

Item 1. Cover Page

PATIENT SQUARE CAPITAL, LP

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This brochure provides information about the qualifications and business practices of Patient Square Capital, LP (“Patient Square” or the “Firm”). If you have any questions about the contents of this brochure, please contact Patient Square at (650) 384-6558. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Registration as an investment adviser does not imply that Patient Square or any of its principals or employees possess a particular level of skill or training in the investment advisory business or any other business.

Additional information about Patient Square is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2. Material Changes

This Brochure is Patient Square's initial Form ADV Part 2A, which has been submitted with our application for registration with the SEC; therefore, there are no material changes to report. In the future, if the Brochure contains material changes from our last update, we will identify and discuss those changes in this section.

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Item 4. Advisory Business

Patient Square Capital, LP (hereinafter “Patient Square”, “we,” “us,” “our” or the “Firm”) was established in 2020 as a Delaware limited partnership with a principal place of business located in Menlo Park, CA. The principal owner of Patient Square is Jim Momtazee, and he is joined by six highly complementary and experienced senior team members (collectively with Mr. Momtazee, the “Partners”) who collectively have decades of experience and a long-standing shared professional history.

Patient Square currently provides discretionary investment advisory services to private investment vehicles (each a “Fund,” and collectively, the “Funds”). Patient Square may, in the future, provide investment advisory services to additional private investment vehicles, including co-investment vehicles and separately managed accounts (collectively with the Funds, the “Clients”). Investors in the Funds are referred herein as “Investors,” or “Limited Partners.”

The Funds will generally be exempt from registration under the U.S. Investment Company Act of 1940, as amended (the “Investment Company Act”), and will issue securities that will not be registered under the U.S. Securities Act of 1933, as amended (the “Securities Act”).

Patient Square will act as the alternative investment fund manager of the Funds for the purposes of the European Union (the “EU”) Alternative Investment Fund Managers Directive (2011/61/EU), together with Commission Delegated Regulation (EU) No 231/2013 supplementing the Directive, as well as any similar or supplementary law, rule, or regulation as implemented in any relevant jurisdiction and the United Kingdom (the “UK”) Alternative Investment Fund Managers Regulations 2013 (together, the “AIFMD”).

Each Fund’s general partner (each, a “General Partner”) has the power and authority to delegate the management of the respective Fund(s) to Patient Square, which is an affiliate of each General Partner. Each General Partner is subject to the Investment Advisers Act of 1940 (the “Advisers Act”) pursuant to Patient Square’s registration in accordance with SEC staff guidance. All references to the Firm include each General Partner.

The Funds will generally be private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “portfolio companies.” Patient Square’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments will be made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the Partners, other senior personnel of Patient Square or their affiliates generally will serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds will invest. Patient Square manages the assets of each Fund in accordance with the terms of each Fund’s private placement memorandum, limited partnership agreements and other governing documents (collectively, “Governing Documents”).

Patient Square does not currently provide investment advice to separately managed accounts nor does it provide investment advice to individual Investors. However, the Firm or

its affiliates are permitted to enter into a side letter or similar agreement with an Investor that may entitle the Investor to impose restrictions on investing in certain securities or types of securities. Such agreements may provide for limitations or restrictions with respect to (i) opting out of particular investments, (ii) transfers to affiliates, and (iii) co-investment opportunities. In addition, Patient Square may enter into a side letter or similar agreement with an Investor to provide for reduced management fees, carried interest or other preferential economic terms.

Currently, we do not have regulatory assets under management, but we expect to have, within 120 days of the effective date of our initial registration, client assets under management sufficient to allow us to remain eligible for registration with the SEC.

Item 5. Fees and Compensation

In general, Patient Square receives a management fee and a carried interest in connection with advisory services. Patient Square or other Patient Square 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 the Management Fees otherwise payable to Patient Square in accordance with the applicable Governing Documents. In addition, in certain circumstances, Patient Square is permitted to receive compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in the Funds also bear certain expenses, including expenses of Patient Square and its affiliates in accordance with the applicable Governing Documents.

Management Fees

Subject to the specific provisions in each Fund's Governing Documents, a Fund will generally pay Patient Square, quarterly and in advance, a management fee (the "Management Fee") equal to 2% on an annual basis of aggregate Investor capital commitments ("Commitments").

To the extent specified in a Fund's Governing Documents, Patient Square or another Patient Square entity will be permitted to receive certain supplemental fees and other amounts ("Transaction Fees") consisting of: (i) closing fees, commitment fees, monitoring fees, directors' fees, financial consulting fees, advisory fees and other similar fees paid to Patient Square with respect to any Fund investment; (ii) transaction fees paid to Patient Square with respect to a Fund investment; and (iii) break-up fees and litigation proceeds with respect to a Fund's transactions not consummated that are paid to Patient Square, in each case net of certain costs and expenses (including those described below) as set forth in the Governing Documents. A Fund's Governing Documents generally will provide that 100% of Transaction Fees received by the Firm and attributable to the Fund's investment in a portfolio company will be credited against Management Fees otherwise owed to the Firm.

