

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

ONEX PARTNERS MANAGER LP

A Delaware Limited Partnership registered
with the U.S. Securities and Exchange Commission
as an Investment Adviser

March 27, 2020

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This brochure provides information about the qualifications and business practices of Onex Partners Manager LP. If you have any questions about the contents of this brochure, please contact us at 212-582-2211 or send an e-mail to YFeder@onex.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Onex Partners Manager LP is also available on the SEC's website at www.adviserinfo.sec.gov. Registration does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

This brochure updates the previous Onex Partners Manager LP brochure dated May 3, 2019. This brochure does not contain any material changes, but Onex Partners Manager LP has made routine changes and updates throughout this brochure.

Except as otherwise specified, all information set forth or referenced in this brochure is as of the date hereof. Subject to the requirements of the Investment Advisers Act of 1940, as amended (the “Advisers Act”), and other applicable laws, Onex Partners Manager LP is under no obligation to update any such information.

We encourage all recipients to read this brochure carefully and in its entirety.

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ITEM 4 ADVISORY BUSINESS

Onex Partners Manager LP (“OP Manager”) is an investment adviser with its principal place of business in Toronto, Ontario, with offices in New York, NY and London, UK. OP Manager is registered under the Advisers Act and together with certain affiliates, serve as managers or general partners to certain private equity funds sponsored by Onex Corporation. OP Manager and its affiliates managing those funds (collectively with OP Manager, the “Manager”) are under common control and are subject to OP Manager’s code of ethics and compliance program adopted pursuant to the requirements of the Advisers Act. In this brochure, Onex Corporation and the Manager are collectively referred to as “Onex” and the funds described in the previous sentence are referred to as the “Onex Partners Funds”.

Onex Corporation, a public company based in Canada, has been acquiring and building businesses as a private equity investor since its inception in 1984. Starting in 1999, Onex Corporation began to develop a broader asset management business with the sponsorship of a series of private equity funds, the establishment of a credit-oriented investment business, and the making of a number of real estate investments. Onex Corporation is listed on the Toronto Stock Exchange, and Gerald W. Schwartz, its founder, Chairman, President and Chief Executive Officer, is the company’s controlling shareholder. Onex Corporation, indirectly through certain subsidiaries, is the only owner of more than 25% of OP Manager.

The Manager serves as investment manager of and provides administrative services to the Onex Partners Funds, to the special purpose vehicles established to implement certain of their investments, and to certain co-investment vehicles established in connection with and invested alongside the Onex Partners Funds (collectively, the “Funds”), all based on the investment objectives, policies and restrictions contained in the confidential offering memorandum and the limited partnership agreement or similar constitutional documents of each Fund as well as any side letters or similar agreements entered into between certain Fund investors and the applicable Funds (collectively, “Governing Agreements”). Onex Corporation is, directly or indirectly, the largest investor in each of the Onex Partners Funds and may also co-invest in their transactions. Additionally, Onex investment professionals and other executives typically invest in or alongside the Onex Partners Funds. Other qualified individuals who are not employees of Onex, but who have pre-existing business relationships with Onex or industry expertise in the sector in which a Fund may be investing, may also invest in or alongside the Funds.

The Manager’s services include investigating, analyzing, structuring and negotiating and committing to potential operating company investments (“Operating Company Investments”) on behalf of the Funds, managing and monitoring the performance of those operating companies (each, an “Operating Company”) and advising the Funds as to disposition opportunities.

As of December 31, 2019, the Manager had approximately \$17.6 billion in assets under management. All assets are managed on a discretionary basis.

Persons reviewing this Form ADV Part 2A should not construe this as an offering of any of the Onex Partners Funds described herein, all of which are closed to additional subscriptions.

ITEM 5

FEES AND COMPENSATION

The Manager and/or the general partners of the Funds generally receive management fees based on committed or invested third-party capital and performance-based or “carried interest” allocations and may receive certain additional fees, all as further described below. Certain Funds other than the Onex Partners Funds may not be subject to management fees and/or carried interest, all as negotiated at the time of establishment thereof and as set forth in the relevant Governing Agreements.

Management fees and expenses are paid by capital contributions from investors in each Fund out of the investor’s capital commitment (being the total amount of capital such investor has agreed to contribute to the Fund) pursuant to capital call notices delivered by such Fund’s general partner or are paid out of cash or assets otherwise distributable to the investors in the Fund, including cash or assets held by the Fund after an Operating Company Investment is disposed of and before the proceeds are distributed to investors (i.e., deducted from the assets of the Fund). Management fees and expenses may also be paid out of reserves of the applicable Fund. In addition, management fees and expenses may also be paid by drawdowns under a Fund’s subscription credit facility, if available (which drawdowns are subsequently repaid through capital contributions or distributable proceeds or reserves).

Detailed information on fees, performance allocations, expenses and any applicable offsets or caps is set forth in the Governing Agreements, which are furnished to prospective investors prior to their investment.

Management Fees

Subject to the foregoing, OP Manager typically receives an annual management fee expressed as a percentage of third-party investors’ committed capital during the relevant Fund’s investment period, following which the applicable percentage is typically reduced and is based on the amount of third-party capital remaining in unrealized investments. Where management fees are based on committed capital or the remaining invested capital of a Fund, the management fee payable by such Fund will be due to OP Manager even if the fair value of the relevant remaining investments is below cost.

Management fees are generally paid by or on behalf of the Funds semi-annually by requiring investors to make the necessary capital contributions or by offsetting the amount against amounts otherwise distributable to such investors. Management fees are typically collected no earlier than the second business day after the beginning of each semi-annual period. The Manager will from time to time accrue management fees for a given payment period but defer collecting such fees until a later payment period. The Manager does not charge interest on such deferred management fees.

Fund investors are generally entitled to a return of all or a portion of such fees before the Manager and its affiliates may share in the net profits of the applicable Fund pursuant to the performance allocation described below. In addition, management fees may be reduced by certain other fees or compensation received by the Manager or its affiliates or related persons, as described under “Ancillary Fees” below, or by certain organizational, offering and other expenses borne by the Fund.

Fund investors make capital commitments to the Funds prior to the Manager’s performance of any investment advisory functions. Management fees assessed by the Funds are paid from these amounts and are payable in advance for each fee period. The Manager’s services may only be terminated under limited circumstances. Should the Manager’s services to a particular Fund be terminated before services are actually provided to the Fund for the applicable period, fees paid in advance in respect of that Fund will generally be pro-rated from the date of termination to the end of the relevant period and will be returned to the Fund’s investors.

The Manager may exempt principals, employees, and certain other persons (who may be service providers, executive management members of past or existing Operating Companies, for example) from the payment of all or a portion of management fees and/or carried interest. In addition, the Manager has and in the future may form co-investment vehicles that are not subject to management fees or carried interest (as described below).

Performance Allocation (Carried Interest)

Subject to the foregoing, distributions to Fund investors are generally subject to some form of carried interest or similar profit allocation for the benefit of such Fund's general partner, an affiliate of the Manager. Those distributions and any resulting performance allocations are generally made as Operating Company Investments are fully or partially realized, are typically allocated in proportion to the investors' funded commitments with respect to such Operating Company, and are generally paid out of cash otherwise distributable to investors in the applicable Fund. Profit allocations typically represent a share of up to a specified percentage of distributions made by a Fund in excess of the relevant investors' invested capital and allocable fees and expenses (generally including the allocable amount of management fees, organizational and offering expenses and other expenses associated with the operation and activities of the Fund) and are subject to hurdles and/or clawbacks as specified in the Governing Agreements.

Ancillary Fees

The Funds or Fund transactions may generate other fees payable to the Manager or its affiliates or other related persons from time to time. Specifically, they may receive commitment, transaction, closing, merger and acquisition, divestiture, financing and similar cash and non-cash fees, consulting, monitoring or similar fees and/or directors' fees in respect of Operating Company Investments. All such fees are dealt with in accordance with the Funds' Governing Agreements, which typically provide that all or a substantial portion of the applicable Fund's share of those fees will be applied to reduce the management fees payable to the Manager by the relevant Fund. Funds that do not pay a management fee do not receive the benefit of such reduction or otherwise share in such fees. The Manager or its affiliates or other related persons will retain the portion of any of the foregoing fees that does not reduce or offset management fees, as well as the allocated portion that is attributable to capital commitments made by Onex, the general partners of the Funds or any of their affiliates, employees, officers, directors and other related personnel. In addition, the Manager or its affiliates or other related persons will generally retain the portion of any of the foregoing fees allocable to co-investment vehicles (generally to the extent co-investment vehicles do not pay a management fee). The detailed terms and conditions with respect to such fees and any offsets, including any specific offset formulae, are set forth in each Fund's Governing Agreements.

Use of Consultants

The Manager may, from time to time, engage third-party consultants in connection with the Funds' investment processes. This may include individuals who are not employees or affiliates of the Manager but consultants who may work with the Manager on an exclusive or partly-exclusive basis. Such individuals or other consultants may also provide services directly to an Operating Company. Fees paid and expenses reimbursed with respect to such persons may be allocated to or borne by the Manager, or one or more Funds and/or one or more Operating Companies depending on the particular services provided by the consultant, and the terms of any agreement that may exist between the consultant and an Operating Company. None of the Funds, the general partners of the Funds, Onex or any of their respective affiliates or related person is entitled to all or any portion of the compensation payable to such persons (including, without limitation, any fees or any payments in respect of expense reimbursements), and such amounts will not offset or reduce the Manager's management fees.

Management Team Expenses

From time to time, a Fund may recruit a management team to pursue a new or “platform” opportunity expected to lead to a future Operating Company Investment. Typically, the expenses associated with the activities of such a team, including its overhead and due diligence and related expenses incurred in pursuing acquisition opportunities, will constitute Fund expenses and be borne by the relevant Fund. Any expenses incurred in connection with such “platform” opportunities will not offset the management fee of any Fund.

