

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

BERNHARD CAPITAL PARTNERS MANAGEMENT, LP

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Bernhard Capital Partners Management, LP (the “Management Company” or “BCP”). If you have any questions about the contents of this Brochure, please contact us at (225) 228-2500. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

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Material Changes

Bernhard Capital Partners Management, LP (the “**Management Company**” or “**BCP**”) filed its last Brochure on March 28, 2019. This annual amendment updates the description of business practices of BCP and its affiliates and supplements existing disclosures relating to BCP’s practices and related potential conflicts of interest under “Method of Analysis, Investment Strategies and Risk of Loss” and various other non-material changes.

Advisory Business

BCP, a Delaware limited partnership and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. BCP commenced operations in March 2013.

BCP’s clients are private investment funds (each, a “Fund”). The general partner entities (each, a “General Partner,” and together with BCP and their affiliated entities “Bernhard Capital”) of the Funds are affiliated with the Management Company (each, an “Adviser,” and together with the Management Company, the “Advisers”).

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

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “portfolio companies.” BCP’s investment advisory services to Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving disposition for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted in certain instances. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of BCP may serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

BCP’s advisory services for each Fund are detailed in the applicable private placement memorandum or other offering documents (each, a “**Memorandum**”), limited partnership or other operating agreements or governing documents (each, a “**Partnership Agreement**” and together with any relevant Memorandum, the “**Governing Documents**”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in Funds participate in the overall investment program for the applicable Fund, but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Governing Documents, such arrangements generally do not and will not create an adviser-client relationship between BCP and any investor. The Funds or the General Partners generally enter into side letters or other similar agreements (“Side Letters”) with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Governing Documents with respect to such investors.

Additionally, from time to time and as permitted by the relevant Governing Documents, the Advisers expect to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, BCP's personnel and/or certain other persons associated with BCP and/or its affiliates (*e.g.*, a vehicle formed by BCP's principals to co-invest alongside a particular Fund's transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the applicable Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle would generally occur shortly after a Fund's completion of the investment to avoid any changes in valuation of the investment.

As of December 31, 2019, BCP managed approximately \$2,422,984,780 in client assets on a discretionary basis. The Management Company is controlled by J.M. Bernhard Jr.

Fees and Compensation

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

Management Fees

During the investment period, a Fund will pay the General Partner an annual management fee (the “**Management Fee**”), payable quarterly in advance, based on a percentage of aggregate investor capital commitments (“**Commitments**”), as described in the relevant Governing Documents.. The Management Fee will be payable until all portfolio investments are distributed or until BCP's relationship with the Funds is terminated for other reasons (as further described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full three-month period are adjusted on *pro rata* basis according to the actual number of days in such period.

In addition, the Management Fee will be reduced by 100% of a Fund's share of any:(i)directors' fees, financial consulting fees or advisory fees paid to the General Partner with respect to any Fund investment; (ii) transaction fees paid to the General Partner with respect to any Fund investment; and (iii) breakup fees (net of unreimbursed Fund expenses) with respect to Fund transactions not completed that are paid to the General Partner; but not including, in any event, any compensation or reimbursement paid to any person (x) in connection with certain services performed by third-party operators and/or consultants or any other person operating in a similar capacity, including in certain instances, the Management Company's operating partners, or (y) related to consulting, advising or similar services in connection with the operations of a

portfolio company, which services would otherwise be provided by other persons to the portfolio company, at rates not to exceed market rates. To the extent that such an offset credit would reduce the Management Fee for a given quarter period below zero, the credit will be carried forward for future application against payable Management Fees and if a credit remains upon liquidation a payment will be made crediting limited partners unless a limited partner has elected to waive such amount (*e.g.*, where an adverse tax consequence may result).

Additionally, as further described below and in the applicable Governing Documents of each Fund, it is the Adviser's practice to retain certain third-party consultants, and in certain instances Management Company operating partners, who provide services to (or with respect to) certain portfolio companies in which one or more Funds invest. Such operating partners receive compensation, including, but not limited to transaction fees and other items detailed herein, and such compensation will not result in additional offsets to the Management Fee.