As a matter of practice, Patient Square is typically paid Transaction Fees from, on behalf of or with respect to, certain co-investors in an investment. The receipt of such fees will not reduce the Management Fee payable by a Fund, which has also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee that relates to such co-investors or potential co-investors, which have the potential to be

significant. Transaction Fee offsets generally are performed on a net basis, after giving effect to expenses in connection with the receipt of such fees or the provision of related services. Similarly, in certain circumstances, Patient Square expects that co-investors, lenders, Senior Advisors (defined below), certain VCF Personnel (defined below), other third-party consultants or other parties will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset percentage will be applied after excluding any amounts paid to such persons.

Certain Governing Documents permit Patient Square to 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 relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf, and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to Patient Square. The Limited Partners of Patient Square 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 Patient Square in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver could possibly result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Transaction Fee offset 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 Patient Square and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will be delayed investors in Patient Square, resulting in a net additional benefit to Patient Square.

Carried Interest

Subject to the specific provisions in each Fund's Governing Documents, Patient Square generally will receive a carried interest with respect to a Fund equal to 20% of all realized profits (net of permanent write-downs on unrealized investments) subject to a 8% per annum preferred return compounded annually. Patient Square is permitted to waive (subject to potential recoupment) or defer any carried interest distribution, and may impose conditions on its recoupment of such waived or deferred amounts. Such waivers or deferrals may result in adjustments to the allocations of tax items to the Limited Partners.

Other Information

Patient Square is permitted to exempt certain "exempted partners" in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Patient Square and any other person designated by Patient Square such as "friends and family" of Patient Square or its personnel, or other Investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. The applicable General Partner reserves the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by Patient Square and/or its affiliates, or through other Funds which co-invest with a Fund, such as an "Executive Fund." Patient Square retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees and other compensation, rather than deducting such amounts from the Investor's capital account(s).

Each Fund generally invests on a long-term basis. Accordingly, investment advisory and other fees are expected to be paid, except as otherwise described in the applicable 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 Patient Square 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 Patient Square or its affiliates.

In addition to the Management Fee and carried interest payable to Patient Square, each Fund bears certain expenses. As set forth more fully in the Governing Documents, a Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Management Fees, including, but not limited to, the following: costs and expenses attributable to structuring, organizing, acquiring, managing, operating, holding, valuing, winding up, liquidating, dissolving and disposing of a Fund's investments, legal, filing, accounting, auditing, investment banking, travel (including first-class (or equivalent) commercial airfare, private aircraft or other private air travel (so long as the cost, except during certain extenuating circumstances (e.g., during a viral pandemic), does not exceed the cost of corresponding travel (including first class (or equivalent) commercial airfare)) and car or ride sharing services), other modes of transportation, meals, lodging and entertainment and other meals and entertainment, consulting, research, brokerage fees, finder's fees, financing, real estate title, appraisal, printing, reporting, custody, depositary, transfer, registration, insurance, advisory board, limited partner meetings and related meal and entertainment expenses, interest, taxes, extraordinary expenses and other similar fees and expenses, including such fees and expenses, break-up or topping fees or other liabilities or obligations, incurred for transactions not consummated ("Broken Deal Expenses"). including Broken Deal Expenses relating to transactions that have been offered to co-investors, but not Patient Square expenses in connection with maintaining and operating its offices (such as compensation of its employees, rent, utilities and general office expenses).

The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of Patient Square and/or its affiliates. In certain cases, these or similar expenses (and/or Transaction Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, invoiced prior to work being performed and/or charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. Also included in Fund expenses are "In-House Services," as defined in the Governing Documents, which includes the following costs of the Firm in providing advisory services to the Funds: employee salaries, fees, bonuses, retainers, guaranteed payments, benefits or other personnel costs (including employee benefits, insurance and paid time off) with respect to certain administrative, legal, accounting, finance, tax, compliance, leveraged purchasing and ESG expenses. 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” below.

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 Patient Square 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, Patient Square, the relevant General Partner or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Patient Square’s related policies and the relevant Governing Documents and/or Side Letter(s). The terms of such co-investments, including whether the co-investment must bear expenses related to the co-investment, is determined by on a case-by-case basis by Patient Square. Transaction fees and expenses allocated to any co-investment vehicle will be borne by the limited partners thereof in accordance with and to the extent provided by the Governing Documents of such vehicle (which fees will not be included as Fund-level Transaction Fees and consequently will not be shared with the Funds or the Limited Partners or offset or otherwise reduce the Management Fee). 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 to the Funds, in the judgment of Patient Square, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. Patient Square and/or its affiliates generally have discretion over whether to charge Transaction Fees to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company’s holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of Transaction Fees generally will give rise to potential conflicts of interest between a Fund, on the one hand, and Patient Square and/or its affiliates on the other hand.

Senior Advisors & Value Creation Function Personnel

As more fully described in the Governing Documents, the Firm intends to create “Value Creation Functions,” comprised generally of persons that work in teams to source and enhance value of portfolio companies, and to designate certain senior advisors (“Senior Advisors”), who are, in each case, employees of, and/or independent contractors retained or engaged by the Firm, the relevant General Partner and/or their respective affiliates. Certain members of the Value Creation Functions (“VCF Personnel”) and Senior Advisors are also expected to serve in management or governance roles with respect to portfolio companies. As compensation for their services, certain VCF Personnel and Senior Advisors are expected to receive fees (including director’s or consulting fees), incentive equity or other stock awards, and be reimbursed (directly or indirectly through entities established by or affiliated with the Patient Square through which such services are provided) for overhead, employee

benefits, insurance, paid time off, airfare, lodging, meals, entertainment, gifts and certain other out-of-pocket costs incurred in connection with providing such services. Any such compensation, expense reimbursements and other amounts received by certain VCF Personnel or Senior Advisors generally will be paid by portfolio companies or prospective portfolio companies or directly by the Funds or alternative investment vehicles (which payments will not be included as Transaction Fees and consequently will not be shared with the relevant Fund or the Limited Partners or otherwise offset or reduce the Management Fee.

