

INVESTMENT ADVISER BROCHURE

EMERALD LAKE CAPITAL MANAGEMENT, L.P.

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Emerald Lake Capital Management, L.P. (“ELCM”). If you have any questions about the contents of this Brochure, please contact us at (917) 216-6612. 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.

ELCM 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 regarding ELCM is also available on the SEC’s website at www.adviserinfo.sec.gov.

TABLE OF CONTENTS

	<u>Page</u>
Material Changes	2
Advisory Business	2
Fees and Compensation.....	3
Performance-Based Fees and Side-By-Side Management	8
Types of Clients.....	8
Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Disciplinary Information.....	22
Other Financial Industry Activities and Affiliations.....	22
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading.....	22
Brokerage Practices	23
Review of Accounts	24
Client Referrals and Other Compensation.....	24
Custody	25
Investment Discretion.....	25
Voting Client Securities.....	25
Financial Information.....	25

MATERIAL CHANGES

ELCM filed its most recent Brochure on October 21, 2019. This annual amendment reflects (i) the addition of two new private investment fund clients, Emerald Lake PD Acquisition, L.P. and Emerald Lake Packaging Acquisition I, L.P., (ii) the addition of two new general partner entities, Emerald Lake PD GP, L.P. and Emerald Lake IP GP, L.P. and (iii) updates to the description of certain of the business practices and fees of ELCM and its affiliates.

ADVISORY BUSINESS

ELCM, a Delaware limited liability company and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. ELCM commenced operations in February 2018.

ELCM's clients include the following (each, a "**Fund**," and together with any future private investment fund to which ELCM or its affiliates provide investment advisory services, the "**Funds**"):

- Emerald Lake Grizzly Acquisition I, L.P. ("**Grizzly Fund I**")
- Emerald Lake PD Acquisition, L.P. ("**PD Fund**")
- Emerald Lake Packaging Acquisition I, L.P. ("**Packaging Fund I**")

The following general partner entities are affiliated with ELCM:

- Emerald Lake Grizzly Acquisition I GP, L.P. ("**Grizzly GP I**")
- Emerald Lake PD GP, L.P. ("**PD GP**")
- Emerald Lake IP GP, L.P. ("**IP GP**")

(each, a "**General Partner**," and collectively with ELCM and their affiliated entities, the "**Advisers**" or "**Emerald Lake**").

Each General Partner is subject to the Advisers Act pursuant to ELCM'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 ELCM.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as "portfolio companies." Emerald Lake'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 ELCM 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.

Emerald Lake's advisory services to the Funds are detailed in the applicable private placement memoranda, confidential information memoranda or other offering documents (each, a "**Memorandum**"), 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 relevant Partnership Agreement. The Funds or the General Partners generally enter into side letters or other similar agreements ("**Side Letters**") with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the 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 Advisers expect 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 and other service providers, Emerald Lake's personnel and/or certain other persons associated with Emerald Lake and/or its affiliates alongside a particular Fund's transactions). 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 may purchase 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 the 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 Emerald Lake's sole discretion, Emerald Lake 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.

As of February 28, 2020, ELCM manages approximately \$413,132,475 on a discretionary basis. ELCM is principally owned and controlled by Dan Lukas, its founder and managing partner.

FEES AND COMPENSATION

In general, Emerald Lake receives a management fee and a carried interest in connection with advisory services. ELCM or other Emerald Lake entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to Emerald Lake. Investors in a Fund also bear certain expenses.

Management Fees

Grizzly Fund I will pay Emerald Lake a management fee (the “**Management Fee**”) equal to 1.0% on an annual basis of aggregate Grizzly Fund I investor capital commitments (“**Commitments**”), subject to reduction as provided in the relevant Partnership Agreement. PD Fund will pay Emerald Lake a Management Fee equal to 1.0% on an annual basis of aggregate PD Fund Commitments, subject to reduction as provided in the relevant Partnership Agreement. Packaging Fund I will pay Emerald Lake a portfolio monitoring fee (the “**Portfolio Monitoring Fee**,” and together with the Management Fees hereinafter referred to as “**Advisory Fees**”) equal to \$600,000 on an annual basis, subject to reduction as provided in the relevant Partnership Agreement. As to each Fund, Emerald Lake will use commercially reasonable efforts to cause the Management Fee or Portfolio Monitoring Fee, as applicable, to be paid from (i) distributions received by the relevant Fund from portfolio companies and/or (ii) compensation received by Emerald Lake from portfolio companies in connection with the performance of management and other services that would otherwise offset the Management Fee or Portfolio Monitoring Fee, as applicable.