Other Expenses

The organizational expenses of the Funds are generally paid by those Funds, and therefore indirectly by Fund investors, in some cases subject to a cap. In general, the Funds will bear all costs, fees and expenses incurred in connection with organizing and establishing the applicable Fund, its general partner and the general partner thereof, as applicable, and the marketing and offering of limited partnership interests in the Fund, including, without limitation, all of the costs and expenses incurred in connection with the formation and qualification of the Fund, its general partner, the general partner thereof, as applicable, all legal and accounting fees and expenses, registration fees, filing fees, printing costs, travel costs (which may include first or business class commercial airfare or private or charter airfare) and ancillary expenses, and all costs and expenses incurred in connection with the preparation of offering documents, marketing materials, organizational documents, operating documents and similar materials and the costs of qualifying, reproducing, amending, supplementing, mailing and distributing offering materials, and any placement agent fees and expenses, if any. Typically, the management fees payable by a Fund will be reduced dollar-for-dollar by the amount of any placement agent fees paid by the Fund such that the investors in the Fund will not bear the economic burden of any placement agent fees. In addition, in some cases, organizational expenses that exceed a certain cap will be paid by the Fund but the investors in the Fund will receive a reduction in management fees equal to the amount of the excess.

Partnership Expenses

The Funds will also typically bear all costs and expenses relating to their activities and operations (to the extent not reimbursed by an Operating Company). Depending on the Fund and the terms of its Governing Agreements, these could include, without limitation, (i) costs and out-of-pocket fees and expenses attributable to sourcing, investigating, identifying, analyzing, evaluating, researching, diligencing, pursuing, committing to, acquiring, purchasing, investing, holding, monitoring, managing, seeking disposition opportunities for and disposing of, the Fund’s investments (and prospective investments), whether or not consummated, including, without limitation, commitment fees or other lenders’ fees that become payable in connection with a proposed Operating Company Investment, fees and expenses related to negotiating non-disclosure and confidentiality agreements, travel costs and ancillary expenses (which may include first or business class commercial airfare or private or charter airfare), third-party consulting and deal investigation and identification fees and expenses, investment banking, legal and accounting fees and expenses, and printing expenses, in each case, including any group purchasing costs, as applicable, (ii) Broken Deal Expenses (as defined below), (iii) legal, accounting, auditing, administrative, custodian, appraisal, consulting, brokerage, service provider and other similar fees and expenses (including, without limitation, courier fees and expenses related to conference calls), costs, fees and expenses of meetings of Fund investors in which all Fund investors are invited to attend and each additional meeting of the Fund investors, fees of any administrator of the Fund and costs and expenses of D&O and/or E&O liability insurance or other insurance, other out-of-pocket fees, costs and expenses associated with monitoring compliance with Governing Agreements, any side letter agreements and any other agreements related to a Fund and with the preparation and delivery of Fund financial statements, tax returns and other tax-related documentation and reports and notices to the Fund investors, and costs and expenses related to attendance at industry conferences and subscription to industry publications and research services attributable to a

specific Operating Company Investment (or proposed Operating Company Investment), (iv) expenses of the Board of Advisors incurred in accordance with the applicable Governing Agreement and holding meetings thereof, and all costs and expenses of any votes or consents of investors or the Board of Advisors of the Fund or any amendments to or waivers of the Governing Agreement or any related agreement, (v) extraordinary expenses, liabilities, indemnities and other obligations of the Fund (including, but not limited to, litigation, audit, investigation and indemnification costs and expenses, judgments, penalties, fines and settlements) and the fees, costs and expenses of complying with applicable law, rules and regulations, (vi) fees, costs and expenses of maintaining the existence of the Fund and its general partner (and its general partner, as applicable), including, without limitation, franchise taxes and partnership registration and registered agent fees and expenses, (vii) fees, costs and expenses of the wind down of the Fund and the general partner (and its general partner, as applicable) and the liquidation of the assets of the Fund in connection therewith, (viii) debt service obligations, including principal, interest, premium, if any, fees, expenses and other amounts payable in respect of indebtedness of the Fund, including, without limitation, any fees and expenses incurred as a result of the implementation (including negotiation and documentation), utilization and refinancing of any credit or subscription facility or other indebtedness or credit support, (ix) taxes, duties, fees and other governmental charges levied against the Fund and all related filing fees and tax consulting fees and expenses, and (x) other expenses borne by the applicable Fund pursuant to its Governing Agreement.

Broken Deal Expenses

In addition, investors in a Fund will also typically bear all fees, costs and expenses incurred in connection with prospective investments and other transactions of the Fund that are not consummated, including, without limitation, all due diligence fees, costs and expenses, legal and accounting fees, costs and expenses, fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for such prospective investment or other transaction, deposits or draw-down payments that are forfeited in connection therewith, and reverse break-up fees or termination fees, expense reimbursement amounts or other amounts payable to the sellers, targets, advisors, service providers or other counterparties or third parties, related to such transaction, or other liabilities or obligations in respect of such unconsummated transactions or investment opportunities (including travel costs and ancillary expenses (which may include first or business class commercial airfare or private or charter airfare, incurred in connection therewith)) (collectively, “Broken Deal Expenses”). Broken Deal Expenses could be significant, and accordingly, the Funds could incur substantial costs and expenses with no opportunity for a return. Co-investors will typically bear their pro rata share of fees, costs and expenses related to their co-investments and may be required to pay their pro rata share of Broken Deal Expenses related to potential co-investments that they have committed to make but that are not consummated. The general partners of the Funds and the Manager have the discretion to require the Funds to pay 100% of the amount of any Broken Deal Expenses whether or not there are co-investors that are committed or expected to participate in such investment or transaction or a potential co-investment opportunity or a syndication to third parties or other transaction participants (including, without limitation, the target company management) are contemplated in connection with such investment or transaction. In the event that any potential investment of a Fund results in Broken Deal Expenses and all or a portion of such Broken Deal Expenses are not paid or reimbursed by any potential co-investment vehicles, co-investors or other third parties or transaction participants, as applicable, the Fund may be required to bear 100% of the amount of any such Broken Deal Expenses. While certain of such Broken Deal Expenses may be reimbursed by offsetting certain amounts payable to the Manager or one or more of its affiliates, there can be no assurance that sufficient offsetting fees will be generated to reimburse all such Broken Deal Expenses.

Allocation of Shared Expenses

The Manager and its affiliates may from time to time incur fees, costs and expenses on behalf of more than one Fund, Operating Company and/or Onex or its affiliates. In that event, expenses will be allocated in the Manager's good faith discretion with a view to being fair and reasonable and having regard to all relevant and available information, including the extent to which the relevant entity(ies) or group(s) required or benefitted from the goods or services giving rise to the expense and whether all or a portion of a multiple-purpose expense should be viewed as overhead and absorbed by the Manager.

Other Benefits

Onex and/or its affiliates and personnel can be expected to receive certain intangible and/or other benefits arising or resulting from their activities on behalf of the Funds that will not be subject to the management fee offset or otherwise shared with the Fund investors and/or Operating Companies. For example, airline travel or hotel stays incurred in connection with Fund business may result in "miles" or "points" or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Onex and/or its affiliates and personnel even though the cost of the underlying service is borne by the Funds or their Operating Companies.

Service Provider Selection

Certain advisors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents), or their affiliates, to a Fund's general partner, a Fund or its Operating Companies also provide services to or have business, personal, financial or other relationships with Onex and/or its affiliates. Such advisors and service providers may also be investors in or co-investors alongside a Fund, sources of potential investment opportunities, or counterparties to or otherwise involved in transactions or matters with Onex Corporation, its affiliates, other Funds, the Manager, other Operating Companies, and/or the personnel of any of the foregoing, for example. Although these relationships may have the appearance of influencing the decision whether to select or recommend such service provider to perform services for a Fund or an Operating Company (the cost of which will generally be borne directly or indirectly by such Fund or such Operating Company, as applicable), the Manager seeks to ensure service provider selection is merit-based.

Operating Company Relationships

Certain of the Funds' Operating Companies may be counterparties to or participants in agreements, transactions or other arrangements with or alongside other Operating Companies, including Operating Companies of other Funds or the Manager. For example, Onex has adopted a strategic sourcing program to facilitate group purchasing by those Operating Companies that choose to participate. The vendors or suppliers participating in the program are unrelated to Onex, no Operating Company is required to participate in any particular transaction or arrangement, and savings flow to the participating Operating Companies directly. Neither the Manager nor Onex Corporation receives greater benefits from or in connection with the program than any of the participating Operating Companies and the Manager and each of the Manager and Onex Corporation generally receives the same terms and benefits as the participating Operating Companies in purchase arrangements in which they participate (if any). In addition, Operating Companies and operating companies of Onex Corporation or any of its affiliates may transact amongst themselves in the ordinary course of their respective businesses on customary commercial terms. Onex may also recommend products or services of one Operating Company to another. Potential conflicts of interest

arise in making such recommendations, as Onex has an incentive to maintain goodwill between it and former, existing and prospective Operating Companies.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

See Item 5 above as to the performance-based compensation or allocations to which the Manager or its affiliates may be entitled.

The Manager recognizes that some of the Funds may have different terms in respect of fees and performance allocations and that, accordingly, actual or perceived conflicts of interest may arise in allocating opportunities to, between or among the Funds and/or other vehicles managed, advised or controlled by or otherwise related to Onex. The Manager recognizes its fiduciary duty to act in the best interests of the Funds and exercises due care to ensure that investment opportunities are allocated fairly and in accordance with the terms of the applicable Governing Agreements, including a consideration of the investment objectives and parameters of such Funds. The Governing Agreements typically address such matters in detail, including to what extent opportunities must be allocated to a particular Fund, whether co-investment is permissible and whether and on what terms the Manager, any of its affiliates, other investment vehicles they may manage and the principals of the Manager (the “Principals”) must or may participate in those opportunities. Subject to compliance with those terms and the terms of the Governing Agreements dealing with potential conflicts that must be reported to the relevant Board of Advisors or that require its consent or those of the Fund investors, investment decisions, including allocations, are made in the reasonable discretion of the Manager.

Without limiting the foregoing, the Manager recognizes it is not permissible to allocate, or to fail to allocate, an investment opportunity to, between or among Funds on the basis of the amount of compensation or profit that is likely to be realized for the Manager and its affiliates.

The primary investment opportunity allocation principles for each Fund are derived from the Fund Governing Agreements. In that regard:

Parallel Vehicles. When two or more investment vehicles are formed as part of the same investment program for the purpose of making the same investments on a side-by-side basis (“Parallel Vehicles”), investments will generally be allocated among the Parallel Vehicles based on their relative capital commitments, subject to all terms, conditions and limitations in the Governing Agreements for each of the Parallel Vehicles.