Item 6. Performance Based Fees and Side-by-Side Management

Patient Square currently manages Funds that pay performance-based compensation as described in Item 5. It does not currently manage Clients that do not pay performance-based compensation.

As a result, we and our affiliates do not currently face certain conflicts of interest that may arise when an investment adviser accepts performance-based fees from some clients, but not from other clients.

Performance-based allocation arrangements have the potential to create an incentive for us to recommend investments which may be riskier or more speculative than those which we would recommend under a different arrangement, although we generally consider performance-based allocation arrangements to better align our interests with those of the Investors.

Further, Patient Square has adopted policies and procedures that, among other things, seek to ensure in good faith that investment opportunities are allocated fairly and equitably over time, and the process for identifying and managing conflicts of interest are addressed in the applicable Client's Governing Documents.

Item 7. Types of Clients

As described in Item 4 above, Patient Square provides investment advice to the Funds which generally are Delaware limited partnerships that are exempt from registration as an investment company under the Investment Company Act, and whose interests are not registered under the Securities Act. Investors in the Funds may include institutions, pension plans, endowments, high net-worth individuals, trusts, funds of funds, charitable organizations, financially sophisticated individuals, and other sophisticated investors that meet certain qualification requirements. The Funds generally have a minimum investment amount of \$10,000,000 for third-party investors, and the Funds' interests are offered and sold solely to qualified purchasers (or qualified knowledgeable Patient Square personnel), which may be waived on a case-by-case basis subject to our discretion.

Item 8. Methods of Analysis, Investment Strategies and Risk of Loss

General

The investment strategies Patient Square pursues are speculative and entail substantial risks, and each Investor should be prepared to bear a substantial loss of capital. There can be no assurance that the investment objectives of the Funds will be achieved. The descriptions set forth in this Brochure of the specific advisory services Patient Square offers to the Funds and investments made on behalf of the Funds should not be understood to limit in any way Patient Square's investment activities.

Investment Strategy and Methods of Analysis

Patient Square will employ a flexible but focused investment strategy broadly across the health care industry, pursuing opportunities in growth-oriented health care businesses regardless of their stage. Consistent with the Partners' previous experience, the Firm will target the following subsectors: biopharmaceuticals, pharmaceutical value chain, medical devices and diagnostics, health care providers, and technology-enabled services. Additionally, the Firm intends to emphasize a "barbell" approach to investing focused on scaled private equity and growth-stage companies. These investment areas are consistent with the Partners' previous experience and characterized by a higher premium on relationships for differentiated deal access as well as being less competitive areas of the market. The team members have experience with equity investments as small as \$30 million to over \$1 billion to support transactions covering the spectrum from platform builds and growth financings to large public to private and secondary private equity buyouts.

Patient Square will seek to partner with outstanding management teams to support the growth of products, services, and technologies that improve health. In the Firm's view, high-quality investments in health care share a number of characteristics, including: (i) premier management teams, (ii) strong revenue growth potential, (iii) high rates of return through deploying capital in accretive M&A, infrastructure development, and organic growth, (iv) strong downside protection, (v) attractive valuations, and (vi) a highly aligned culture and mission to improve the health and wellness of patients and consumers. A critical element of the Firm's investment approach involves the pursuit of value enhancement through market expansion, scientific and technological development, and operational improvement.

Risk of Loss

Investing in securities involves risk of loss that Investors should be prepared to bear.

The descriptions contained below are a brief overview of different associated risks related to the Firm's investment strategy. However, it is not intended to serve as an exhaustive list or a comprehensive description of all risks and conflicts that may arise in connection with the management and operations of the Funds. An investment involves significant risks and is suitable only for those persons who can bear the economic risk of the loss of their entire investment, who have limited need for liquidity in their investment, and who have met the conditions set forth in the applicable Fund's Governing Documents.

There can be no assurances that the Funds will achieve their respective investment objectives. An investment carries with it the inherent risks associated with investments in privately traded stocks and bonds, options, and related instruments, including, without limitation, the risks described below. The following does not purport to list all of the risks applicable to an investment in a Fund. The Fund's Governing Documents provide more a

more fulsome list of such risks, and each prospective Investor should carefully review the applicable Fund's Governing Documents and the documents referred to herein before deciding to invest in a Fund.

Certain Risks Related to the Funds and their Terms:

General Business Risks. The Funds' investment portfolios are expected to consist primarily of securities issued by a limited number of 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, including a complete loss of capital.

Concentration of Investments. The Funds will participate in a limited number of investments and investments in one industry or one industry segment or within a short period of time. As a result, the Funds' investment portfolios could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect a Fund's aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Funds are likely to invest in fewer portfolio companies and thus be less diversified. If a Fund co-invests with another investment fund or investment vehicle (including any vehicle managed by Patient Square), a Limited Partner invested in such other investment vehicle would have exposure to a single portfolio company through more than one fund, potentially increasing such Limited Partner's losses; conversely, a Fund would have less exposure than if the Fund did not co-invest, potentially diluting returns.