The Management Fee or Portfolio Monitoring Fee, as applicable, will be reduced by all of the relevant Fund’s share of applicable portfolio company fees received by partners or employees of Emerald Lake. To the extent that such reduction exceeds the Management Fee or Portfolio Monitoring Fee, as applicable, for a given quarterly period (in the case of Grizzly Fund I and PD Fund) or annual period (in the case of Packaging Fund I), such excess will be carried forward to reduce the Management Fee or Portfolio Monitoring Fee, as applicable, in subsequent quarterly or annual periods, as applicable. To the extent any such excess remains unapplied upon the final distribution of the relevant Fund’s assets, a payment will be made crediting limited partners unless a limited partner has elected to waive such amount (*e.g.*, where an adverse tax consequence may result). As to each Fund, the Management Fee or Portfolio Monitoring Fee, as applicable, will be payable until the final distribution of the relevant Fund’s assets as provided in the relevant Partnership Agreement.

Carried Interest

Emerald Lake will receive a carried interest with respect to each Fund equal to 10% of all realized profits subject to an 8% compound preferred return to the limited partners, with a full catch-up, until the the limited partners achieve a 2.0x multiple on invested capital (and, with respect to PD Fund and Packaging Fund I, 15% internal rate of return on their respective investments). After such threshold is met for a given Fund, Emerald Lake will be entitled to a carried interest with respect to such Fund equal to 17.5% of all realized profits, with full catch-up. Please see the applicable Partnership Agreement for more detail.

Other Information

Emerald Lake is permitted to exempt certain “affiliated partner” investors in the Funds from payment of all or a portion of Advisory Fees and/or carried interest, including Emerald Lake and any other person designated by Emerald Lake. The relevant General Partner reserves the right to make any such exemption from fees and/or carried interest may be made by a direct exemption, a rebate by Emerald Lake and/or its affiliates, or through other investment vehicles which co-invest

with a Fund. For example, in instances where an Emerald Lake professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Advisory Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Partnership Agreement, Emerald Lake has the right to permit investors, affiliated with Emerald Lake or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Advisory Fees or carried interest.

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 Emerald Lake generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Advisory Fee, carried interest or other compensation received by Emerald Lake or its affiliates.

In addition to the Advisory Fee and carried interest payable to Emerald Lake, each Fund bears certain expenses. As set forth more fully in the applicable Memorandum and/or Partnership Agreement, a Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Manage Fees, including all fees, costs, expenses, liabilities and obligations relating attributable to: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of, as applicable, a portfolio company and a Fund's follow-on investments or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party due diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful (such fees and expenses, or other liabilities or obligations, incurred for transactions not consummated, "**Broken Deal Expenses**"); (ii) financing, commitment, origination and similar fees and expenses; (iii) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (iv) brokerage, sale, custodial, depository (including a depository appointed pursuant to AIFMD), Swiss representative and paying agent appointed pursuant to the Swiss Collective Investment Schemes Act, as amended, including any law, rule or regulation related to the implementation thereof, trustee, record keeping, account and similar services; (v) third-party legal, accounting, auditing, administration (including fees and expenses associated with a Fund's third-party administrator and administration, tracking or reporting software, if any), information, advisory and tax services; (vi) reverse breakup, termination and other similar fees; (vii) insurance (including directors and officers liability, fidelity bond, management liability, cybersecurity, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses, including any costs and expenses related to any retention or deductibles and broker fees, costs and commissions) and any consultants or other advisors utilized in the procurement, review and analysis of insurance