Predecessor/Successor Funds. Generally, a new investment fund does not begin investment activities until its predecessor fund has invested or committed a significant portion of its aggregate capital commitments. As a result, issues related to allocation of investment opportunities may arise when the Manager begins investing a successor to an existing Fund prior to the expiration of the commitment period of the existing Fund. In general, the Governing Agreements will set forth rules and procedures for the allocation of investment opportunities among such Funds and subject to such rules and procedures, opportunities will be allocated according to the reasonable determination of the Manager. In making such determination, the Manager will take into account such matters as the age and funding status of the relevant Funds vis-à-vis their respective commitment periods and Fund termination dates, the extent to which capital has been committed, called and returned to Fund investors, the composition of the portfolio of the Funds, any relevant legal, regulatory or tax considerations, and the expected ownership period of a particular business, for example.

Co-investment and Joint or Strategic Investors. The Manager may raise co-investment funds or establish co-investment vehicles to participate in Operating Company Investments on a side-by-side basis with an Onex Partners Fund in accordance with the Governing Agreements of an Onex Partners Fund. Further, a Fund may pursue an opportunity jointly with another private equity fund or fund sponsor in appropriate

circumstances, which may include, for example, the size, nature, location, prior investment experience or other relevant factors relating to the target company, the potential partner, the process or the opportunity. In addition, “strategic investors” may be permitted to co-invest alongside an Onex Partners Fund to the extent not inconsistent with the Onex Partners Fund’s Governing Agreements.

Onex, its affiliates or any of their respective officers, directors, employees, investment team members or other personnel, or the Principals may organize, make an investment in, or otherwise participate in, any vehicle formed to make co-investments with an Onex Partners Fund. The Manager may, in its sole discretion, provide co-investment opportunities to some (but not necessarily all) investors in an Onex Partners Fund and/or third parties, as well as to Onex Corporation and/or its affiliates and other related persons as described above. In circumstances where an entire investment could be made by an Onex Partners Fund, the Manager may still allocate a portion of such investment to one or more co-investment vehicles or other co-investors (including, without limitation, Onex, its affiliates or any of their respective officers, directors, employees or other personnel or the Principals) in accordance with the Governing Agreement of the applicable Onex Partners Fund and the Manager’s co-investment policy. The allocation of any co-investment opportunities may or may not be in proportion to the commitments of the co-investors (if any) and may involve different terms and fee structures. As such, an Onex Partners Fund may receive a smaller allocation in a particular investment than it otherwise might have received if the Manager had not provided the third-party with the co-investment opportunity. Moreover, it is possible that certain terms and fee structures offered to co-investors may be more (or less) favorable to Onex than those offered to investors in an Onex Partners Fund, which may incentivize the Manager to make more (or less) of such co-investment opportunities available.

The Manager has full discretion in determining to whom and in what relative amounts to allocate co-investment opportunities, whether through an entity it or one of its affiliates controls or directly into an Operating Company. In exercising its discretion, the Manager may consider certain factors including (but not limited to): (i) the aggregate amount of co-invest opportunity available; (ii) the magnitude and nature of a potential recipient’s relationship with Onex and its affiliates, if any; (iii) the Manager’s assessment of which potential co-investors may be willing and able to pursue and complete the particular co-investment if offered and its understanding of the nature and/or size of opportunities in which the potential co-investor is particularly interested; (iv) the Manager’s views as to whether the involvement of any particular potential co-investor(s) could directly or indirectly benefit the Fund generally, its pursuit of and investment in the particular Operating Company opportunity and/or the future business, activities or prospects of the Operating Company; (v) whether the potential recipient is expected to provide expertise or other advantages in connection with a particular co-investment; (vi) any relevant considerations made known to the Manager by the Operating Company management team; and (vii) any further legal, regulatory or tax considerations, timing issues, and other special considerations arising as a result of the industry, sector, business or activities of the Operating Company that may affect or be affected by allocation decisions. Furthermore, as the Manager may allocate co-investment opportunities as the Manager determines in its sole discretion, the recipients thereof may include no investors in an Onex Partners Fund, or one or more investors in an Onex Partners Fund and not others (including others that may be similarly situated to those receiving allocations of co-investment opportunities), clients or potential clients of Onex or its affiliates, Onex or its affiliates, employees of Onex or its affiliates, or funds or accounts established for any such persons, and on such terms as the Manager determines in its discretion. The above factors are not listed in order of importance or priority. Additionally, the Manager is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. In addition to allocating co-investment opportunities on a case-by-case basis as they arise as described above, the Manager may determine to provide priority rights with respect to future co-investment opportunities generally to certain Fund investors (but not to others, including similarly situated Fund investors) or other persons, including those described above, pursuant to commitments, arrangements or agreements between the Manager and Fund investors or

other persons or through the formation of one or more funds or other vehicles in which such investors or other persons would invest.

Importantly, the Manager has given and intends to give due consideration to the fact that Onex Corporation, the Funds' sponsor and in each case the largest limited partner, made Fund investors expressly aware in advance of their investment commitments to the relevant Fund of its desire to co-invest if and when opportunities are available, further to which Fund investors may have negotiated specific thresholds and other contractual restrictions applicable to Onex Corporation's co-investment opportunities but otherwise expressly gave the Manager full discretion as to co-investment decisions.

The general partners of the Funds and the Manager or any of their affiliates may require such co-investors to bear a carried interest, management fee and other costs with respect to any co-investment, and such charges may be different from the carried interest, management or other fees charged to investors in the applicable Fund. As a result of these differences, the returns to the investors in an Onex Partners Fund may differ from the returns to the co-investors. In particular, such investors' net returns with respect to co-investment opportunities may differ from investors' net returns with respect to the Fund, particularly for those investors in co-investment opportunities whose investment will not be subject to any (or will be subject to different) management fees, or carried interest payable to the Manager or its affiliates. Co-investors will typically bear their pro rata share of fees, costs and expenses related to their co-investments and may be required to pay their pro rata share of Broken Deal Expenses (as defined above) related to potential co-investments that they have committed to make but that are not consummated.

Such co-investors typically invest and dispose of their investments in the applicable Operating Company at the same time and on the same terms as the Fund making the investment. From time to time, for administrative, strategic and/or other reasons, co-investors may purchase a portion of an investment from a Fund, Onex Corporation or one of their respective affiliates after such Fund has consummated its investment in the Operating Company. Any such purchase by a co-investor generally would occur shortly after the Fund's completion of the investment (also known as a post-closing sell down or transfer) to avoid any changes in the valuation of the investment. The participants in the co-investment vehicle may (or may not) be charged interest on the purchase to compensate the applicable Funds, Onex Corporation or affiliates thereof for the applicable holding period and there can be no assurance that such interest, if any, will accurately reflect the fair market value of the portion of such investment in the Operating Company at the time of the sale. The economic participation of co-investors in an investment opportunity may be substantial and may involve greater risks than an investment in which there are no co-investors. It is possible that a co-investor may at any time have interests that are inconsistent with those of the Manager or a Fund. In addition, co-investors may be in a position to obtain additional information regarding the applicable Operating Company that may not generally be available to investors in the Fund.

Investments Away from Existing Funds. The Funds generally comprise blind-pool funds with an ongoing entitlement to new investment opportunities that meet their investment objectives and parameters as set forth in the applicable Governing Agreements. Investments may only be allocated outside of the existing Funds in accordance with their respective Governing Agreements and subject to the terms, conditions and limitations therein.

Reference is made to Items 10 and 11 below for a further discussion of potential conflicts of interest and the manner in which they are addressed by the Manager.

ITEM 7

TYPES OF CLIENTS

The Manager provides investment advice only to the Funds and has no other clients.

The Manager requires that each investor in a Fund be an “accredited investor” as defined in Regulation D under the Securities Act, a “qualified client” within the meaning of the Advisers Act, and typically, either a “qualified purchaser” or a “knowledgeable employee” within the meaning of the Investment Company Act of 1940, as amended (the “Investment Company Act”). Investors typically consist of banks and other financial institutions, public and private pension and profit-sharing plans, insurance companies, charitable organizations, government agencies or other institutional investors, as well as a small number of high-net-worth individuals. Certain advisors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents) to a Fund’s general partner, a Fund or its Operating Companies may also be investors in or co-investors alongside a Fund.

Typically, a minimum investment amount is imposed on third parties investing in the Onex Partners Funds, as described in each such Fund’s confidential offering memorandum.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

The Manager intends for the Funds to be value-oriented investors. It pursues a disciplined investment style and an active approach to building high-quality businesses for the benefit of the Funds. Depending upon market conditions and the opportunities available from time to time, the Manager has generally focused on such areas as: (i) carve-outs of subsidiaries and mission-critical supply divisions from multinational corporations; (ii) cost reductions and operational restructurings; and (iii) platforms well-positioned to benefit from add-on acquisitions.

In implementing its investment strategy, the Manager seeks to: (i) invest only in industries it understands; (ii) proactively source opportunities; (iii) have diverse value creation opportunities; (iv) partner with talented management teams and align their interests; (v) conduct patient and comprehensive due diligence; (vi) use a team-based investment approach; (vii) maintain purchase price discipline; (viii) apply appropriate capital structures; (ix) actively work with management post-investment; and (x) strive to exit investments successfully.

With each investment, the Manager works with the Operating Company's management team to build long-term value in the company and to pursue the successful execution of the company's business plan. As part of this active-ownership approach, the Manager generally requires those management teams to have meaningful personal financial stakes in their companies so as to further align their interests with those of the Funds.

Material Risks

The transactions in which the Funds engage involve substantial risks and are suitable only for those investors who have the financial sophistication and expertise to understand and accept such risks. No assurance can be given that the investment objectives of the Funds will be achieved or that investors will receive a return of or will realize a profit on their investments in the Funds.

Prior to committing to any Onex Partners Fund, potential investors are furnished with a confidential offering memorandum which sets forth in detail the material risks associated with such investment and cautions that returns may be unpredictable, that the possibility of a partial or total loss of capital will exist and that investors should not commit unless they can readily bear the consequences of such loss. All investors are required to represent in their subscription materials that they have carefully read the risk factor disclosure and understand all such risks. Prospective investors are also advised in the confidential offering memoranda that the risk factors and other investment considerations described therein are not necessarily a complete list or explanation of all risks involved and are advised to consult their own counsel and other advisors.

The Funds that are co-investment vehicles are typically single-purpose, transaction-specific vehicles, and investors in such vehicles are given the opportunity to conduct such due diligence investigations as they deem necessary prior to committing to participate in the transaction. Those electing to proceed with a co-investment transaction acknowledge in the relevant agreements that they are capable of evaluating the merits and risks of the investment, they understand those risks and they are able to sustain a loss of the entire investment. Prospective co-investors are advised to consult their own counsel and other advisors before determining to proceed with a co-investment.