The Funds intend to concentrate their investments in companies operating in the health care industry. Concentration in select industries involves risks greater than those generally associated with broadly diversified acquisition funds, including significant fluctuations in returns based on market perception of the selected industries. Instability, fluctuation or an overall decline within the health care industry will likely not be balanced by investments in other industries not so affected. The Funds' portfolio companies will compete in this volatile environment. There is no assurance that products or services sold by the portfolio companies will not be rendered obsolete or adversely affected by competing products and services or that the portfolio companies will not be adversely affected by other challenges. Moreover, competition can result in significant downward pressure on pricing. Instability, fluctuation or an overall decline within the health care, consumer, specialty industrials and business services industries will likely not be balanced by investments in other industries not so affected. In the event that one or more of such sectors as a whole decline, returns to Limited Partners may decrease.

In addition, it is not always clear, particularly in the health care industry, where a company is based geographically. For example, many health care businesses, particularly in the biotech and pharmaceutical subsectors, have complex structures (often for tax reasons) with entities, employees, assets (including intellectual property) and revenues (if any) in different regions and countries around the world, including the United States. In such cases, Patient Square will use its good faith discretion to determine the applicability of any investment restrictions under the Governing Documents as well as in considering the economic exposure of the Funds to regions or geographies. In doing so, Patient Square will rely on information known to it at the time of investment, which may exclude certain available information, which if known at that time, could have resulted in different decisions being made. Patient Square will

not be liable to the Funds for making these determinations in accordance with the standards set forth in the Partnership Agreement and will not be required to take remedial actions to address potential overconcentration in light of information that becomes subsequently known to Patient Square after an investment is made. The foregoing determinations could result in the Funds being over- or under-exposed to a particular country or region and change the risk profile for the Limited Partners.

Future and Past Performance; Loss of Principal; Lack of Operating History. The Funds consist of newly organized entities that have no prior operating history or track record. Moreover, the initial core team responsible for investing the Funds' capital is newly assembled and has no, or only in a few cases, investing and operational experience together as a team. Accordingly, the Funds do not have performance history for a prospective investor to consider. An investor should only invest in a Fund as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment in a Fund.

Reliance on Patient Square and Portfolio Company Management. Control over the conduct and operation of the Funds will be vested entirely with Patient Square, and the Funds' future profitability will depend largely upon the business and investment acumen of the Partners. The loss or reduction of service of any one of such persons could have an adverse effect on the Funds' ability to realize their investment objectives. In addition, in the future one of the Partners could manage other investment funds besides the Funds, which could create conflicts of interest in the allocation of the time and attention of such person to the Funds. 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 the Funds will depend on the actions of Patient Square. In addition, certain changes in Patient Square or circumstances relating to Patient Square may have an adverse effect on the Funds or one or more of their portfolio companies, including potential acceleration of debt facilities.

Although Patient Square will monitor the performance of the Funds' investments, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the relevant Fund's objectives. Furthermore, the success of many health care companies is highly dependent on the experience, abilities and continued service of key executive officers and key scientific personnel. If these companies lose the service of any of these officers or key scientific personnel, their future success could be undermined. The success of many health care companies also depends upon their ability to attract and retain other highly qualified scientific, managerial, sales and manufacturing personnel and their ability to develop and maintain relationships with relevant members of the health care community. Competition for such personnel and relationships is intense and many of these companies compete with each other (and other companies and organizations) for such personnel and relationships. There is no certainty that any of these health care companies will be able to continue to attract and retain qualified personnel or develop and maintain relationships with relevant members of the health care community.

Unspecified Investments. A purchaser of Interests in a Fund must rely upon the ability of Patient Square to identify, structure and implement investments consistent with such Fund's

investment strategy and policies. The activity of identifying, completing and realizing private equity investments involves a high degree of uncertainty and is subject in some cases to the prevailing capital market, regulatory, or political environment. There can be no assurance that Patient Square will be able to locate or a Fund will be able to complete portfolio companies that satisfy such Fund's rate of return objectives or, if completed, realize such investments for fair or attractive values or that such Fund will be able fully to invest its committed capital.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that the Funds will never be fully invested if enough sufficiently attractive investments are not identified. However, Limited Partners will generally be required to bear Management Fees through the investment period of a Fund based on the entire amount of the Limited Partners' Commitments and other expenses as set forth in the Governing Documents.

Competition for Investments. The Funds expect to encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, governments, individuals, financial institutions, family offices, strategic industry acquirers and other investors, including hedge funds, investing directly or through affiliates. Further, over the past several years, an increasing number of private equity funds have been or are being formed (and many existing funds have grown in size). Additional funds with similar investment objectives may be formed in the future by other unrelated parties. Furthermore, the current market environment may also cause new entrants (including established firms expanding their strategies) to launch new or adjacent health care-focused investment funds and strategies. Some of these competitors may have more relevant experience, greater financial resources, a greater willingness to take on risk, and more personnel than Patient Square, the Funds and their affiliates. The Firm expects that competition for appropriate investment opportunities may increase, which may also require the Funds to participate in auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to the Funds and/or adversely affecting the terms upon which investments can be made. Participating in auctions will also increase the pressure on the Funds with respect to pricing of transactions. For example, given the increasingly competitive environment, Patient Square may find it more difficult to obtain buyer-favorable terms in a transaction, such as receiving an indemnification by the seller for a breach of representations or warranties, the ability to terminate a transaction if financing sources become unavailable or unwilling to fund or the ability to terminate the transaction if there has been a material adverse change in the company's business prior to closing of the investment. In addition, Patient Square has found competitors for investment opportunities willing to offer seller-favorable terms in a transaction, such as providing a "reverse break-up fee" and fund level guarantees. If a financing-related closing condition is not available to a Fund or if a Fund is required to provide a reverse break-up fee or guarantee in connection with a potential investment, such Fund may become obligated to consummate a transaction on less favorable terms or may be required to fund the reverse break-up or similar fee in connection with a potential investment that is not made. To the extent that the Funds encounter competition for investments, returns to Limited Partners may decrease including as a result of higher pricing, foregoing opportunities, or negotiating fewer transactional protections in order to remain competitive. Additionally, the Funds may incur bid, due diligence, negotiating, consulting or other costs on investments that may not be