As permitted under the Governing Documents, the General Partner may waive or agree to reduce the Management Fee. Certain waived portions of the Management Fee are treated by the Governing Documents as a deemed capital contribution by the General Partner, which is effectively invested in the relevant Fund on the General Partner's behalf, and operates to reduce the amount of capital the General Partner would otherwise be required to contribute to a Fund. The limited partners of a Fund would, in such circumstances, be required to make a pro rata contribution according to their respective Commitments to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by the General Partner and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will not be fully realized by investors in a Fund, resulting in a net additional benefit to the General Partner.

Carried Interest

The General Partner will receive a carried interest with respect to the Funds equal to a percentage of all realized profits subject to a preferred return, as more fully described in the Governing Documents. The carried interest distributed to the General Partner is subject to a potential giveback at the end of life of the Funds if the General Partner has received excess cumulative distributions and possibly at certain interim intervals as provided in the Governing Documents.

Other Information

Except as otherwise agreed, the General Partner and limited partners who are affiliates, employees or other designees of the General Partner (such persons, "**affiliated partners**") may not be subject to carried interest or the Management Fee, such as the BCP Energy Services Executive Fund, LP and BCP or its personnel, or other investors meeting certain qualification requirements based on commitment size. The General Partner also may exempt certain investors in Funds from payment of all or a portion of Management Fees and/or carried interest, including

BCP and any other person designated by the General Partner. The General Partner reserves the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by the General Partner and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a BCP professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) may be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the Governing Documents, certain Advisers have the right to permit investors, affiliated with an Adviser or otherwise, to co-invest without bearing management fees or carried interest. BCP retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor's capital account(s).

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

Principals or other current or former employees of BCP generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by the General Partner or its affiliates.

The General Partner will pay all ordinary administrative and overhead expenses incurred in connection with maintaining and operating its office(s), including employees' salaries, rent, utilities, etc.

In addition to the Management Fee and carried interest payable to BCP, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents, such Fund bears all other costs and expenses of such Fund that are not reimbursed by portfolio companies (which reimbursements may be for travel (including, where appropriate, the chartering of private aircraft) and any other out-of-pocket expenses incurred in connection with the making, structuring, organizing, acquiring, managing, monitoring, operating, holding, winding up, liquidating, dissolving and/or disposing of such portfolio company investments, including follow-on investments and refinancings), including legal, auditing, consulting, financing, accounting, administration, information services, software licenses and custodian, depositary, transfer, registration and other similar fees and expenses; expenses associated with the Funds' financial statements, tax returns, Schedule K-1s or any other administrative, regulatory or other Fund-related reporting or filing obligations; regulatory related fees and expenses (including fees and expenses related to the preparation and filing of Form PF); out-of-pocket expenses, break-up or topping fees or other liabilities or obligations, incurred in connection with transactions not consummated ("Broken Deal Expenses"), including Broken Deal Expenses relating to transactions that have been offered to certain co-investors; expenses of the advisory board and annual meetings of the limited partners and any other meeting with any limited partner(s); insurance (including directors and officers insurance); other expenses associated with the acquisition, holding and disposition of its investments, including extraordinary expenses (such as litigation, if any); and any taxes, fees or other governmental charges levied against a Fund. The Funds may also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of BCP, the General Partner and/or their affiliates. Generally included in the expenses permitted to

be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, these or similar expenses (and/or supplemental fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company.

As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in “Brokerage Practices.”

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

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

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

The Adviser and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such compensation. In most circumstances, such compensation is not

reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and the Adviser and/or its affiliates on the other hand.

In the event that BCP proposes to structure an investment using a blocker corporation or other intermediate entity, all costs, expenses and reduction in proceeds attributable to such blocker corporation or other intermediate entity, including, without limitation, those related to the structuring, formation, operation and liquidation of, and all taxes incurred in connection with, related to or imposed on, a blocker corporation or other intermediate entity will be borne solely by the limited partners investing through such intermediate entity.

Operating Partners

Additionally, as further described herein and in the Governing Documents of each Fund, it is Bernhard Capital's practice to retain certain operating partners to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such operating partners generally may provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services may also include serving in management or policy-making positions for portfolio companies. Operating partners receive compensation, including, but not limited to cash fees, retainers, transaction fees, a profits or equity interest in a portfolio company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from BCP and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically are determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such operating partners, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Operating partners also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such compensation or reimbursements will offset or reduce the Management Fee.