Without limiting the foregoing or (i) the disclosure set forth in the Funds' offering documents and Governing Agreements and (ii) the acknowledgements made by investors in their subscription agreements

or otherwise, the discussion below summarizes certain of the material risks associated with investments in the Funds:

- *An Investment in a Fund Will Not be Suitable to All Investors* – An investment in a Fund requires a long-term commitment with no certainty of return. There may be a partial or complete loss of capital and, conversely, the return of capital and the realization of gains, if any, from an Operating Company Investment generally will occur only upon the partial or complete realization or disposition of the Operating Company Investment. Most Operating Company Investments are expected to be owned for a number of years and there may be legal restrictions on the ability to sell such investments. Further, the terms of any realization transaction will necessarily be affected by economic and other market conditions at the time. An investment in a Fund is suitable only for certain sophisticated investors that have no need for immediate liquidity in their investment, who understand that they may lose all or a significant portion of their invested capital and have the wherewithal to fund amounts due over time in respect of their capital commitments. Investors must be willing to bear the economic risk of an investment in a Fund for an indefinite period of time. Any investor interested in an investment in a Fund should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such an investment.
- *Restrictions on Transfer and Withdrawal; Lack of Liquidity for Interests* – There are restrictions both at law and in the Governing Agreements on the transferability of Fund interests, and investors generally may not withdraw capital from a Fund. Consequently, investors may not be able to liquidate their investments prior to the end of a Fund's term.
- *Prior Investment Performance Not Indicative of Future Results* – The performance of prior investments by the Manager or its affiliates, or by any Fund, is not necessarily indicative of future results. On any given investment, total loss of the investment is possible.
- *Dependence on Key Personnel* – The success of the Funds depends in substantial part upon the skill and expertise of the Manager's investment professionals and the other individuals employed to assist them. There can be no assurance that these individuals will continue to be employed or engaged by the Manager or its affiliates. The loss of their services could have a material adverse effect on the success of the Funds.
- *Risks in Effecting Operating Improvements* – In some cases, the success of the Funds depends, in part, on the ability to structure and effect improvements in the operations of an Operating Company. The activity of identifying and implementing restructuring programs and operating improvements at Operating Companies entails a high degree of uncertainty. There can be no assurance that the Funds will be able to successfully identify and implement such restructuring programs and improvements.
- *Limited Number of Investments; Lack of Diversity* – A Fund may participate in a limited number of investments and the Manager and that Fund may not be able to identify or acquire an appropriate volume of investment opportunities and, as a consequence, the aggregate returns of that Fund may be substantially affected by the unfavorable performance of a single investment. A Fund is not required to make investments that are diversified geographically or otherwise. Because a Fund's investments may be concentrated within relatively few industries, sectors, countries or regions, portfolio diversification will be less than would be possible if the Fund were to invest in a broader range of industries, sectors, countries or regions. Such reduced diversification may increase

the volatility of the Fund's returns, and could reduce the Fund's returns relative to more diversified funds to the extent that such industries, sectors, countries or regions do not perform as well as other industries, sectors, countries or regions. No assurances can be given that a Fund will diversify its investments among different assets.

- *Leverage* – Fund investments may include companies whose capital structures may utilize significant amounts of leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although the general partner of a Fund will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the Operating Companies to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the Operating Companies or their respective industries. Additionally, the securities acquired by a Fund may be the most junior in what may be a complex capital structure and thus subject to the greatest risk of loss. In addition, the Funds may make investments for which third-party financing will be desirable but not necessarily available (on desired terms or at all) at the time of investment. Such financing may never become available, or a refinancing may not be able to be completed on desirable terms.
- *Bridge Financing* – A Fund may enter into bridge financing arrangements in connection with Fund investments. Changes in capital markets may adversely affect the ability of an Operating Company to refinance those bridge investments.
- *Over-Commitment* – Over-commitment may be required in order to facilitate the acquisition of investments with a view to selling a portion of such investment to co-investors or other persons prior to or within a period after the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms and that, as a consequence, the applicable Fund may bear the entire portion of any breakup fee or other fees, costs and expenses related to such investment, or hold a larger than expected investment.
- *Available Opportunities and Competitive Marketplace* – The Funds compete for investment opportunities with a significant number of other private equity funds as well as with institutional and strategic investors. As a result of this competition, there can be no assurance that a Fund will be able to locate suitable investment opportunities, to acquire them on appropriate terms, to achieve its targeted rate of return, or to fully invest its committed capital.
- *Risk Relating to Due Diligence and Conduct at Operating Companies* – Outside professionals, experts, consultants, legal advisors, accountants, investment banks and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment. The involvement of such third parties may present a number of risks primarily relating to reduced control of the functions that are outsourced and may entail significant third-party expenses, which will be borne by the Funds subject to certain limitations set forth in the Governing Agreements. In addition, if a Fund is unable to timely engage third-party providers, its ability to evaluate and acquire more complex assets could be adversely affected. Moreover, due diligence investigations with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating the investment opportunity. Investment in the Funds should be regarded as being speculative and having a high degree of risk. The Funds will rely on the

accuracy and completeness of representations made by various persons in the due diligence process, and cannot guarantee such accuracy or completeness.

- *Accuracy of Third-Party Information* – Investments may be selected in part on the basis of information and data made available directly or indirectly by third parties or filed by third parties with various government regulators. The relevant Fund’s general partner and the Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information may not be available.
- *Financial Fraud* – Instances of fraud and other deceptive practices committed by senior management of Operating Companies in which a Fund invests may undermine the Manager’s due diligence efforts with respect to such companies and, if such fraud occurs, negatively affect the valuation of a Fund’s investments. In addition, when discovered, financial fraud may contribute to overall market volatility that can negatively impact a Fund’s investment program.
- *Expedited Transactions* – Investment analyses and decisions by the general partner of a Fund or the Manager may be undertaken on an expedited basis in order for a Fund to take advantage of investment opportunities. In such cases, the information available to a Fund at the time of an investment decision may be limited, and that Fund may not have access to the detailed information necessary for a full evaluation of the investment opportunity.
- *Uncertainty of Financial Projections* – The general partner of a Fund will generally establish the capital structure of Operating Companies on the basis of financial projections for such Operating Companies. Projected operating results will typically be based primarily on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results may vary significantly from the projections. General global economic, political and market conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.
- *Cash and Cash Equivalents* – The Funds may hold cash and cash equivalents at any given time during its term. Available cash and cash equivalents may be held in interest-bearing accounts, funds managed by third-party financial institutions or other similar instruments. The Funds’ access to their invested cash and cash equivalents may be impacted by adverse conditions in the financial markets, and the Funds are subject to the risk that they may lose assets in connection with bank or other financial institution failures. The balances of accounts with third-party financial institutions can be expected to exceed the Federal Deposit Insurance Corporation insurance limits, or the limits of the deposit insurance regimes of other applicable jurisdictions, as applicable. While the Funds will make efforts to monitor the cash balances in its operating accounts and adjust the cash balances as appropriate, these cash balances could be impacted if the underlying financial institutions fail or other adverse conditions in the financial markets occur.
- *Early Termination of a Fund* – It is possible that a Fund may be dissolved and terminated prematurely, and as a result, may not be able to accomplish its objectives and may be required to dispose of its investments at a disadvantageous time or make an in-kind distribution (resulting in investors not having their capital invested and/or deployed in the manner originally contemplated).

- *Investments Longer than Term* – A Fund may make investments that may not be advantageously disposed of prior to the date such Fund will be dissolved, either by expiration of such Fund’s term or otherwise. There can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the investors will occur.
- *Distributions in Kind* – Although, under normal circumstances, the Funds intend to make distributions in cash, cash equivalents or marketable securities, it is possible that under certain circumstances (including upon the dissolution of a Fund) distributions may be made in kind and could consist of securities for which there is no readily available public market.
- *Reinvestment* – Under certain circumstances, proceeds distributable (or previously distributed) to the investors that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by a Fund or used (or recalled for use) by a Fund for any other proper purpose. Amounts available for recall will be restored to the investors’ respective unfunded Commitments. Accordingly, investors may be required to fund for investments or expenses during the term of a Fund in an aggregate amount that significantly exceeds its Commitment.
- *Risks Upon Dispositions of Investments* – Representations made and indemnities given in connection with the disposition of an investment may result in contingent liabilities of a Fund, which might ultimately have to be funded by its investors and may even result in an obligation to return distributions.
- *Recourse to a Fund’s Assets* – A Fund’s assets, including its investments and any capital held by such Fund, are generally available to satisfy all liabilities and other obligations of that Fund. If a Fund itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to that Fund’s assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.
- *Indemnification* – Pursuant to the terms of the Governing Agreements, the Manager and certain of its affiliates and related persons will generally be entitled to indemnification from a Fund, which might ultimately have to be funded by Fund investors and may even result in an obligation to return distributions.
- *Risks Relating to Admission of Benefit Plan Investors to the Funds* – It is possible that the assets of a Fund could be deemed to constitute “plan assets” of investors which are subject to the fiduciary provisions of the U.S. Employee Retirement Income Security Act or the prohibited transaction rules of Section 4975 of the Internal Revenue Code. In that case, the operations of a Fund could be materially affected and transactions into which that Fund might enter in the ordinary course of business may be deemed to constitute prohibited transactions under such laws.
- *Risk Arising from Provision of Managerial Assistance* – The general partner of a Fund may determine to operate such Fund so as to qualify as a “venture capital operating company” (“VCOC”) within the meaning of regulations promulgated under ERISA in order to avoid holding “plan assets” of Benefit Plan Investors. Operating as a VCOC requires that the relevant Fund obtain rights to participate substantially in and to influence substantially the conduct of the management of a number of Operating Companies. Accordingly, an individual will typically be designated to serve on the board of directors of each Operating

Company, which could expose the assets of that Fund to claims by an Operating Company and/or its executives, employees, security holders and creditors.