successful. As a result, the Funds may not recover all of such costs, which would adversely affect returns.

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

Risks in Identifying and Realizing Breakout Potential. The success of each Fund's investment strategy will in large part depend on the ability of such Fund to identify and realize breakout potential in businesses based on operational, market or other attributes identified during diligence. This activity entails a high degree of uncertainty and doing so may divert the attention of key personnel and disrupt normal business. There can be no assurance that the Funds will be able to successfully accomplish this objective and failing to do so will negatively impact returns.

ESG Matters. Patient Square maintains an ESG Policy and intends to apply the policy to the Funds' investment activities, consistent with and subject to any applicable legal, regulatory, fiduciary or contractual duties. The ESG Policy may cause the Funds not to make an investment that they would have made or to make a management decision with respect to an investment differently than it would have made in the absence of the ESG Policy. Additionally, ESG factors are only some of the many factors Patient Square may consider in making an investment, and there is no guarantee that Patient Square will make investments in companies that create positive ESG impact or that consideration of ESG factors will enhance long-term Limited Partner value and financial returns. Similarly, in evaluating a company, Patient Square often depends upon information and data provided by the company or obtained via third-party reporting or advisors, which may be incomplete or inaccurate and could cause Patient Square to incorrectly assess the company's ESG practices and/or related risks and opportunities. In addition, Patient Square's ESG programs and policies may change over time.

ESG integration and responsible investing practices as a whole are evolving rapidly and there are different frameworks, methodologies, and tracking tools being implemented by other asset managers. Therefore, Patient Square's approach to ESG integration may not align with the approach used by other asset managers or preferred by prospective investors or with future market trends. Patient Square does not intend to independently verify certain of the ESG information reported by the portfolio companies. Further, Patient Square may determine in its discretion that it is not feasible or practical to implement or complete certain of its ESG initiatives based on cost, timing or other considerations. To the extent Patient Square engages with portfolio companies on ESG-related practices and potential enhancements thereto, there is no guarantee that such engagements will improve the financial or ESG performance of the investment.

Finally, there is also growing regulatory interest, particularly in the United States, UK and European Economic Area (which may be looked to as models in growth markets), in improving transparency around how asset managers, amongst others, define, measure and disclose impact of ESG factors on the performance of the Funds.

The ESG Policy could become subject to additional regulation in the future, and Patient Square cannot guarantee that its current approach will meet future regulatory requirements.

Dynamic Investment Strategy; Investment Restrictions. While Patient Square generally intends to seek attractive returns for the Funds primarily through making private equity investments as described herein, Patient Square may pursue additional investment strategies and may modify or depart from its initial investment strategies, investment process and investment techniques as it determines appropriate. Patient Square reserves the right to pursue investments outside of the industries and sectors. The Funds are also permitted to invest in public equity, public and private debt securities (including debt securities of portfolio companies held by other Clients, and hybrid, subordinated and preferred instruments).

While this Brochure contains a description of the types of investments that the Funds are expected to make, many factors may contribute to changes in emphasis in the construction of the portfolio, including changes in market or economic conditions or regulation as they affect various industries and changes in the political or social situations in particular countries. Subject only to each Fund's investment restrictions in the relevant Governing Documents, such Fund may employ other investment techniques and invest in other instruments that Patient Square believes will help achieve such Fund's investment objective, whether or not such investment techniques or instruments are specifically described herein. Patient Square will not be required to select any particular types of permitted investments and reserves the right to refrain from making certain types of permitted investments on behalf of the Funds, whether or not such investments are specifically described in this Brochure, and without notice to Limited Partners. Such investments may entail risks not described herein. New investment strategies and techniques may not be thoroughly tested in the market before being employed and may have operational or structural shortcomings which could result in unsuccessful investments and, ultimately, losses to the Funds. In addition, any new investment strategies or techniques developed by the Funds may be more speculative than earlier investment strategies and techniques and may involve material and as-yet-unanticipated risks that could increase the risk of an investment in the Funds.

Subscription Lines. The Funds are authorized and expect to enter into a subscription line with one or more lenders in order to finance a Fund's operations (including the acquisition of the Fund's investments and the payment of expenses). Fund-level borrowing subjects Limited Partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of Patient Square's right to call capital from the Limited Partners, Limited Partners would likely be obligated to contribute capital on an accelerated basis by the lender or otherwise if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any Limited Partner claim against a Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors. Patient Square reserves the right to employ the subscription line to provide credit support (including through the use of guarantees and letters of credit) and loans, directly or indirectly, to underlying portfolio companies. While this may result in a lower cost of capital for the portfolio company than it may be able to obtain

independently, ultimately, a Fund would face direct credit risk (i.e., recourse to the lender) as a result.