Performance-Based Fees and Side-By-Side Management

As described under "Fees and Compensation," the relevant General Partner generally receives a carried interest allocation on certain realized profits in the Funds. BCP does not advise Funds not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain affiliated partners as described under "Fees and Compensation."

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

Additionally, to the extent that BCP has Funds with varying carried interest terms and/or BCP personnel are assigned varying percentages of carried interest from the Funds, BCP and such

personnel are subject to potential conflicts of interest in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

BCP seeks to address the potential for conflicts of interest in these matters with allocation policies and/or practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Funds' investment guidelines and governing agreements, as well as other factors that do not include the amount of performance-based compensation received by BCP or any personnel.

Types of Clients

BCP provides investment advice solely to its Fund clients, and references throughout this Brochure to "clients" and to BCP's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds may include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds may include individuals, banks or thrift institutions, other investment entities, pension and profit-sharing plans, trusts, estates, university endowments or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of BCP and its affiliates and members of their families, operating partners or other service providers retained by BCP.

The Funds generally have a minimum investment amount for third-party investors. Generally, investors must be "accredited investors" as defined under Regulation D of the Securities Act of 1933, and may also be required to be either "qualified purchasers" or "knowledgeable employees" as defined under the Investment Company Act. The General Partner is permitted to waive such minimum investment amounts and qualification requirements.

Methods of Analysis, Investment Strategies and Risk of Loss

General

BCP is a private investment firm that seeks to primarily invest in businesses that provide critical services to the industrial, power, and infrastructure markets. BCP investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly of non-public companies although investments in public companies are permitted. The following is a summary of the investment strategies and methods of analysis generally employed by BCP on behalf of the Funds. There can be no assurance that BCP will achieve the investment objectives of any Funds and a loss of investment is possible.

Investment and Operating Strategy

BCP intends to harness the extensive relationship network, industry knowledge, operationally-minded value creation skills and transaction expertise of its investment team with the goal of generating attractive investment returns. The Firm has experience using a formal and prudent process for executing upon a stated investment strategy. BCP's investment process will

seek to involve a disciplined and systematic approach to committing and harvesting capital that is categorized in the following five steps:

- Active transaction sourcing
- Rigorous and disciplined due diligence and investment underwriting
- Thoughtful deal structuring
- Persistent and rational value creation processes
- Efficient execution of exit strategies

Active Transaction Sourcing

BCP is committed to actively sourcing proprietary investment opportunities outside competitive sales processes. Transaction origination is expected to be the deep industry knowledge and extensive industry relationships maintained by the BCP investment team. Capitalizing on the BCP investment team's extensive involvement in the energy sector, BCP intends to build on its team's existing relationships with global oil & gas firms, midstream energy service providers, international engineering & construction firms, specialized equipment manufacturers & suppliers, U.S. utilities & independent power producers, project developers, and governmental agencies to strategically address their capital needs and service requirements. BCP intends to maintain an ongoing dialogue with these organizations to understand their objectives and identify underlying market fundamentals to support the development of unique and proprietary investment opportunities.

In all cases, BCP strives to source transactions that offer significant opportunities for it to apply its unique operational expertise within energy services to promote growth, mitigate downside risk and generally influence the trajectory of each investment.

A core component of BCP's active sourcing strategy will be to utilize both "top-down" and "bottom-up" sourcing tactics. BCP draws upon its deep and broad network of industry, capital markets and regulatory contacts to develop a sector thesis and utilizes this direction to target specific companies with the most favorable market and competitive characteristics. With the specific asset and investment thesis in hand, significant effort and resources are then dedicated to (i) evaluate the market and competitive dynamics to test the investment thesis and ultimately test its validity and (ii) determine how BCP can adapt the original thesis to better position the potential investment for success.

Rigorous and Disciplined Due Diligence and Investment Underwriting

BCP will conduct due diligence and ultimately underwrite its investments utilizing the approach the investment team has collectively developed through its members' prior experiences. The team will leverage their collective experiences to promote a culture of collaboration and constructive scrutiny when evaluating potential investment decisions. The due diligence effort for each potential transaction will be conducted by a dedicated deal team with regular input from and communication with BCP's investment committee (the "**Investment Committee**"). Each deal team is expected to include a full complement of BCP investment professionals who, in most cases, will further retain outside experts.