policies; (viii) filing, title, transfer, survey, registration and other similar fees and expenses; (ix) printing, communications, mailing, courier, marketing and publicity; (x) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with Partners, any other administrative, compliance or regulatory filings or reports (including, to the extent applicable, Form PF and any filings or reports contemplated by AIFMD and Bureau of Economic Analysis Reports) or other information, including fees, costs and expenses of any third-party service providers and professionals related to the foregoing; (xi) compliance with any financial account reporting regime, including FATCA, the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard and any similar laws, rules and regulations, and any fees, costs and expenses of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting and ledger subscription-based services) that are solely for the benefit of a Fund or its limited partners; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data, including Confidential Information (including any costs and expenses incurred in connection with EU Data Protection Law, to the extent applicable, or FOIA); (xiv) indemnification (including legal and any other fees, costs and expenses incurred in connection with indemnifying any Fund partner or other person pursuant to the applicable Partnership Agreement or otherwise and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the applicable Partnership Agreement), except as otherwise set forth in the applicable Partnership Agreement; (xv) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the applicable Partnership Agreement; (xvi) any annual limited partner meeting or other periodic, if any, meetings of the limited partners of a Fund and any other conference or meeting with any such limited partner(s), in each case to the extent incurred by a Fund, General Partner or any other affiliate of Emerald Lake; (xvii) the termination, liquidation, winding up or dissolution of a Fund and any legal entities owned directly or indirectly by a Fund, including portfolio companies and related entities; (xviii) defaults by Fund partners in the payment of any capital contributions to the extent not paid by such partners; (xix) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Fund, any parallel fund thereof, a General Partner, any parallel fund General Partner, any ultimate general partner, ELCM, any entities owned directly or indirectly by a Fund (including its portfolio companies), including the preparation, distribution and implementation thereof; (xx) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions, anti-terrorism or environmental, social or governance considerations), including any legal, administrator, consulting or other third-party service provider fees, costs and expenses related thereto and any regulatory expenses of a General Partner incurred in connection with the operation of a Fund; (xxi) any litigation or governmental inquiry, investigation or proceeding involving a Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in the applicable Partnership Agreement; (xxii) unreimbursed costs

and expenses incurred in connection with any transfer or proposed transfer contemplated by the applicable Partnership Agreement or any limited partner's name change, internal restructuring or change in registered agent; (xxiii) any taxes, fees and other governmental charges levied against a Fund and all expenses incurred in connection with any tax audit, inquiry, investigation settlement or review of a Fund (except to the extent that such Fund is reimbursed therefor by a reimbursing partner or such tax, fee or charge is treated as having been distributed to the Fund partners pursuant to the applicable Partnership Agreement) and any costs and expenses of or related to the "partnership representative" of a Fund; (xxiv) distributions to Fund partners and other expenses associated with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxv) compliance or regulatory matters related to a Fund, except as otherwise set forth in the applicable Partnership Agreement, including compliance with the applicable Partnership Agreement and/or any Side Letter; (xxvi) any travel, lodging or meals relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxvii) all costs and expenses associated with operating any feeder vehicle which invests all or substantially all of its assets in a Fund to the extent not paid by the applicable feeder vehicle limited partners, including all expenses associated with its management, operation, winding-up, liquidating and dissolution and with preparing and distributing such feeder vehicle's financial statements, tax returns and feeder vehicle limited partner reports, but not including any income-based or similar taxes, fees or other governmental charges levied against such feeder vehicle to the extent not paid by the applicable feeder vehicle limited partners; and (xxviii) any organizational expenses. The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of Emerald Lake and/or its affiliates. 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 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. Excluded from Fund expenses are ordinary administrative and overhead expenses of the General Partners, including employees' salaries, rent, utilities and other similar expenses specified in the Partnership Agreement. 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. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

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 Emerald Lake's related policies and the relevant Partnership Agreement(s) 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 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 relevant General Partner, ultimately is not consummated, all

Broken Deal Expenses related 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.

Emerald Lake and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing 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. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Emerald Lake and/or its affiliates on the other hand.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," Emerald Lake receives a carried interest allocation on certain realized profits in the Funds. Emerald Lake does not advise Funds not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain investors, as described under "Fees and Compensation."

The existence of performance-based compensation has the potential to create an incentive for the applicable General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although Emerald Lake generally considers performance-based compensation to better align its interests with those of its investors.

TYPES OF CLIENTS

Emerald Lake provides investment advice solely to its Fund clients, and references throughout this Brochure to "clients" and to Emerald Lake's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, 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 Emerald Lake and its affiliates and members of their families, or service providers retained by Emerald Lake.