In addition, Fund-level borrowing will result in incremental expenses incurred by the Fund ("Fund Expenses") that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment and negotiation of the terms of the borrowing facility. Because a subscription line's interest rate is based in part on the creditworthiness of the Limited Partners and the terms of the Partnership Agreement, it could be higher than the interest rate a Limited Partner could obtain individually. To the extent a particular Limited Partner's cost of capital is lower than the Funds' cost of borrowing, Fund-level borrowing can negatively impact a Limited Partner's overall individual financial returns even if it increases the Funds' reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of credit typically delays the need for Limited Partners to make certain contributions to the Funds, which generally would enhance the Funds' performance figures (particularly because internal rate of return calculations depend on the amount and timing of capital contributions), and thereby benefit Patient Square and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors, as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the Funds nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities. Moreover, because following the Investment Period, the calculation of the Management Fee includes aggregate unrecouped Bridge Financing and investment contributions made (or payable to the Funds pursuant to capital call notices then issued or to be issued to repay indebtedness incurred by the Funds and used to fund an investment), Patient Square will have an incentive to use additional subscription line borrowings to increase its Management Fee income, which could present additional risk to the Funds.

Conversely, Patient Square will face an incentive to not employ the subscription line when it perceives that the overall cost of borrowing exceeds the rate of anticipated value accretion at the relevant underlying portfolio investment or its other uses of funds. This may result in more frequent capital calls from, and potentially a lower internal rate of return, to the Limited Partners.

A credit agreement could contain other terms that restrict the activities of the Funds and the Limited Partners or impose additional obligations on them. For example, a subscription line could impose restrictions on Patient Square's ability to consent to the transfer of a Limited Partner's Interest. In addition, in order to secure a subscription line, Patient Square is authorized to request certain financial information and other documentation from Limited Partners to share with lenders. Patient Square will have significant discretion in negotiating the terms of any subscription line and likely will agree to terms that are not the most favorable to one or more Limited Partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows Patient Square to acquire investments and pay Fund Expenses

without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for Limited Partners that would not arise had Patient Square called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a Limited Partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the Limited Partner to meet the accumulated, larger capital calls at the same time. The Funds also anticipate that they will utilize Fund-level borrowing when Patient Square expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, Limited Partners would end up with increased exposure to the underlying investment, which could result in greater losses. Furthermore, borrowings by a Fund could cause a portion of such Fund's investments to be considered debt-financed and some or all of a U.S. tax-exempt investor's distributive share of income from such Fund (including dividends, interest and capital gains) could be Unrelated Business Taxable Income as defined in the U.S. Internal Revenue Code.

Bridge Financing. The Funds are authorized to provide bridge financing to facilitate portfolio company investments, as set forth in the Governing Documents. It is possible that all or a portion of a bridge financing will not be recouped within the time period specified in the Governing Documents, in which case the investment would be treated as a permanent investment of a Fund retroactive to the date of the closing of such financing. As a result, a Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which exclude bridge financing investments to the extent provided in the Governing Documents.

Certain Risks Related to the Funds' Investments:

Due Diligence Risks. Before making investments, General Partners and/or Patient Square will conduct due diligence that they deem reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence is expected to entail evaluation of important and complex business, financial, tax, accounting, ESG and legal issues, among others. Outside consultants, legal advisors, accountants, investment banks and other third parties, Patient Square personnel, VCF Personnel or Senior Advisors may be involved in the due diligence process to varying degrees depending on the type of investment, and related costs will be borne by the Funds. The decision to use Patient Square personnel, VCF Personnel or Senior Advisors over third parties to provide due diligence may lead to conflicts of interest based on the relationships between such persons and Patient Square (as discussed below under "Conflicts of Interest." The involvement of third-party advisors or consultants may present a number of risks primarily relating to Patient Square's reduced control of the functions that are outsourced. In addition, if General Partners and/or Patient Square are unable to timely engage third-party providers, their ability to evaluate and acquire more complex targets could be adversely affected. When conducting due diligence and making an assessment regarding an investment, General Partners and/or Patient Square will rely on the resources available to them, including information provided by the target company and, in some circumstances, third-party investigations. The due diligence investigation that General Partners and/or Patient Square carries out with respect to any investment

opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating the investment opportunity. Moreover, the investigation will not necessarily result in the investment being successful. Further, Patient Square's and/or its service providers' ability to conduct due diligence likely will be limited during COVID-19 or similar events, which would increase the foregoing risks.

Portfolio Company Leverage. The Funds expect to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Funds' opportunities for gain and its risk of loss from a particular investment, and the magnification of the risk of loss may be substantial. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which may be impacted by regulatory restrictions and guidelines and which are difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage by a Fund will also result in interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. The availability of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) may restrict or otherwise discourage lending that results in companies carrying large amounts of debt.