The Investment Committee, utilizing its unique market knowledge, will initially screen each investment opportunity. Those opportunities that pass the initial screen will then be subjected to a comprehensive due diligence process that begins by leveraging BCP's primary industry experience. The full evaluation process is performed in stages to ensure efficient allocation of time and resources only to those opportunities able to withstand increasing levels of scrutiny.

A comprehensive due diligence plan is the cornerstone of the BCP investment evaluation process. A thorough and staged review of both common and tailored diligence topics is performed on each potential investment opportunity that passes the Investment Committee's initial screen. The due diligence effort focuses on the key value drivers for each investment. The determination of these key drivers of value is rooted in BCP's primary operating experience in the same sectors in which the Funds invest and its access to other sector experts. BCP believes this provides for more insightful, detailed and efficient evaluation.

Prior to signing any acquisition-related, financing-related, or other document that commits the firm's capital or resources, each opportunity is presented to the Investment Committee for final review and vote. In this discussion, the deal team will present all aspects of the transaction including their relevant diligence findings, the proposed business plan & capital structure, and results of management partner evaluations, among others, as well as the projected base, downside & upside case investment return scenarios.

Thoughtful Deal Structuring

Each opportunity will be structured with specific focus on risk mitigation and flexibility. Risk mitigation will minimize downside risk in the event an investment faces unforeseen obstacles. Flexibility will promote growth and provide adaptability in the execution of the business plan. In general, the deal team, with counsel from the Investment Committee, will focus on four key areas when structuring an investment, including, management alignment and incentives, debt terms and conditions, governance, and minimization of tax and liability exposure.

Persistent and Rational Value Creation Processes

BCP attempts to unlock value through use of its service company operational expertise, industry knowledge and relationships. In addition to the investment team's internal expertise, BCP has a broad network of experienced industry professionals, many of whom will provide valuable insight and investment support throughout a Fund's lifecycle. These individuals bring a wealth of experience and insight in both analyzing complex opportunities prior to acquisition and adding value post-acquisition through their industry expertise. Their involvement may range from assistance in sourcing proprietary investment opportunities, to business evaluation and technical due diligence to service as an active member of the board of a portfolio company, among other activities. BCP believes its unique industry network further differentiates its ability to successfully grow and manage energy service companies.

Prior to completing an acquisition, BCP will develop a plan seeking to utilize all relevant tools to create value at the acquired company. In general, the plan for value creation will focus on a number of specific areas, including:

- Establishing a regular financial and operating performance reporting cadence
- Leveraging BCP's unique insight to improve operational productivity
- Developing strategy to expand and diversify operations across multiple energy verticals
- Augmentation of management team and other staff, as necessary
- Providing access to relevant client and partner relationships
- Optimizing financing size, terms and conditions, and interest rate exposure
- Optimizing contractual relationships
- Providing access to additional capital, if appropriate
- Reducing and actively managing commodity price risk over time, as applicable

Exit Strategies

BCP understands that a successful investment process can only be realized through a timely, efficient and thoughtful exit strategy. Monetization flexibility is a core tenant of BCP's investment mindset and the firm strives to maintain optionality in this regard. BCP plans to consistently utilize its market insight and that of its network to evaluate strategies to most profitably exit its investments depending upon current market conditions. BCP expects to rely primarily on four approaches to achieve its targeted returns:

- Strategic mergers and sales
- Sales to financial sponsors
- Public market sales
- Recapitalizations

Risks of Investment

Each Fund and its investors bear the risk of loss that BCP's investment strategy entails. Although the following risk factors are generally applicable to BCP's Funds, investors should also refer to a Fund's Memorandum for risk factors specific to their Fund. The risks involved with BCP's investment strategy and an investment in a Fund include, but are not limited to:

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

Future and Past Performance. While the General Partner intends for a Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by a Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active

market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees. There can be no assurance that the valuation decision of a General Partner with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation.

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

Concentration of Investments. A Fund will participate in a limited number of investments and intends to make most of its investments in one industry or one industry segment. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified and/or consummated. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, limited partners will be required to bear management fees through such Fund during the commitment period based on the entire amount of limited partners' commitments to the Funds.

Dynamic Investment Strategy. The General Partner may pursue additional investment strategies and may modify or depart from its initial investment strategy, investment process or investment techniques as it determines appropriate. The General Partner may pursue investments outside of the industries and sectors in which BCP has previously made investments or has internal operational experience.