The relevant General Partner also generally is permitted from time to time to establish Funds that are alternative investment vehicles in order to permit certain 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.

Grizzly Fund I generally has a minimum investment amount of \$15 million for third-party investors. Emerald Lake generally is permitted to waive such minimum investment amount. Fund interests are offered and sold solely to accredited investors that are also qualified clients (or qualified knowledgeable Emerald Lake personnel).

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Emerald Lake is a private investment firm focused on investments in portfolio companies believed to benefit from Emerald Lake's in-house operating professionals and experience. Emerald Lake's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments.

As more fully described in the applicable Memorandum, Emerald Lake's investment strategy for Fund I focuses on the acquisition of a target portfolio company and its direct and indirect subsidiaries and controlled affiliates.

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

Investment and Operating Strategy

Deal Sourcing and Due Diligence. Emerald Lake markets its investment criteria to its deal source network with frequent emails, telephone calls, public relations, conference attendance and in-person meetings. Once a potential investment is identified, Emerald Lake 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, Emerald Lake completes a detailed analysis of an industry including contacting a target company's customers and vendors, trade organizations, Emerald Lake's contact network and, in certain instances, industry consultants.

Strategic Growth and Value Creation Plan. Senior members of the professional and operating staff of Emerald Lake and its affiliates develop a strategic growth and value creation 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. Emerald Lake may supplement or replace the management team at a new portfolio company or advise the existing management team on ways to improve performance. Emerald Lake and its affiliates routinely search for highly qualified senior managers and often identify qualified candidates prior to making the next investment. In certain instances, operating professionals of Emerald Lake or its affiliates will fill key management roles (including chief executive officer or chief financial officer) on an interim basis immediately following closing until a professional management team can be assembled.

Internal Growth and Add-on Acquisitions. Once the above strategies have been implemented, Emerald Lake 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 restored a track record of sales growth and consistent profitability, Emerald Lake 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.

Risks of Investment

Each Fund and its investors bear the risk of loss that Emerald Lake's investment strategy entails. The risks involved with Emerald Lake's investment strategy and an investment in a Fund include, but are not limited to:

Business Risks. A Fund's investment portfolio will consist of securities issued by privately held companies, and operating results in a specified period will be difficult to predict. Such investments involve a high degree of business and financial risk that can result in substantial losses.

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.

Concentration of Investments. Each Fund will participate in a limited number of investments and, in the case of Fund I, may invest substantially all of its assets in a particular target company (the "**Company**"). In such case, changes in the value of the Company will cause greater volatility in the Fund's investment than those same changes would cause in the portfolio of a diversified fund. Fund I intends to hold one investment during the duration of the Fund and, as a consequence, investors will not have the risk-spreading benefits associated with a fund holding a diversified portfolio of multiple investments. Accordingly, the aggregate returns realized by the Fund I will be substantially adversely affected in the event of the unfavorable performance of the Company.

Real Estate Risks Generally. Investment in a Fund will be subject to the risks inherent in the ownership and operation of real estate assets. These risks include, but are not limited to, general and local economic conditions, the supply and demand for properties, the financial resources of tenants and owners, changes in building, environmental and other laws, changes in real property tax rates, changes in interest rates and the availability of mortgage funds which may render the sale or refinancing of properties difficult or impracticable, negative developments in the business economy that depress disposable income, environmental liabilities, uninsured casualties, government regulations (including those governing usage, improvements, zoning and taxes) and other factors which are beyond the control of the applicable General Partner. There is no assurance that there will be a ready market for resale of any portfolio company because a Fund's investment therein will generally not be liquid. Illiquidity may result from the absence of an established market for a portfolio company, as well as legal or contractual restrictions on resale by a Fund.

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. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including any Advisory Fee payable

to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

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. The use of leverage also 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 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 the 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. Moreover, the companies in which a Fund invests generally will not be rated by a credit rating agency.