The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Additionally, lenders would typically have a claim that has priority over any claim by a Fund to the assets of such portfolio company in an insolvency event or proceeding. Should the credit markets be limited or costly at the time such Fund determines that it is desirable to sell all or a part of a portfolio company, such Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness or maintain a desired or optimal amount of financial leverage, a Fund will hold a larger than expected equity investment in such portfolio company and could realize lower than expected returns from the portfolio company that would adversely affect such Fund's ability to generate attractive returns for each Fund as a whole. Any failure by lenders to provide previously committed financing could also expose a Fund to potential claims by sellers of businesses which such Fund may have been contracted to purchase. Moreover, the companies in which the Funds will invest likely will not be rated by any credit rating agencies. After a Fund has financed a portfolio company, continued development and marketing of products may require that additional financing be provided from such Fund or a third-party. No assurance can be made that such additional financing will be available and no assurance can be made as to the terms upon which such financing may be obtained. Separately, leverage may be used to effect dividend

recapitalizations or similar transactions and generate cash for the Funds and the Limited Partners; to the extent any such dividend recapitalizations are not treated as realization events under the Partnership Agreement, any proceeds distributed to Limited Partners will be subject to the limited partner giveback, subject to limitations described in the Partnership Agreement, and accordingly may increase the risk of such a giveback.

The Funds are also authorized to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that the Funds would be compensated for providing such guaranty or exposure to such liability. Co-investors are expected to receive the benefit of such guaranty, although because co-investors typically do not agree to participate in guaranty arrangements in negotiating to participate in a transaction, co-investors are not expected to bear a commensurate percentage of potential liability. Any use of leverage by a Fund also will result in interest expense and other costs to such Fund that could exceed, or otherwise not be covered by, distributions made to the Funds or appreciation of their investments. The Funds are authorized to incur leverage on a joint and several basis with one or more other investment funds or other entities managed by or otherwise affiliated with Patient Square or any of its affiliates to the extent permitted under the Partnership Agreement and, in connection with incurring such indebtedness, Patient Square is authorized, in its sole discretion, to cause the Funds to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. However, it is possible that, if and when a Fund were to seek to enforce any such right, any such entity could default on its obligation or such right would otherwise be unenforceable. In addition, to the extent a Fund incurs leverage (or provides any guaranty), such amounts could be secured by the capital commitments of such Fund's investors or other Fund assets. The inability of a Fund to repay any leverage secured by the capital commitments of such Fund's Investors could enable a lender to issue a capital call on behalf of the General Partner of the Fund.

Investments in Mature Companies. Investments in more mature companies which are in expansion mode or are in a highly profitable stage involve substantial risks. These companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire a business or develop new products and markets. These activities by definition involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing and general management of these activities.

Early Growth and Growth Investments. Patient Square may invest in private, early-stage companies. These companies typically have modest or no revenues and may or may not be profitable. They may require additional capital, at high valuations, to develop technologies and markets, acquire customers and achieve or maintain a competitive position. This capital may not be available at all, or may not be available on acceptable terms. Further, the technologies and markets of such companies may not develop as anticipated, even after substantial expenditures of capital. Such companies may face intense competition, including competition from established companies with much greater financial and technical resources, more extensive development, manufacturing, marketing and service capabilities, and a greater number of qualified managerial and technical personnel. Although a representative of Patient Square may serve on the board of a company, each company will be managed by its own officers (who generally will not be affiliated with the Funds or Patient Square). A Fund

may hold minority interests in certain of the companies it invests in, and, as such, the Fund would have limited influence over such companies and their management teams.

Risk of Early-Stage Investments. Patient Square expects to make early-stage investments, including investing in start-ups, providing growth equity capital and/or making commitments to pay expenses of management teams engaged in the discovery, development or exploration of products, science or technologies. While such investments offer the opportunity for significant gains, they also involve a high degree of business and financial risk and can result in substantial losses. Among these risks are the general risks associated with investing in companies at an early stage of development or with little or no operating history, companies operating at a loss or with substantial variations in operating results from period to period, and companies with the need for substantial additional capital to support expansion or to achieve or maintain a competitive position. There can be no assurance that such companies will ever be profitable or even have assets or products that generate meaningful revenue. Investment by Patient Square in start-ups or other early-stage companies may depend significantly on an entrepreneur or management team that the Firm has selected. Early-stage companies may face intense competition, including from companies with greater financial resources, more extensive development, marketing and service capabilities, and a larger number of qualified managerial and technical personnel.

With respect to companies in which the Funds invest growth capital, such companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position and/or to expand or develop management resources.

Public Company Holdings. The Funds expect to selectively and opportunistically make investments in equity and debt securities issued by publicly held companies. Such investments may subject the Funds to risks that differ in type or degree from those involved with investments in privately-held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including Patient Square and Limited Partners, and increased costs associated with each of the aforementioned risks.

Fixed-Income Securities. The Funds expect to selectively and opportunistically invest in bonds or other fixed-income securities of U.S. and non-U.S. issuers acquired in the secondary market, including bank debt, corporate debt, mezzanine debt, loans, notes, debentures, and commercial paper, as well as derivatives thereon and hybrid debt-like securities that may have fixed income components. Fixed income securities are subject to credit and interest rate risks. "Credit risk" refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument and how this risk changes over time. Financial strength and solvency of an issuer and the priority of the lien are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Certain of the fixed-income securities may have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. In addition, certain fixed-income

securities may provide for payments-in-kind interest, which has a similar effect of deferring current cash payments.