- *Minority Investments* – The Funds may make minority equity investments in entities where a Fund does not participate in the management or otherwise control the business or affairs of such entities. There can be no assurance that an Operating Company’s management team will be able to operate the Operating Company successfully.
- *Control Position Risk* – The ability of a Fund to exercise control or exercise influence over the management or strategic direction of an Operating Company could expose the assets of that Fund to claims by such Operating Company and/or its executives, employees, pension beneficiaries, security holders and creditors. The possibility of successful claims cannot be precluded.
- *Environmental Liabilities* – The Funds could face substantial risk of loss from environmental claims arising from investments made with undisclosed or unknown environmental problems or inadequate reserves or insurance for previously identified matters, as well as from occupational safety issues and concerns. In the event that a Fund is the parent of an Operating Company, a court might find that that Fund is liable for the company’s environmental clean-up obligations. Environmental claims with respect to a specific investment may exceed the value of such investment.
- *Pension Liabilities* – The Funds could face risk of loss from employee pension-related liabilities arising from investments in Operating Companies that maintain or contribute to defined benefit pension plans in the United States and certain other jurisdictions. Such pension liabilities could exceed the value of such investment.
- *Effects of Bankruptcy* – A Fund may invest in Operating Companies that are or may become the subject of voluntary or involuntary bankruptcy or similar proceedings under applicable laws. Bankruptcy cases may involve additional or heightened risks in respect of the loss of all or part of the value of an investment or other adverse effect on the Operating Company.
- *Currency Risk* – Although the functional currency of the Funds is typically United States dollars, the Funds may from time to time make investments using currencies other than United States dollars. The value of the investments made by the Funds may fluctuate as a result of the impact of economic and political changes on currency exchange rates.
- *Hedging* – The Funds may enter into swaps, forward contracts and other arrangements and hedging transactions to seek to preserve a return on a particular investment or to seek to protect against currency or interest rate fluctuations. Such transactions give rise to certain costs and also to additional risks, including counterparty and liquidity risks. Although such transactions may reduce a Fund’s exposure to currency or interest rate fluctuations or decreases in the value of investments, the costs associated with these arrangements may reduce the returns that such Fund would have otherwise achieved if it had not entered into these transactions.
- *Failure to Make Capital Contributions* – If a Fund investor fails to satisfy its contractual funding obligations, the Fund’s ability to complete its investment program or otherwise continue operations may be impaired or otherwise affected. Further, the defaulting investor may suffer meaningful adverse consequences as set forth in the Governing Agreements.

- *Consequences of Failure to Pay Contribution in Full* – If a Fund investor fails to pay an installment of its commitment, that Fund’s general partner may employ different remedies to different defaulting Fund investors in its sole discretion.
- *Mandatory Withdrawal* – A Fund investor could be required to withdraw from a Fund prior to the termination and liquidation of that Fund if that Fund’s general partner determines that continued participation could materially adversely affect that Fund or in certain other circumstances as further described in the relevant Governing Agreements (for example, by causing a Fund to be registered as an investment company under the Investment Company Act or causing a Fund’s assets to be treated as Plan Assets). A Fund investor required to withdraw early from a Fund could suffer a diminution of return or material loss on its investment.
- *Public Disclosure Obligations* – Certain affiliates of the Manager and/or a Fund’s Operating Companies may be publicly-traded companies. Public company status could give rise to disclosure obligations in respect of a Fund or its operations or investments, which may result in the disclosure of information that would otherwise be considered confidential. There may be additional disclosure obligations imposed by applicable law or regulation in respect of the Manager, the Funds, their affiliates or Operating Companies, or Fund investors that may be viewed by any particular Fund investor as adverse.
- *Freedom of Information Act* – The general partners of the Funds or the Manager may withhold all or any part of the information otherwise to be provided to a Fund investor under certain circumstances in order to prevent public disclosure of such information under the Canadian Access to Information Act, the U.S. Freedom of Information Act (“FOIA”), any governmental public records access law, any state, provincial or other jurisdiction’s laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement.
- *Need for Follow-On Investments* – There can be no assurance that a Fund will be able to provide additional funds or to increase its investment in a successful Operating Company, which may result in a lost opportunity for that Fund to increase its participation in a successful operation.
- *Toehold Investments* – In the event that a Fund seeks to acquire a toehold investment and is unable to accumulate a sufficiently large position, the Fund may dispose of its position in the Operating Company within a short time of acquiring it; there can be no assurance that the price at which that Fund can sell such securities will not have declined since the time of acquisition.
- *Investments in Public Companies* – A Fund may invest in public companies or take private Operating Companies public. Investments in public companies 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 a Fund to dispose of securities at certain times (including due to the possession by such Fund of material non-public information), increased likelihood of shareholder litigation against such companies’ board members, which may include the Principals and other members of Onex’ investment team, regulatory action by domestic or foreign securities regulators and increased costs associated with those risks.

- *Loss of Limited Liability* – Fund investors may lose limited liability in certain circumstances if they are deemed to have taken part in the control or management of the business of a Fund. Limited liability may also be lost as a result of false statements in documents filed under, or other non-compliance with, legislation governing limited partnerships and in jurisdictions where there is a risk of non-recognition of the protection of limited liabilities with respect to creditors of the Funds whose claims derive from liabilities incurred in such jurisdictions.
- *Liability for Return of Distributions* – Under applicable law, Fund investors could be required to return distributions previously made by a Fund if it is determined that such distributions were wrongfully made or in certain other circumstances set forth in the Governing Agreements.
- *Legal, Tax and Regulatory Risks* – The regulatory considerations affecting the ability of a Fund to achieve its investment objectives are complicated and subject to change and can result in significant compliance costs and expenses. In addition to the risks and complications arising under applicable tax laws and other laws specifically addressed in the Funds’ confidential offering memoranda or Governing Agreements, further legal, tax and regulatory circumstances could arise during the term of a Fund that may adversely affect a Fund or its investors.
- *Other Regulatory Concerns* – The Funds are not required to be, and are not, registered as investment companies under the Investment Company Act; thus, its provisions are not applicable. The Manager intends that the Funds and their activities will not become subject to that statute but should that nonetheless occur, the activities and performance of the Funds could be materially adversely affected. Neither the Manager nor its counsel can assure investors that the Funds may not become subject to such regulation. In addition, Section 13 of the Bank Holding Company Act of 1956, as amended (together with the rules, regulations and published guidance thereunder, the “Volcker Rule”), generally prohibits certain “banking entities” from engaging in proprietary trading, or from acquiring or retaining an ownership interest in, sponsoring or having certain relationships with “covered funds”, unless pursuant to an exclusion or exemption under the Volcker Rule. Each purchaser of the interests of the Funds must make its own determination as to whether it is subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain any such Interests. Investors in the interests of the Funds are responsible for analyzing their own regulatory position and none of the Funds or any of their affiliates make any representation to any prospective investor or purchaser of such interests regarding the treatment of the Funds under the Volcker Rule, or to such investor’s investment in the interests of the Funds on the date of issuance or at any time in the future. The general partners of the Funds operate pursuant to an exemption from registration with the CFTC as a CPO under CFTC Rule 4.13(a)(3); consequently, the CFTC and the National Futures Association (“NFA”) have not reviewed or approved the Funds’ confidential offering memoranda or any offering memoranda for the Funds.
- *Regulatory Status* – The Manager is registered as an investment adviser pursuant to the Advisers Act and, as such, is subject to the provisions of the Advisers Act. Failure to comply with the requirements imposed on the Manager as a consequence of its current registration or requirements that may be imposed as a result of future registrations may have a significant adverse effect on the Manager’s ability to perform its duties to the Funds. The Manager’s ability to source and execute transactions for the Funds may also be adversely affected by negative publicity arising from any regulatory compliance failures

or other inappropriate behavior attributed to or any other publicity related to the Manager, any affiliate of the Manager or any of their respective investment professionals.

- *Changes in Applicable Law* – The Funds and their Operating Companies must comply with various legal requirements, including requirements imposed by laws governing anti-money laundering, bribery and corruption, securities, commodities, tax and pensions. A failure to satisfy the requirements of those laws or changes in the applicable law over the life of a Fund or of any of its investments could have material adverse consequences on that Fund, its investors and/or its Operating Companies.
- *Withdrawal of the United Kingdom from the European Union* – The United Kingdom left the European Union on January 31, 2020 (commonly referred to as “Brexit”) and entered into a transition period from February 1, 2020 to December 31, 2020. The withdrawal process has created significant uncertainty about the future relationship between the United Kingdom and the European Union, and this may have political consequences not only in the United Kingdom but also in the remaining European member states. There is no legal, political, regulatory and/or economic certainty as to the ongoing relationship that will exist between the United Kingdom and the European Union post-transition period and it remains impossible to predict or definitively state the economic, tax, fiscal, legal, regulatory and other impacts on the asset management industry, the broader European and global financial markets generally and private funds such as the Funds and their investments. These developments, and the potential consequences of them, have had and may continue to have a material adverse effect upon global economic conditions and the stability of global financial markets and, further, could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings have been and may continue to be subject to increased market volatility. Any of these factors may have a material adverse effect on the ability of the Funds and their Operating Companies to execute their respective strategies and to access capital.
- *Effect of Fees and Expenses on Returns* – A Fund will pay management fees and will bear expenses as described in Item 5 above and in each Fund’s Governing Agreements, which may reduce the actual returns to investors. Such management fees and expenses are payable whether or not the investments of the Funds are profitable.
- *Global Economic Conditions; Market Dislocation* – General global economic conditions may affect the Funds’ activities. Interest rates, general levels of economic activity, fluctuations in the market prices of securities and participation by other investors in the financial markets may affect the value of investments made by the Funds. Market conditions affecting, for example, liquidity and volatility, credit availability and financial conditions generally, could change at any time. These changes could have a material adverse effect on the ability of the Manager to complete the Funds’ investment programs and to realize on Operating Company Investments, on the terms of those investments, or on the business, operations, condition or prospects of the Operating Companies. National and global market and economic conditions may deteriorate during the term of the Funds, and such conditions could deteriorate materially and for an extended period of time.
- *Market Discussion and Economic Outlook* – The market outlook, trends, opportunities and other matters presented in the relevant confidential offering memoranda are based on various estimates and assumptions, including about future events. There can be no

assurance that such market outlook, trends, opportunities and other matters will materialize.