A Fund may also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. A Fund may incur leverage on a joint and several basis with one or more other Funds and entities managed by Emerald Lake or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts may be secured by capital commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

Use of Credit Facility. A Fund will generally be permitted to borrow funds pursuant to a revolving credit facility or other debt facility, including a facility based on the aggregate Commitments available to be called. A Fund's use of such facilities will be determined by the General Partner, and the performance of such Fund may be impacted by how the General Partner causes the Fund to utilize such facilities. Although the use of such a facility may increase a Fund's ability to swiftly invest capital, it also will cause such Fund to incur interest expense. Conflicts of interest may arise in that the use of such facilities may, and likely would, delay the need for partners to make certain contributions to the Fund, which may enhance such Fund's performance figures and thereby benefit the General Partner and its affiliates.

Limited Transferability of Fund Interests. There will be no public market for Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the applicable Partnership Agreement(s) and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable.

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 General Partner with respect to such investment.

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 Emerald Lake 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.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund's activities, *including* the ability of a Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

The combination of such 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 the 2007-2008 downturn in the U.S. and global financial markets, may complicate or prevent a Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, a Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

Additionally, recently enacted U.S. federal income tax legislation treats certain income allocations of capital gains to service providers by partnerships such as a Fund as short-term capital gain (taxed at higher ordinary income rates) unless the Fund has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of the principals, employees, or other individuals associated with a Fund or the General Partner who were or may in

the future be granted direct or indirect interests in the carried interest, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a 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 can be no assurance that a Fund will make add-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make 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). Such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in the portfolio company or the dilution of the Fund's ownership in such portfolio company if a third party invests in such portfolio company. Moreover, if the amount of capital available to a Fund is not sufficient, a portfolio company may have to raise additional capital at a price unfavorable to such portfolio company's existing investors, including the Fund.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or Emerald Lake generally will be specified, and in many cases strictly limited, by the relevant Partnership Agreement. 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 Emerald Lake's control. Decisions by Emerald Lake 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 Emerald Lake 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 Emerald Lake reserves the right to withhold certain information from investors subject to such laws for reasons relating to Emerald Lake's public reputation, business strategy or other reasons.

Material Non-Public Information. As a result of the operations of Emerald Lake and its affiliates, as well as in connection with officerships or directorships of Emerald Lake personnel, Emerald Lake frequently comes into possession of confidential or material non-public information. Therefore, Emerald Lake 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 Emerald Lake'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.

Hedging Arrangements; Related Regulations. A General Partner may (but is not obligated to) endeavor to manage a Fund's or its portfolio companies' currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. A Fund may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("**OTC**") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used.

In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for a General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission ("**CFTC**") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Non-Controlling Investments. During the process of exiting a Fund's investment in a portfolio company, such Fund at times may hold a minority equity stake such as might occur if a portfolio company is taken public. As is the case with minority holdings in general, such a minority stake will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it may be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in the portfolio company. Even if a Fund has contractual rights to seek liquidity of such Fund's minority interests in a portfolio company, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in the company have different business and investment objectives and goals.

Unfunded Pension Liabilities of Portfolio Companies. Recent court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although Emerald Lake intends to manage each Fund's investments to minimize any such exposure, a Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund may own an 80% or greater interest in such a portfolio company. If such Fund (or other 80%-owned portfolio companies of such Fund) were deemed to

be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

Valuation of Investments. There is not expected to be an actively traded market for a Fund's investments. When estimating fair value, a General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of each particular investment. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by a General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Advisory Fees.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19 (as defined below), have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to a Fund.

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus (“**COVID-19**”), which the World Health Organization formally declared in March 2020 to constitute a global “pandemic.” This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these unprecedented developments have resulted in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across several of the world's largest economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse

effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained, it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to a Fund. The extent of the impact on a Fund and its portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy a Fund intends to pursue, all of which could adversely affect a Fund's ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of a Fund, its portfolio companies, its General Partner and Emerald Lake may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject. 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 Emerald Lake or one of its service providers holding its financial or investor data, Emerald Lake, its affiliates or the Funds may also be at risk of loss.

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 Emerald Lake, the General Partners, 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 Emerald Lake, 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 European Union 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 Emerald Lake, the General Partners, the Funds and/or their portfolio companies.

Conflicts of Interest

Emerald Lake and its related entities expect to 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. Emerald Lake 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 Emerald Lake conducting its activities, the interests of a Fund likely will conflict with the interests of Emerald Lake, 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, Emerald Lake will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

Emerald Lake principals expect in the future to manage several other investments similar to those in which a given Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Emerald Lake’s principals and Emerald Lake’s

investment staff will continue to manage and monitor such investments until their realization. Such other investments that Emerald Lake principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund.