Environmental Matters. Environmental laws, regulations and regulatory initiatives play a significant role in the energy and power industry and can have a substantial impact on investments in this industry. The energy and power industry will continue to face considerable oversight from environmental regulatory authorities. The Funds may invest in portfolio companies that are subject to changing and increasingly stringent environmental and health and safety laws, regulations and permit requirements.

There can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. New and more stringent environmental and health and safety laws, regulations and permit requirements or stricter interpretations of current laws or regulations could impose substantial additional costs on portfolio companies or potential investments. Compliance with such current or future environmental requirements does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with any such requirements could have a material adverse effect on a portfolio company, and there can be no assurance that

portfolio companies will at all times comply with all applicable environmental laws, regulations and permit requirements.

Commodity Risk; Price Volatility. A Fund's investments may be subject to commodity price risk, including, without limitation, the price of electricity and the price of fuel. Historically, the markets for oil, gas, coal and power have been volatile, and such markets are likely to continue to be volatile in the future. The operation and cash flows of a Fund's investments may depend, in substantial part, upon prevailing market prices for energy commodities. These market prices may fluctuate materially depending upon a wide variety of factors that are beyond the control of the General Partner.

Regulatory Approvals and Related Portfolio Company Matters. A Fund may invest in portfolio companies it believes have obtained all material energy-related federal, state, local or non-U.S. approvals required as of the date thereof. In addition, a Fund may require the consent or approval of applicable regulatory authorities in order to acquire or hold particular portfolio companies. A portfolio company could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s) or for other reasons.

Potential Liability Related to Portfolio Company Operations. A Fund may invest in businesses that engineer, construct and perform services in large industrial facilities where accidents or system failures can have significant consequences. Any such accident or failure at a site where a portfolio company provided engineering, procurement and construction ("EPC") or similar services could result in significant professional liability, product liability, warranty and other claims against such portfolio company, a Fund, the General Partner or persons, regardless of whether their products or services caused the incident. Further, the engineering and construction projects a portfolio company may perform may expose them to additional risks including, but not limited to, equipment failures, personal injuries, property damage, shortages of materials and labor, permitting delays, work stoppages, labor disputes, weather problems and unforeseen engineering, architectural, environmental and geological problems, each of which could significantly impact such portfolio company's performance.

Illiquidity; Lack of Current Distributions. An investment in a Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating a Fund (including the Management Fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Funds' capital, including, without limitation, unfunded Commitments.

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

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

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the limited partners of a Fund and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such limited partners. The price at which such securities may be sold by such limited partners may be lower than the value of such securities determined pursuant to the Governing Documents.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of a Fund will be vested with the General Partner, and the Funds' future profitability will depend largely upon the business and investment acumen of the General Partner. The loss or reduction of service of one or more of the General Partner's employees could have an adverse effect on a Fund's ability to realize its investment objectives. Limited partners generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of a Fund will depend on the actions of the General Partner.

Absence of Operating History. The Funds have limited operating history and will be entirely dependent on the General Partner. While the principals of the General Partner have previous experience managing investments similar to those contemplated by the Funds, the principals have limited experience managing and investing a committed pool of funds.

Projections. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by each company's management. In all cases, projections are only estimates of future results that are based upon information received from the company and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Non-U.S. Investments. A Fund may invest in portfolio companies that are organized and/or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due, among other things, to potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, and capital repatriation regulations (as such regulations may be given effect during the term of a Fund), and the application of complex U.S. and non-U. S. tax rules to cross-border investments, possible imposition of non-U. S. taxes on a Fund and/or the limited partners with respect to such Fund's income, and possible non-U.S. tax return filing requirements for such Fund and/or the limited partners.

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

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or BCP generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of BCP's control. Decisions by BCP or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold

information may also make it difficult for a limited partner to monitor BCP and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and BCP reserves the right to withhold certain information from investors subject to such laws for reasons relating to BCP's public reputation, business strategy or other reasons

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of BCP and its affiliates, as well as in connection with officerships or directorships of BCP personnel, BCP frequently comes into possession of confidential or material non-public information. Therefore, BCP and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or BCP's internal policies. Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent BCP or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust remedies relating to one Fund's acquisition of a portfolio company may require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

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

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional or global health crises including but not limited to the rapid and pandemic spread of novel

viruses commonly known as SARS, MERS and COVID-19. Such health crises could exacerbate political, social and economic risks previously mentioned and result in significant breakdowns, delays and other disruptions on a local, regional and global scale, which may have adverse effects on the operating performance of affected portfolio companies. A climate of uncertainty, including the spread of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by such Fund and result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the spread of infectious viruses or diseases, or general economic downturn may have an adverse effect upon portfolio companies in which a Fund makes investments.