- *Public Health Concerns and Epidemics* – The impact of disease and epidemics, or fear of the impact of disease and epidemics, may have a negative impact on the Manager, the Funds, Fund investments and/or the performance and financial position of any of the foregoing. Coronavirus, renewed outbreaks of other epidemics or the outbreak of new epidemics could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have a material adverse effect on the Manager, the Funds or Fund investments. The duration of the business disruption and related financial and social impact caused by a widespread health crisis cannot be reasonably estimated.
- *Investors Will Not Participate in Management of the Funds* – Investors in the Funds generally will not have the right to participate in the management of the Funds or in decisions made by the general partner or the Manager with respect to a Fund on its behalf. As a result, investors will have almost no control over their investments in a Fund or their prospects with respect thereto.
- *Limited Access to Information* – Investors’ rights to information regarding the Funds will be specified, and strictly limited, in the Governing Agreements, although certain investors may have the right to additional information pursuant to rights in side letters or similar agreements. In particular, it is anticipated that the Manager and its affiliates will obtain certain types of material information related to a Fund’s investments and prospective investments that will not be disclosed to investors because such disclosure is prohibited by contractual, legal or other obligations or the relevant Fund’s general partner determines not to disclose such information for other reasons. Decisions to withhold information may have adverse consequences for investors in a variety of circumstances. Additionally, it is expected that investors who designate representatives to participate on a Board of Advisors and co-investors may, by virtue of such participation, have more information about a Fund and investments in certain circumstances than other investors generally and may be disseminated information in advance of communication to other investors generally. In addition, due to the fact that potential investors in a Fund may ask different questions and request different information, the Manager may provide certain information to one or more prospective investors that it does not provide to all prospective investors.
- *Unspecified Use of Proceeds* – The Funds and their investors will be dependent upon the judgment and ability of the Manager in investing and managing the capital of the Funds.
- *Lack of Registration under the U.S. Securities Exchange Act of 1934* – The Manager is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended, or with the Financial Industry Regulatory Authority and is consequently not subject to the recordkeeping and specific business practice provisions of those statutory regimes to the extent they vary from the applicable provisions of the Advisers Act.
- *Special Risks Associated with Offshore Investments* – A Fund may invest a portion of its capital in Operating Companies that are headquartered and have their principal operations outside the U.S., Canada and Western Europe. These investments may involve economic,

political, market, currency, legal, tax-related and other special risks not typically associated with investments in securities of U.S., Canadian or Western European issuers.

- *Difficulty in Valuing Investment Portfolio* – The valuation of a Fund’s portfolio, which will affect the Fund’s performance results, involves uncertainties and subjective determinations. As a result, valuation of a Fund’s Operating Company Investments may not reflect the price at which a Fund could dispose of its interests in a particular Operating Company at any given time. 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 a ready market existed for such securities and may differ from the prices at which such securities may ultimately be sold. Because the Manager determines in its discretion the value of Fund assets, potential conflict of interest exists in making valuation determinations given the potential impact of such valuations on a Fund’s performance, particularly with respect to an account that pays performance fees.
- *Amendment to the Governing Agreements* – The Governing Agreements of the Funds will typically provide that the general partner of a Fund may amend the Governing Agreement in certain circumstances without the approval of any investors. Any such amendments may have an adverse effect on some or all of the investors.
- *Anti-Corruption Laws* – The Manager, the Funds and/or the Operating Companies may be subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the Canadian Corruption of Foreign Public Officials Act and other anticorruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations (collectively, the “Anti-Corruption Laws”). Any determination that the Manager, the Funds and/or any Operating Company has violated any Anti-Corruption Law could subject it to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct and/or securities litigation, any one of which could adversely affect the Manager, the Funds and/or the Operating Companies.
- *Alternative Investment Fund Managers Directive (“AIFMD”)* – Neither the general partners of the Funds nor the Manager are authorized as alternative investment fund managers (“AIFMs”) pursuant to the AIFMD or any implementing legislation in relation thereto in any EEA member state. None of the general partners of the Funds, the Manager or the Funds are subject to the provisions of the AIFMD and the protections and rights afforded to investors pursuant to the AIFMD do not apply. The AIFMD imposes significant regulatory requirements on investment managers operating within the European Economic Area, which could potentially impose significant additional costs on the operation of the businesses or investments of the Manager and/or the Funds in the European Union and could limit their operating flexibility within the relevant jurisdictions.
- *Cyber Security Breaches* – Information and technology systems of Onex, the Manager and each Fund’s Operating Companies and any service providers for the foregoing may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, the Manager, a Fund and/or an Operating Company may have to make a significant investment to fix or replace them. The failure of these systems and/or of

disaster recovery plans for any reason could cause significant interruptions in the Manager's, the Funds' and/or an Operating Company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm the Manager, the Funds' or an Operating Company's reputation, subject them and their respective affiliates to legal claims and/or regulatory investigation and otherwise affect their business and financial performance. Although Onex takes various measures and has made, and will continue to make, significant investments to ensure the integrity of information systems and to safeguard against such failures or security breaches, there can be no assurance that these measures and investments will provide adequate protection. Despite security measures, information technology networks may be vulnerable to attacks by third parties or breached due to employee error, malfeasance or other disruptions.

- *Natural Disasters, Terrorist Acts and Similar Dislocations* – Upon the occurrence of a natural disaster, or upon an incident of war, riot or civil unrest, the impacted country may not efficiently and quickly recover from such event, which can have a materially adverse effect on Operating Companies and other developing economic enterprises in such country. Terrorist attacks and related events can result in increased short-term economic volatility. The effects of future terrorist acts (or threats thereof), military action or similar events on the economies and securities markets of countries cannot be predicted. Such disruptions of the global financial markets could affect interest rates, ratings, credit risk, inflation and other factors relating to a Fund's investments.
- *General Partner Carried Interest* – The existence of carried interest or performance allocations with respect to the Funds may create an incentive for the Manager or its affiliates to make riskier or more speculative investments on behalf of the Funds than they might otherwise make in the absence of these arrangements. In addition, the terms applicable to carried interest distributions could incentivize the Manager and its affiliates to make decisions regarding the timing and structure of realizations of investments that may not be in the best interests of the Funds. Further, the Manager or its affiliates may be incentivized to hold on to investments that have poor prospects for improvement in order to receive, potentially, a more likely or larger carried interest distribution if such asset's value appreciates in the future. Under the recent U.S. tax reform bill, in order for gains that are attributable to a Fund general partner's carried interest to qualify as long-term capital gain, the holding period for the asset giving rise to such gains generally must exceed three years. For the investors in a Fund, gains in respect of assets held for more than one year may qualify as long-term capital gain. Long-term capital gain recognized by non-corporate U.S. taxpayers may be subject to U.S. federal income tax at preferential rates. These disparate holding period requirements may give rise to conflicts of interest. A Fund's general partner may have an incentive to take actions intended to maximize the amount of gains from assets held for more than three years, even though Fund investors may not derive any additional U.S. federal income tax benefit from the longer holding period. For example, a Fund's general partner may have an incentive to (i) refrain from making investments expected to generate gains within three years, (ii) refrain from selling or engaging in other transactions with respect to investments that would give rise to capital gain if the investment has not been held for more than three years or (iii) structure follow-on investments in a manner intended to maximize the amount of gain attributable to a Fund's existing interests in such investments. Such actions could reduce the amount realized from a Fund's investments and adversely affect the amount and timing of distributions to its investors.

- *Use of Subscription Lines* – The Funds may fund the making of investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of investors, i.e., subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings will be borne by the applicable Fund and, accordingly, may decrease net returns of such Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the applicable Fund. In light of the foregoing, the Manager has an incentive to cause such vehicle to borrow in this manner in lieu of drawing down capital commitments, subject to the operating and offering documents of each Fund.
- *Acceleration of Monitoring Fees* – In certain limited circumstances, monitoring fee arrangements with Operating Companies may include provisions that permit the acceleration of monitoring fees upon certain events, such as the initial public offering or strategic sale of an Operating Company. These acceleration provisions typically require a termination payment by the Operating Company, which often reflects the net present value of such Operating Company at the time of the termination of the fees that would have been payable for the remaining term of the monitoring fee arrangement. Because certain monitoring agreements with Operating Companies may have prolonged terms (which may exceed the relevant Fund’s term), the effects of such acceleration and termination payment is often substantial.
- *Investments with Third Parties* – A Fund may co-invest with third parties including strategic investors and management team members, whose ability to influence the day-to-day management and affairs of the Operating Companies’ investments may be significant and even greater than that of that Fund, through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party investors may have financial, legal or regulatory difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Funds or may be in a position to take (or block) action in a manner contrary to a Fund’s investment objectives. In addition, a Fund may in certain circumstances be liable for the actions of its third-party investors. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.
- *Regulatory Compliance; Operating Company Investments in Regulated Industries* – The Funds may make investments in a number of different industries, some of which are or may become subject to regulation by one or more U.S. federal agencies and by various agencies of the states, provinces, localities, counties and countries in which they operate. New and existing regulations, changing regulatory schemes, and the burdens of regulatory compliance all may have a material negative impact on the performance of Operating Companies that operate in these industries. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on a Fund’s investment performance. Furthermore, extensive government regulation of certain industries in which a Fund may invest creates additional uncertainty and risks for that Fund. Obtaining regulatory approval may be a lengthy and expensive process with an uncertain outcome. The Funds and existing or prospective Operating Companies may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have an adverse effect on the success of the

Operating Companies. The costs of compliance of any such regulations will be borne by the Funds.

- *Operating Company Board Participation* – It is expected that one or more Principals or certain members of the Manager’s investment team will act as directors of one or more Operating Companies and, as such, may have duties to persons other than the Funds. Although such positions in certain circumstances may be important to the Funds investment strategy and may enhance the Manager’s ability to manage investments, they may also have the effect of impairing the Funds’ ability to sell the related securities when, and upon the terms, it may otherwise desire, and may subject the general partners of the Funds, the Manager and the Funds to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims. In general, the Funds will indemnify their respective general partners, the Manager, the Principals and other members of the Manager’s investment team from such claims.
- *Allocation of Personnel* – Conflicts may arise in the allocation of time, services and function among the Funds and such other persons to which the Manager, the Principals or their affiliates provide services.
- *Tax Liability* – Although the relevant confidential offering memoranda seek to address the reasonably identifiable and material tax considerations for potential Fund investors, it is possible that investors may have unexpected or unwelcome tax obligations as a result of a Fund’s activities or their status or actions in respect thereof.
- *Reliance on Operating Company Management* – No assurance can be given that an Operating Company’s management team will be able to operate the Operating Company successfully and there may be legal, contractual or practical limits on a Fund’s or Operating Company’s ability to affect changes in management on a timely basis and on the ultimate outcome of any such change. In addition, a Fund may co-invest with non-affiliated co-investors, management teams, or joint venturers whose ability to influence the day-to-day management and affairs of the Operating Companies’ investments may be significant and even greater than that of such Fund.
- *Limited Partner Board of Advisors* – Although the Board of Advisors of each Fund is intended to act as the representative of the investors in that Fund in respect of certain matters, including reviewing valuations of a Fund’s assets and addressing potential conflicts of interest (including being authorized to provide consent on behalf of a Fund in connection with certain affiliate transactions, Advisers Act “assignments” or as otherwise requested by Onex), the Board of Advisors may not have the same interests as all investors. Furthermore, the Board of Advisors cannot be expected to be an expert in such matters, and certain of its determinations may, in fact, adversely affect the performance of a Fund. In addition, members of the Board of Advisors may have conflicts of interest that do not disqualify them from voting on or consenting to matters submitted for consideration or review. Furthermore, the composition of a Board of Advisors of one Fund may have substantial overlap with the composition of a Board of Advisors of another Fund which could lead to conflicts of interest if there are transactions between such Funds that require the approval of their respective Boards of Advisors. The Funds will indemnify the members of the Board of Advisors, and the Boards of Advisors generally do not owe a fiduciary obligation to any Fund or the investors.