From time to time, Emerald Lake 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 Emerald Lake. In determining which investment vehicles should participate in such investment opportunities, Emerald Lake and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one client of Emerald Lake in a portfolio company also have the potential to raise the risk of using assets of a client of Emerald Lake to support positions taken by other clients of Emerald Lake.

Emerald Lake must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Emerald Lake generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's Partnership Agreement, as well as other factors Emerald Lake deems relevant. Emerald Lake 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 Emerald Lake's obligations.

Following such determination of allocation among Funds, Emerald Lake 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 Emerald Lake reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Funds' Partnership Agreements, Side Letters and Emerald Lake's procedures regarding allocation.

Furthermore, Emerald Lake 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 lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other Fund investors. When and to the extent that employees and related persons of Emerald Lake and its affiliates make capital investments in or alongside certain Funds, Emerald Lake 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.

Emerald Lake'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 Emerald Lake 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 Emerald Lake expects to be subject, discussed herein, did not exist.

In certain cases, Emerald Lake will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Partnership Agreement, no obligation) to identify one or

more secondary transferees of interests in a Fund. In such cases, Emerald Lake will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Partnership Agreement, 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.

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Emerald Lake and its affiliates may from time to time express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Partnership Agreements of the Funds, Emerald Lake will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, Emerald Lake 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 Emerald Lake or its affiliates using their best 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. The Funds generally have different expense reimbursement terms, including with respect to Advisory 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, Emerald Lake and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Emerald Lake 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 Emerald Lake and/or its affiliates. Unless such amounts are subject to the Partnership Agreements' offset provisions, they will be in addition to any Advisory Fees or carried interest paid by a Fund to Emerald Lake.

Additionally, a portfolio company typically will reimburse Emerald Lake or service providers retained at Emerald Lake's discretion for expenses (including without limitation travel expenses) incurred by Emerald Lake or such service providers in connection with its performance of services for such portfolio company. This subjects Emerald Lake 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. Emerald Lake 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 expected to be reflected in each Fund's audited financial statements.

Emerald Lake 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) Emerald Lake or a related person of Emerald Lake (which may include a portfolio company of such Fund); (ii) an entity with which Emerald Lake or its affiliates or current or former members of their personnel has a relationship or from which Emerald Lake or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers; or (iii) certain limited partners or their affiliates. For example, Emerald Lake expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Emerald Lake to conflicts of interest, because although Emerald Lake 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, Emerald Lake has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Emerald Lake, 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 Emerald Lake), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Emerald Lake will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Whether or not Emerald Lake 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.

Emerald Lake 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 Emerald Lake and/or its affiliates; conversely, current or former personnel or executives of Emerald Lake and/or its affiliates may from time to time serve in significant management roles at portfolio companies or service providers recommended by Emerald Lake. Similarly, Emerald Lake, 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, Emerald Lake and/or its affiliates, and/or the Funds or other investment vehicles they advise. Emerald Lake 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 Emerald Lake information about markets and industries in which Emerald Lake operates (or is contemplating operations) or will provide other services that are beneficial to Emerald Lake or one or more other Funds. Emerald Lake expects to be subject to a potential conflict of interest in making such recommendations, in that Emerald Lake 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 a Fund or its portfolio companies.

Emerald Lake, its affiliates, and equity holders, officers, principals and employees of Emerald Lake and its affiliates reserve the right to buy or sell securities or other instruments that Emerald Lake has recommended to a Fund. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Emerald Lake have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, and therefore expect to have additional potential conflicting interests in connection with these investments.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Advisory Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when Emerald Lake may not otherwise have done so.

Emerald Lake 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, including but not limited to different fee structures (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by the operative documents, 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.

Any of these situations subjects Emerald Lake and/or its affiliates to potential conflicts of interest. Emerald Lake attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Emerald Lake'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, Emerald Lake will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Emerald Lake consults and receives consent to conflicts from an advisory committee consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

DISCIPLINARY INFORMATION

Emerald Lake and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

ELCM is affiliated with other investment advisers, including the General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to Emerald Lake's registration in accordance with SEC guidance. These entities operate as a single advisory business together with ELCM 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.