Unfunded Pension Liabilities of Portfolio Companies. Recent court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%- owned portfolio companies of a Fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although BCP intends to manage each Fund's investments to minimize any such exposure, a Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund may own an 80% or greater interest in such a portfolio company. If such Fund (or other 80%-owned portfolio companies of a Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of the Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

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

Conflicts of Interest

Bernhard Capital, its related entities and individuals engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, investment advisory, legal, management and other services to Funds and portfolio companies. In the ordinary course of conducting its activities, the interests of a Fund likely will conflict with the interests of BCP, one or more other Funds, portfolio companies or their respective affiliates in certain circumstance. Certain of these conflicts of interest are discussed herein. As a general matter, BCP will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by BCP principals through such Fund, subject to certain limited exceptions. However, BCP may manage and expects in the future to manage other investments similar to those in which a Fund will be investing, and expects to direct certain relevant investment opportunities or resources to those investments. Bernhard Capital's principals and investment staff will continue to manage and monitor such investments until their realization. Such other investments that Bernhard Capital principals may control or manage may potentially compete with companies acquired by a Fund. Following the commitment period of a Fund, Bernhard Capital principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

From time to time, Bernhard Capital will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by advisory affiliates of Bernhard Capital. In determining which investment vehicles should participate in such investment opportunities, Bernhard Capital and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one client of Bernhard Capital in a portfolio company also have the potential to raise the risk of using assets of a client of Bernhard Capital to support positions taken by other clients of Bernhard Capital.

BCP must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. BCP generally assesses whether an investment opportunity is appropriate for a particular Fund based on a Fund's Governing Documents, as well as factors including but not limited to: investment restrictions and objectives, (including those set forth in the relevant client's Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life-cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested.

Following such determination of allocation among the applicable Funds, BCP will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and BCP reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by

the Funds' Governing Documents, Side Letters and BCP's procedures regarding allocation. BCP's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; BCP's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair BCP's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; and the existence of a formal or informal, strategic or priority relationship with the prospective co-investor. BCP reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

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

In certain cases, the Adviser will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, the Adviser will use its discretion to select such transferees based on suitability and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

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

Additionally, the Adviser may be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses related to an investment that is allocated to more than one Fund. The Adviser, in its sole discretion, will allocate fees and expenses in accordance with the Relevant Governing Documents and in a manner that it believes is fair and equitable to the Funds under the circumstances and considering such factors as it deems relevant. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion.

As a result of a Fund's controlling interests in portfolio companies, the General Partner and/or its affiliates typically have the right to appoint board members to such portfolio companies, or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to the General Partner and/or its affiliates. The General Partner's authority to appoint or influence the appointment of portfolio company board members who may be involved in approving compensation payable to the General Partner subjects the General Partner and any such portfolio company board appointees to potential conflicts of interest. The General Partner and/or its affiliates may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by a Fund or other investment vehicles advised by BCP and/or its affiliates. Such amounts will be in addition to any Management Fees or carried interest paid by a Fund to Bernhard Capital.

Additionally, a portfolio company typically will reimburse Bernhard Capital or service providers retained at Bernhard Capital's discretion for expenses (including without limitation travel expenses) incurred by Bernhard Capital or such service providers in connection with its performance of services for such portfolio company. This subjects Bernhard Capital and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Bernhard Capital determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements, and any fee paid or expense reimbursed to Bernhard Capital or such service providers generally is subject to: agreements with sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related potential conflicts of interest.

