds because it complies with the provisions of the so called “Pooled Vehicle Annual Audit Exception,” which, among other things, requires that the Funds be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that the Funds distribute its audited financial statements to all investors within 120 days of the end of its fiscal year.

ITEM 16. INVESTMENT DISCRETION

The Adviser has discretionary authority to manage investments on behalf of each Fund. As a general policy, the Adviser does not allow Clients to place limitations on this authority. Pursuant to the terms of the Partnership Agreement, however, the Adviser and/or its affiliates have entered, and expect to enter, into Side Letters with certain investors whereby the terms applicable to such investor’s investment in a Fund are altered or varied. The Adviser assumes this discretionary authority pursuant to the terms of the Partnership Agreement executed by the investors of such Fund.

ITEM 17. VOTING CLIENT SECURITIES

The Funds are primarily invested in private companies, which typically do not issue proxy proposals, amendments, consents or resolutions (collectively, “Proxies”). If the Funds are invested in private companies that effect an initial public offering, such companies will issue Proxies. The Firm, exercises voting authority with respect to the securities held by the Funds and exercises such authority in a manner in which it believes is in the best interest of the Funds.

The Firm's general policy is to vote Proxies in a prudent and diligent manner that will serve the applicable Funds' best interests and is in line with each Funds' investment objectives. The Firm reserves the right to abstain on any vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Firm, the costs associated with voting such proxy outweigh the benefits to the Funds or if the circumstances make such an abstention or withholding otherwise advisable and in the best interest of the Funds. Conflicts of interest are expected to arise between the interests of a Fund, on the one hand, and the Firm on the other hand from time to time. If the Firm determines that it has, or is perceived to have, a potential conflict of interest when voting Proxies, the Firm will address matters involving such conflicts of interest in accordance with its Proxy voting policies and procedures.

Investors may obtain information about how proxies were voted by contacting the CCO.

ITEM 18. FINANCIAL INFORMATION

The Adviser does not require or solicit prepayment of fees more than six months in advance and therefore has not included a balance sheet in this submission. Furthermore, the Adviser does not believe that there are any conditions that are reasonably likely to impair its ability to meet contractual commitments to the Funds nor has it been the subject of a bankruptcy petition.