- *Material Non-Public Information* – Certain personnel of the general partners of the Funds or the Manager may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.
- *Limited Remedies Against the General Partner* – There can be no assurance that adequate remedies will be available to any investors if the general partners of the Funds, the Manager or the Principals fail to perform their respective duties, and the Governing Agreements do not afford the investors rights to remove a Fund’s general partner other than upon a supermajority vote or for specified cause events as described in the applicable Governing Agreement. The Governing Agreements include provisions for exculpation and indemnification of the general partners, the Manager and each of their respective affiliates and the members, partners, managers, officers, directors, shareholders, employees, agents, representatives, investors, affiliates, advisors and other personnel of the general partners, the Manager and their respective affiliates. Therefore, Fund investors may have more limited rights of action than they would have absent such limitation.

ITEM 9
DISCIPLINARY INFORMATION

Neither the Manager nor any of its employees have been subject to any legal or disciplinary events that would be material to its business or to an investor or prospective investor's evaluation of the Manager or the integrity of its professionals.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Except as described below, neither the Manager nor any of its “management persons” have relationships or arrangements with related persons who are financial industry participants that are material to the Manager’s business or that create a material conflict of interest with the Funds or their investors.

The Manager understands that actual or perceived conflicts of interest may arise by reason of its arrangements or relationships with Onex Corporation and with a group of funds known as the “ONCAP Funds”. Onex Corporation has been a private equity investor since 1984, almost 20 years prior to the establishment of the first of the Funds. In 1999, Onex Corporation launched the first of the ONCAP Funds, a series of private equity funds focused on investing in North American small and medium-sized businesses. The ONCAP Funds are active in the marketplace and the fourth and most recent ONCAP Fund closed in 2016. The first of the Onex Partners Funds was established in 2003 and four further Onex Partners Funds have been raised since that time. In addition, Onex Corporation began investing in certain real estate assets in 2005 and, in 2007, it established Onex Credit Partners, LLC (“Onex Credit”), an investment adviser registered with the SEC that specializes in credit-oriented investment strategies for certain pooled investment vehicles and managed accounts. Onex Corporation acquired control of Onex Credit in 2015. Additionally, in June 2019, Onex Corporation acquired control of Gluskin Sheff, a large Canadian wealth management firm serving high net worth families and institutional investors with a focus on public securities investing. Onex Corporation may in the future seek to expand its activities in real estate and credit, and may also seek to engage in additional investment or asset management businesses that are complimentary to its existing platforms.

Each of the ONCAP Funds and the other businesses described above have their own dedicated investment teams and typically pursue investment opportunities that are different in nature from those sought by the Manager for the Funds. In particular, the ONCAP Funds, as the only other private equity strategy managed within Onex Corporation, typically pursue transactions that require less investment capital than those pursued by the Manager with regard to the investment objectives and restrictions of the Funds. Nonetheless, those affiliations and relationships, the potential avenues for the growth and development of the company business and its investment platforms, as well as the fact that more than one of the Funds may be a potential investor at any particular time, may lead or be perceived to lead to certain conflicts of interest around, among other things, the devotion of time and the allocation of investment opportunities. Further, it is possible that the Manager and the manager of the ONCAP Funds may seek to work together, with a view to the relevant fund from each fund family potentially investing together, in certain circumstances, as a result of, for example, industry expertise or relationships, prior investment experience or other factors in respect of the opportunity. Additionally, clients of affiliated advisers and investors in investment products advised by affiliated advisers of the Manager may be referred to clients advised by the Manager, and the Manager may from time to time refer Fund investors to investment products advised by affiliated advisers.

On any issue involving conflicts of interest, the general partner of the relevant Fund and the Manager will be guided by their respective good faith judgment. In certain circumstances, the general partner may present potential conflicts of interest to the applicable Fund’s Board of Advisors for approval. By acquiring an interest in the Funds and executing the subscription agreements relating thereto, each investor expressly acknowledges the existence of actual or potential conflicts of interest described in the applicable Governing Agreements and waives any claim with respect to any liability arising from the existence of any such conflict of interest and also any conflicts of interest on the part of the general partner of the relevant Fund, the Manager or any of their affiliates arising from participation in the activities described in the Governing Agreements (to the fullest extent permissible under applicable law).

Generally, the Manager addresses conflicts of interest by way of avoidance or disclosure and informed consent. The confidential offering memoranda and the Governing Agreements for the Onex Partners Funds address in detail the conflicts of interest that may arise as a result of the affiliations and relationships described above. They also address the manner in which notification, consent or approval requirements may arise and any restrictions or prohibitions that may apply. In particular, the Governing Agreements contain provisions in respect of the extent to which the Manager's personnel are required to devote their time and attention to the relevant Fund or may participate in other activities, including in respect of the other Funds, Onex Corporation or the ONCAP Funds, and the consequences of any failure to do so. Those agreements also specifically address the allocation of suitable investment opportunities between the Onex Partners Funds and the ONCAP Funds (typically defining spheres of exclusivity based on the expected equity requirements for a particular opportunity), restrict the extent to which Onex and its personnel are permitted to engage in investment activities away from the Funds, address the extent to which Onex Corporation and its affiliates and related persons may co-invest in Fund transactions, and prescribe when successors to the Funds may be raised and how opportunities are to be allocated among or between them.

Each of Onex Corporation, the predecessor and successor Onex Partners and other Funds, the ONCAP Funds and Onex Corporation's other businesses and their respective affiliates and Operating Companies engage in, or may in the future engage in, a broad range of business activities and may invest in, or transact with, companies whose operations may be substantially similar to and/or competitive with the Operating Companies in which a particular Fund has invested. The performance and operation of such other businesses and investments could conflict with and adversely affect the performance and operation of Operating Companies of that Fund, and may adversely affect the prices and availability of business opportunities or transactions available to such Operating Companies. Further, in certain circumstances, such other businesses and investments may, in the ordinary course of business, transact with a Fund or its Operating Companies. The Manager will seek to resolve conflicts in a manner that the Manager determines in its sole discretion to be fair and equitable.

In addition, an investment by Onex Corporation, a predecessor and successor Onex Partners and other Fund, the ONCAP Funds or Onex Corporation's other businesses or any of their respective affiliates or Operating Companies may have an effect on the existing investments and/or investment opportunities of a particular Fund. For example, any such investment could result in antitrust complexities for that Fund, or any such investment in a particular industry could limit the ability of that Fund to pursue other opportunities within the same or related industries.

OP Manager is registered under the Advisers Act and, together with certain affiliates, serve as managers or general partners to certain private equity funds sponsored by Onex Corporation. OP Manager and its affiliates managing those funds are under common control and are subject to OP Manager's code of ethics and compliance program adopted pursuant to the requirements of the Advisers Act.

In addition to the foregoing protections, the Manager's investment personnel make significant investments alongside the Funds. The Manager believes that this strong alignment of interests between Fund investors and those charged with investing their capital further mitigates the risks associated with any potential conflicts.

For a further discussion of the Manager's allocations and conflicts of interests policies, see Item 11 below.

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

The Manager has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Advisers Act to mandate compliance with applicable U.S. federal securities laws, and to establish monitoring and other procedures. A copy of the Code can be obtained by a Fund investor or qualified prospective investor (if applicable) upon written request.

The Code sets forth standards of ethical and business conduct expected of the Manager’s personnel that are commensurate with such status and that are designed to comply with the laws applicable to the Funds, the Manager and their activities. Among other things, the Code requires the Manager’s personnel: (i) to place the interests of the Funds above any personal interests; (ii) to seek to identify conflicts of interest and observe established resolution procedures; (iii) to avoid misleading or inaccurate statements; (iv) to conduct and report all personal securities transactions in the manner set forth in the Code; (v) to report to the Manager’s compliance personnel any violations of the Code or of the Manager’s compliance manual generally; and (vi) to comply with the provisions of applicable securities laws.

The Code contains specific policies and procedures dealing with such matters as personal trading, insider trading and the maintenance of a securities restricted list, the protection of confidential information and data security, personal and institutional conflicts of interest, the giving and receipt of gifts and entertainment, political contributions, dealings with government officials and industry regulators, the diversion of business opportunities and restrictions on outside business activities. The Code is accompanied by a broader compliance manual that further supports the Manager’s adherence to law, and more generally to prudent and appropriate processes and conduct, in the investment, management and safeguarding of the Funds’ assets, the raising of new funds, communications with investors and prospective investors, public and media communications, the prevention, detection and handling of concerns relating to money-laundering, bribery and corruption, and record-keeping policies and procedures.

Certain conflicts that may be encountered in the course of the Manager’s activities for or on behalf of the Funds are described in Items 5, 6, 8 and 10 above and reference is made thereto. In addition, the Governing Agreements of the Funds address in detail certain other reasonably anticipated potential conflicts. For example, the Governing Agreements may:

- preclude a Fund from participating in Operating Company Investments with a predecessor Fund unless approved by the relevant Board of Advisors, specify when successor funds may be raised (generally based upon the extent to which the capital of a particular Fund has been invested or reserved or whether the time period for investing that Fund has expired), and address the allocation of opportunities to the extent that predecessor and successor funds co-exist;
- preclude a Fund from investing in any securities issued by, acquiring investments from, selling investments to, or entering into any transaction with an entity in which Onex, the Manager’s executive team or any of their affiliates has a material interest except with the prior approval of either the relevant Board of Advisors or Fund investors (subject to exclusions for certain specified categories of transactions);
- preclude the Manager’s senior investment personnel from investing in a Fund’s Operating Companies other than through their interests in such Fund’s general partner or its affiliates or a co-investment vehicle; and

- set forth a list of activities and interests that could be viewed as giving rise to conflicts but that Onex, its affiliates and personnel are expressly permitted to engage in, and typically require disclosure to the Board of Advisors in the event those circumstances arise.