Bernhard Capital generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) Bernhard Capital or a related person of Bernhard Capital (which may include a portfolio company of a Fund); (ii) an entity with which Bernhard Capital or its affiliates or current or former members of their personnel has a relationship or from which Bernhard Capital or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where Bernhard Capital personnel are seconded, or from which Bernhard Capital receives secondees; or (iii) certain limited partners or their affiliates. For example, Bernhard Capital expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related

business. This discretion subjects Bernhard Capital to conflicts of interest, because although Bernhard Capital selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Bernhard Capital has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Bernhard Capital, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Bernhard Capital), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Although Bernhard Capital generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other other factors in retaining or recommending service providers. In certain circumstances where Bernhard Capital commits or has committed to seek “market” or “arms-length” rates or terms, Bernhard Capital will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Consequently, Bernhard Capital undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking relates specifically to the assets or services to which such rates or terms relate. Whether or not Bernhard Capital has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, Adviser reserves the right, from time to time to cause a Fund to enter into a transaction whereby the Funds purchases securities from, or sells securities to, other Funds managed by Adviser, or co-investors or co-investment vehicles. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment’s fair value. To the extent required by the relevant Funds’ Governing Documents or otherwise in the sole discretion of Adviser, Adviser reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Funds (including, where authorized, the consent of each Fund’s advisory board) to such transactions. In certain circumstances, Adviser reserves the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Funds under then-current market conditions. Adviser intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund. Conflicts of interest can also arise if a Fund makes an investment in a portfolio company in conjunction with an investment made by another Fund sponsored by the General Partner or an affiliate. For instance, a Fund may not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other fund. This may result in differences in price, investment terms, leverage and associated costs between the Fund and any other investing fund sponsored by the General Partner or an affiliate.

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

Bernhard Capital and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in portfolio companies owned by a Fund or other investment vehicles advised by BCP and/or its affiliates. Similarly, Bernhard Capital, its affiliates and/or personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Bernhard Capital and/or its affiliates, and/or the Funds or other investment vehicles they advise. Bernhard Capital expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Bernhard Capital information about markets and industries in which Bernhard Capital operates (or is contemplating operations) or will provide other services that are beneficial to Bernhard Capital. For example, Bernhard Capital reserves the right to cause a Fund to make payments to investment banks and/or other intermediaries, all or a portion of which is for the purpose of generating future deal flow for such Fund; however, there can be no assurance that such payments will result in future deal flow, and in certain cases, future deal flow may inure to the benefit of another or a successor Fund rather than the Fund making the payment.

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

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to operating partners and other consultants (including consultants introduced or arranged by Bernhard Capital and/or its affiliates that regularly provide services to

one or more portfolio companies), and such fees do not offset or reduce the Management Fee as described herein. Operating partners make use of Bernhard Capital resources or otherwise are associated with Bernhard Capital. Bernhard Capital and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operating partners generally receive investment opportunities, reimbursements and other compensation paid to an operating partner will not offset or reduce the Management Fee of any Fund as described herein. Although the use of operating partners and the allocation of compensation paid to them by Bernhard Capital, its affiliates and/or the portfolio companies subjects Bernhard Capital and/or its affiliates to potential conflicts of interest, Bernhard Capital believes that such potential conflicts may be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the operating partner is lower than market rates for the services provided and/or if the services of the operating partner align with Bernhard Capital's model for the portfolio company and improve portfolio company performance. Although Bernhard Capital seeks to retain operating partners with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Bernhard Capital also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Bernhard Capital believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only operating partners and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when Bernhard Capital may not otherwise have done so. Since Bernhard Capital is permitted to retain certain fees (as described under "Fees and Compensation") in connection with Fund investments, it will be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. Additionally, BCP, its personnel, affiliates or others designated by BCP may from time to time to receive compensation in the form of portfolio company securities. After any applicable offset provisions in the relevant Governing Documents are applied, BCP and/or such other recipients will be permitted to retain such securities as supplemental fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or the BCP or retain such securities for a period consistent with their own financial and investment objectives, which may differ from that of the relevant Fund. In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund's relative ownership of the portfolio company awarding such compensation.

Bernhard Capital and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures (including discounted or rebated compensation terms),

information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

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

Disciplinary Information

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

Other Financial Industry Activities and Affiliations

As described under "Advisory Business" above, the Management Company is affiliated with other Bernhard Capital investment advisers including General Partners and equivalent entities formed from time to time and subject to the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. These entities serve as general partners of the Funds and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

In addition, one or more of the principals of BCP may own interests in other entities involved in making investments. In certain circumstances, a Fund may purchase investments from those related entities. In such circumstances, BCP will attempt to resolve any conflicts of interest as described herein and in the applicable Funds' governing documents.

Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

BCP has adopted a Code of Ethics and Securities Trading Policy (the “**Code**”), which sets forth standards of conduct that are expected of BCP principals and employees and addresses certain conflicts that may arise from personal securities trading. The Code requires BCP personnel to:

- report their personal securities transactions;
 - pre-clear any proposed purchase of any initial public offering or limited offering;
- and
- comply with policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

A copy of the Code will be provided to any client or prospective client upon request to the BCP Chief Compliance Officer at (225) 228-2500. Personal securities transactions by BCP personnel are required to be conducted in a manner that prioritizes the client’s interests in client eligible investments.

BCP and its affiliated persons may come into possession, from time to time, of material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor’s decision to buy, sell or hold a security. Under applicable law, BCP and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Bernhard Capital. Accordingly, should BCP or any of its affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, BCP would be prohibited from communicating such information to clients, and BCP will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of BCP personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Funds.

Principals and employees of BCP and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles can invest in one or more of the same portfolio companies as the Funds. Co-investment opportunities may also be presented to certain affiliates of the BCP, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles directly in a particular portfolio company or through an intermediate entity in a portfolio company’s structure. Such co-investment opportunities generally will be allocated in the manner described under “Methods of Analysis, Investment Strategies and Risk of Loss.”

BCP and its affiliates, principals and employees may carry on investment activities for their own account, for personal or employee investment vehicles and potentially, for family members, friends or others who do not invest in the Funds, as well as give advice and recommend securities

to vehicles that may differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives may be the same or similar.

The General Partner reserves the right to borrow funds on behalf of a Fund and contribute such borrowed amounts to the relevant Fund as a special capital contribution for investment, to be redeemed at a later date. Interest in connection with such borrowing is borne by the relevant Fund as a Fund expense, consistent with the Governing Documents and the expense policy described under “Fees and Compensation.” In borrowing on behalf of a Fund, the General Partner is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of such Fund and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund’s preferred return, is expected to have incentives to cause the Funds to borrow in this manner rather than drawing down capital commitments. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs. The General Partner will effect such borrowings consistent with a Fund’s Governing Documents and in a manner it believes to be fair and equitable under the circumstances to the Funds.

Brokerage Practices

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

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

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

Consistent with BCP seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them,

although BCP generally does not make use of such services at the current time. As a general matter, research provided by these brokers would be used to service all of BCP's Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by BCP, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund.

To the extent that BCP allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution.

BCP does not anticipate engaging in significant public securities transactions; however, to the extent that BCP engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Funds are completed independently, BCP also reserves the right to purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, BCP expects, but is not obligated, to purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs.

When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order. Each Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided BCP believes they are fair and equitable to the Funds under the circumstances over time.

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

Review of Accounts

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, BCP closely monitors companies in which the Funds invest, and the Chief Compliance Officer periodically checks to confirm that each Fund is managed in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each limited partner's U.S. tax returns, and (iv) descriptive investment information for each portfolio company periodically.

Client Referrals and Other Compensation

BCP and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and expect to receive compensation from these companies in connection with such services. As described in the Governing Documents, this compensation may, in certain circumstances, offset all or a portion of the Management Fees paid by such Fund. However, in other circumstances, these fees are in addition to the Management Fee. BCP reserves the right from time to time to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents generally will be borne by BCP indirectly through an offset against the Management Fee under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

Custody

BCP maintains custody of assets held in the name of the Funds with Regions Bank and Silicon Valley Bank. The Funds are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board. Each such Fund's audited financial statements is prepared in accordance with generally accepted accounting principles and distributed to that Fund's investors within 120 days of such Fund's fiscal year end.

Investment Discretion

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

Voting Client Securities

BCP has adopted Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for a Fund's portfolio investments. The Proxy Policy seeks to ensure that BCP votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. BCP generally believes its interests are aligned with those of each Fund's investors, for example, through the principals'

beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that BCP may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board is authorized to approve BCP's vote in a particular solicitation. BCP does not consider service on portfolio company boards by BCP personnel or BCP's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by BCP when voting proxies on behalf of a Fund. If a client or prospective client would like a copy of BCP's complete Proxy Policy or information regarding how BCP voted proxies for particular portfolio companies, they should contact the BCP Chief Compliance Officer at (225) 228-2500, and it will be provided at no charge.

Financial Information

BCP does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.