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

Emerald Lake has adopted a Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of Emerald Lake principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Emerald Lake personnel to report their personal securities transactions, prohibits or requires pre-clearance for Emerald Lake personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Emerald Lake personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from Emerald Lake's Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Dan Lukas, Emerald Lake's Chief Compliance Officer, at (917) 216-6612. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Emerald Lake 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, Emerald Lake 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 Emerald Lake.

Accordingly, should Emerald Lake 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, Emerald Lake generally would be prohibited from communicating such information to

clients, and Emerald Lake 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 Emerald Lake personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Emerald Lake 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 Advisers, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles, 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."

Emerald Lake 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).

BROKERAGE PRACTICES

Emerald Lake 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, Emerald Lake reserves the right to 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 Emerald Lake 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 Emerald Lake sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Emerald Lake. In such event, Emerald Lake will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Emerald Lake 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.

Emerald Lake 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 Emerald Lake 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 Emerald Lake 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 Emerald Lake generally does not make use of such services at the current time and has not made use of such services since its inception.

In Emerald Lake’s private company securities transactions on behalf of the Funds, Emerald Lake reserves the right to retain one or more broker-dealers or investment banks, the costs of which will be borne by the relevant Fund and/or its portfolio companies. In determining to retain such parties, Emerald Lake reserves the right to consider a variety of factors, including: (i) capabilities with respect to the type of transaction being contemplated; (ii) commissions or fees charged; (iii) reputation of the firm being considered; and (iv) responsiveness to requests for information. As a result, although Emerald Lake generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions, and the Funds may not pay the lowest commission or fee for such services.

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. However, Emerald Lake monitors companies in which the Funds invest, and Emerald Lake’s Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally expects to provide to its limited partners (i) annual GAAP audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner’s tax return and (iii) annual reports providing a narrative summary of the status of each portfolio company investment.

CLIENT REFERRALS AND OTHER COMPENSATION

Emerald Lake and/or its affiliates intend to provide certain business or consulting services to companies in a Fund’s portfolio and expect to receive compensation from these companies in connection with such services. As described in the relevant Partnership Agreement, this compensation may, in many cases, offset a portion of the Advisory Fees paid by such Fund. However, in other cases (e.g., reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees are in addition to Advisory Fees. *See* “Fees and Compensation.”

Emerald Lake reserves the right from time to time to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents generally

will be borne by Emerald Lake indirectly through an offset against the Advisory Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

CUSTODY

Emerald Lake maintains custody of assets held in the name of one or more Funds with the following qualified custodian: First Republic Bank, located in Los Angeles, California. Further, Emerald Lake intends, with respect to the Fund, to comply with the private fund audit requirements as provided in Rule 206(4)-2(b)(4) under the Advisers Act.

INVESTMENT DISCRETION

Emerald Lake has discretionary authority to manage investments on behalf of each Fund. As a general policy, Emerald Lake does not allow clients to place limitations on this authority. Pursuant to the terms of the Partnership Agreement, however, Emerald Lake and/or its affiliates have entered, and expect to enter, into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Emerald Lake assumes this authority pursuant to the terms of the Partnership Agreement and powers of attorney executed by the limited partners of such Fund.

VOTING CLIENT SECURITIES

Emerald Lake has adopted a Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, a Fund's portfolio investments. The Proxy Policy seeks to ensure that Emerald Lake votes proxies (or similar instruments) in the best interest of such Fund, including where there may be material conflicts of interest in voting proxies. Emerald Lake generally believes its interests are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Emerald Lake may address the conflict using several alternatives set forth in the Proxy Policy. Emerald Lake does not consider service on portfolio company boards by Emerald Lake personnel or Emerald Lake's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Emerald Lake when voting proxies on behalf of a Fund. Clients or investors that would like a copy of Emerald Lake's complete Proxy Policy or information regarding how Emerald Lake voted proxies for particular portfolio companies may contact Dan Lukas, Emerald Lake's Chief Compliance Officer, at (917) 216-6612, and it will be provided at no charge.

FINANCIAL INFORMATION

Emerald Lake does not require prepayment of management fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.