In addition, investors in the Funds (including Onex Corporation) may have conflicting investment, tax and other interests with respect to their investments in a Fund or a particular Fund vehicle. These conflicting interests of individual investors and of the different Fund vehicles may relate to or arise from, among other things, the nature of investments in Operating Companies made by a Fund, the structuring or the acquisition of investments and the structure, timing or manner of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Manager and its affiliates including with respect to the nature or structuring of investments or dispositions, that may be more beneficial to one investor or for one Fund vehicle than for another investor or Fund vehicle, especially with respect to investors' individual tax situations and the tax treatment of the different Fund vehicles. In selecting and structuring investments appropriate for a Fund, the Manager will consider the investment and tax objectives of that Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

From time to time, certain principals, employees, officers, directors and other related personnel of OP Manager and its affiliates may make passive investments in other private vehicles managed by other investment advisers. In some cases, a Fund may seek to purchase portfolio companies that are owned by such other investment vehicles, which may directly or indirectly benefit principals, employees, officers, directors and other related personnel of OP Manager and its affiliates that have invested in such other investment vehicles.

In addition, it is anticipated that investors (including Onex Corporation) or their affiliates, which may be, or have meaningful interests in or relationships with, companies with significant business interests within a Fund's targeted industry sector, insurance and other risk management companies, financial institutions and governmental or other pension plans, may have direct or indirect interests in one or more of the investments of a Fund. For example, one or more investors or their affiliates may be senior or subordinated lenders to one or more of the Operating Companies or an investor may also act as a co-investor or otherwise participate in the financing of an Operating Company in which a Fund has made an investment or where such co-investor has a direct or indirect interest in such investment. One or more of a Fund's investors could hold Operating Company securities or provide risk management services. This could result in that Fund becoming involved in disputes and litigation with one or more of its investors or affiliates. Additionally, certain investors in the Funds or their respective affiliates are financial institutions, banks or other providers of financing, and the ordinary course of their respective businesses may include providing financing to investment funds and portfolio companies. Accordingly, from time to time, certain investors or their respective affiliates may provide loans to a Fund or its Operating Companies in the ordinary course of business. Any such loans are negotiated on an arm's length basis.

The general partners of the Funds, the Manager and/or their respective affiliates may enter into side letters or other agreements with a particular investor in connection with its investment without the approval of any other investor. This would have the effect of establishing rights under or supplementing the terms of the Governing Agreements in respect of such investor in a manner potentially more favorable to such investor than those applicable to other investors. Such rights or terms in any such side letter or other similar agreement may include, without limitation: (i) rights to designate a member of the Board of Advisors; (ii) excuse rights applicable to particular investments (which may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, such investments); (iii) reporting obligations of the general partners of the Funds; (iv) waiver of certain confidentiality obligations; (v) consent of the general partners of the Funds to certain transfers by such investor; (vi) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of an investor; (vii)

adjustments to fees or other economics (including, without limitation, management fees, carried interest, or distributions); (viii) access to certain information; (ix) consent rights of the investor; (x) co-investment rights; (xi) tax and structuring matters; and (xii) other representations, warranties or diligence confirmations. The general partners of the Funds and the Manager may not be required to notify the other investors of any such side letters or of any of the rights or terms or provisions thereof, and some or all of the other investors in that Fund may not be entitled to receive such additional benefits or other rights. The general partners of the Funds, the Manager and/or their respective affiliates may enter into such side letters with any party as the relevant general partner may determine, in its sole and absolute discretion, at any time. Fund investors will not necessarily have most-favored-nation rights in respect of all or any of the more favorable terms provided to others and investors will have no recourse against the Funds, the general partners of the Funds or the Manager or any of their respective affiliates in the event that certain investors receive additional benefits or other rights pursuant to side letters that are more favorable than the terms received by other investors. As a result of certain side letters, investors holding the same interests may have different returns, or receive different information, depending on any arrangements applicable to a given investor's interest in a Fund. In addition, if the general partner of a Fund enters into a side letter entitling a Fund investor to be excused or excluded from a particular investment or withdraw from that Fund, (a) any election to be excused or excluded or to withdraw by such investor may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, future investments, and reduce the overall size of that Fund and/or (b) that Fund's ability to consummate certain investments may be inhibited.

The Governing Agreement and any such side letters related to each Fund are detailed agreements that establish complex arrangements among Onex Corporation, the Manager, the Fund, its general partner and the investors. Questions will arise from time to time under these agreements regarding the parties' rights and obligations in certain situations, some of which the parties may not have considered while drafting and executing these agreements. In these instances, the applicable provisions of the agreements, if any, may be broad, general, ambiguous, or conflicting, and may permit more than one reasonable interpretation. At times, there may not be provisions directly applicable to the situation at hand. While the Manager will construe the relevant agreements in good faith and in a manner consistent with its legal obligations, the interpretations it adopts may not necessarily be, and need not be, the most favorable interpretations for the Funds or their investors.

ITEM 12

BROKERAGE PRACTICES

Brokerage and Best Execution

The Manager is not expected to regularly transact its investment business through broker-dealers. However, the SEC has indicated that among the specific obligations that flow from an investment adviser's fiduciary duty is the requirement to seek the best price and execution of Fund securities transactions where the adviser is in a position to direct those transactions.

In selecting a broker-dealer, the Manager may consider factors that include the broker's execution capabilities, including block positioning, research, financial stability and ability to maintain confidentiality. However, as transactions conducted through broker-dealers on behalf of the Funds generally would be part of a larger private equity transaction and not stand-alone trading decisions, the Manager may also consider, and may place greater emphasis on, the role of the broker-dealer or a financial institution related thereto in the larger transaction (including, for example, as financial advisor, lender or underwriter) in determining "best execution".

Soft Dollar

In practice, the Funds will not regularly make substantial investments in publicly-traded securities. As a result, it is the Manager's policy not to enter into soft dollar arrangements or to accept soft dollars.

ITEM 13

REVIEW OF ACCOUNTS

The Manager provides ongoing management services to the Funds. Operating Company Investments are reviewed and managed according to the Fund's investment objectives, limitations and guidelines, and as set forth in the Fund's Governing Agreements.

The Manager is responsible for the general and day-to-day operations of the Funds and, through its team of investment professionals, is responsible for the acquisition, management and disposition of investments by or for the account of the Funds. The investment team meets on a regularly-scheduled basis, and more frequently as appropriate, and ordinarily, among other things: (i) reviews market events and their effect on investments; (ii) discusses investment ideas, economic developments, current events, investment strategies and issues related to Operating Companies and prospective Operating Companies; and (iii) assesses any proposed Operating Company investments or potential divestitures, in whole or in part, of any Operating Company Investments. The investment team is responsible for monitoring and managing each Fund's investment portfolio appropriately in accordance with the particular Fund's investment objectives, limitations and guidelines.

The Manager's Chief Compliance Officer monitors compliance with the Governing Agreements of each Fund.

Investors in the Onex Partners Funds receive quarterly written updates of the activity in the relevant Fund, including unaudited financial statements of the Fund and any compliance certificates contemplated by the relevant Governing Agreements. They also receive detailed annual reports including a written review of the Fund's Operating Company Investments, audited financial statements of the Fund and the various compliance certificates contemplated by the relevant Governing Agreements. Investors in the Funds that are co-investment vehicles generally receive analogous types of reporting on an annual basis to the extent relevant and appropriate to the particular co-investment. In addition to the information provided to all investors, the Manager may provide certain investors with additional information or more frequent reports that other investors will not receive, including pursuant to rights in side letters or similar agreements.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

The Manager has from time to time engaged a third-party placement agent to solicit certain types of potential investors in the Onex Partners Funds. The compensation of the placement agent is negotiated in the context of the particular engagement and may be different with respect to the different Onex Partners Funds. The engagement of the placement agent and the fact that the agent is being compensated is disclosed to all investors in such Fund. The Manager may in the future enter into additional arrangements with third-party placement agents or others to solicit investors in the Funds and such arrangements will generally provide for the compensation of such persons for their services at the Manager's expense.

Except as described above, neither the Manager nor a related person directly or indirectly compensates any person for Fund investor referrals.

ITEM 15

CUSTODY

The Manager maintains assets and securities of the Funds with qualified custodians in a separate account for the Funds under the Funds' name, or in accounts that contain only funds and securities owned by the Funds under the Manager's name, as agent or trustee for the Fund or Funds. Custodians will generally be banks, trust companies or broker-dealers unaffiliated with the Manager.

Financial statements audited by an independent public accountant are provided to each Fund's investors within 120 days following the Fund's fiscal year end.

ITEM 16
INVESTMENT DISCRETION

The Governing Agreements generally expressly provide that the applicable general partner of each Fund has the authority to make all decisions concerning the investigation, evaluation, selection, negotiation, structuring, commitment to, monitoring of and disposition of investments, subject to compliance with the terms, conditions, restrictions and limitations set forth in the Governing Agreements. The Manager has been engaged as the agent for each such general partner with full discretionary authority to manage the Funds subject to the same terms, conditions, restrictions and limitations.

ITEM 17
VOTING CLIENT SECURITIES

The Manager has written proxy voting policies and procedures as required by Rule 206(4)-6 under the Advisers Act.

In cases where the Manager has proxy voting authority with respect to voting securities relating to Operating Companies, it will vote such securities in a manner that serves the best interest of the Funds and in accordance with the relevant Fund's Governing Agreements and any voting agreement or shareholders' agreement entered into in connection with the relevant Operating Company Investment.

If the Manager determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, the Manager will take action in accordance with the Funds' Governing Agreement and as otherwise determined to be in the best interest of the Funds in voting such proxy. This may include seeking approval of the voting decision for a proxy proposal from the relevant Fund's Board of Advisors.

Copies of the Manager's proxy voting policies and procedures and specific information as to how proxies have been voted are available to Fund investors upon request.

ITEM 18
FINANCIAL INFORMATION

Item 18A is not applicable.

The Manager is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients and has not been the subject of any bankruptcy petitions at any time, including in the past ten years.