The Funds will be dependent upon the judgment of Patient Square as to the credit quality of the securities. There can be no assurance that Patient Square will be successful in assessing the credit risk of the different investments or mitigating the impact of credit risk changes. A borrower's ability to repay its debts may be adversely affected by numerous factors, including, without limitation, the failure to meet its business plan, a downturn in its industry or negative economic conditions. Securities that become non-performing may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate, capitalization of interest payments and a substantial write-down of the principal of the security. However, even if such restructuring was successfully accomplished, a risk exists that upon maturity of such security, replacement "take-out" financing will not be available. There is no assurance that the value of any collateral will be sufficient to protect all or a portion of the related security. Deterioration in a borrower's financial condition and prospects may be accompanied by deterioration in the value of any collateral and a reduction in the likelihood of capitalizing on any guarantees that may have been obtained from the borrower or other parties. A borrower's failure to satisfy financial or operating covenants imposed under the related security could lead to defaults and, potentially, acceleration of the time when the investment is due. Foreclosure on the borrower's assets securing an investment could trigger cross defaults under other debts of the borrower (or vice versa), and could result in prepayment of the security or jeopardize the borrower's ability to meet its obligations, and could have a material adverse effect on the value of any related junior securities of such borrower that the Funds may hold.

Furthermore, Patient Square cannot assure that other claims may not be asserted that might interfere with enforcement of the Funds' rights. Patient Square cannot guarantee the adequacy of the protection of the Funds' interests, including the validity or enforceability of the applicable investment contract and the maintenance of the anticipated priority and perfection of any applicable security interests. A default by a borrower may result in a Fund being unable to liquidate the related securities prior to the termination of such Fund; and such securities may end up being restructured on terms that might result in the Funds being unable to liquidate it prior to the termination of the Funds. This could cause the Limited Partners to receive in-kind distributions in respect of such investments upon the termination of such Fund.

The pace and quantum of investments in debt or debt-like instruments could meaningfully accelerate based on a change in market conditions if Patient Square believes investments of this type could produce attractive returns. It is foreseeable that a downturn in the Firm's target industry or negative economic conditions during the Funds' Investment Periods could result in a significant portion of Commitments invested in instruments of this type. In such a circumstance, the Funds could deploy their Commitments more quickly and with less exposure to equity investments than expected.

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

PIPE Investments. Patient Square expects selectively and opportunistically to pursue private investment in public company (“PIPE”) investments or private financing of public companies. PIPE investments may be purchased directly from a publicly traded company in a private placement transaction. In a PIPE transaction, the Funds typically bear the price risk from the time of pricing until the time of closing. The Funds will generally not be able to sell or distribute PIPE investments unless the securities are registered under applicable securities laws or an exemption from such registration is available. In addition, even after the securities are saleable, it may take a significant period of time for the Funds to sell or distribute PIPE securities in an orderly manner during which time profit could have otherwise been realized or loss avoided, and in some cases the Funds may be prohibited by contract or law from selling such public company securities for a period of time. In addition, the Funds’ sales of thinly traded securities could depress the market value of such securities. These circumstances or events could reduce the Funds’ profitability. Disposition of the Funds’ public company investments may result in distributions in-kind to Limited Partners.

Minority or Shared Control Investments. The Funds are permitted to invest in companies, including venture, early-stage and growth companies, where the Funds will hold a minority stake for which—in many cases—the Funds have no right to exert control or significant influence, and in some cases may only have limited or no minority protection rights. In such circumstances, the Funds may share control with third parties, such as founders, institutional co-investors, private equity funds of other sponsors, or other stakeholders in widely-owned companies. In such cases, portfolio companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, liquidity needs, tax strategies, fiduciary duties, or other considerations that differ from or are inconsistent with those of the Funds or the Limited Partners. Such third parties may be in a position to take action contrary to the Funds’ business, tax or other interests, and the Funds may not be in a position to limit such contrary actions, take other affirmative action, or otherwise protect the value of their investment. When taking non-control positions, the Funds generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that they will be successful in doing so. Such contractual protections are subject to negotiation, and effecting change through such provisions may be impractical and can lead to litigation or business degradation at a portfolio company.

Often in minority or shared control investments, the Funds will not be able to control the timing or occurrence of an exit strategy for such portfolio companies or investments and may not be able to maximize value for the Funds as a result. It may also be more difficult for the Funds to liquidate their interests than it would be had the Funds owned a controlling interest in the company. Even if a Funds have contractual rights to seek liquidity of the Funds’ minority interests in such companies, it may be very difficult to sell or redeem such interests or seek a sale of such company upon terms acceptable to the Funds, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals. Further, the Funds will be significantly reliant on the existing management and board of directors of such companies, which may include representatives of other investors with whom the Funds are not affiliated and whose interests may conflict with the interests of the Funds.

Additionally, where the Funds hold a minority stake in a company, Patient Square expects to be unable to recover attributable Fund Expenses from such company, including those expenses for services of Patient Square personnel, VCF Personnel, Senior Advisors, and

Patient Square's affiliates. While Patient Square expects to use such services less often than in controlled acquisitions, in minority or co-control investments the Funds are likely to bear a disproportionate share of those costs vis-à-vis other equity holders of those companies.

Strategic Investors; Investments in Joint Ventures. The Funds are permitted to jointly invest in transactions with one or more strategic investors or other co-parties (which may consist of Limited Partners, service providers, other private equity sponsors or other third-parties), including through joint ventures or other entities. Such investments will involve risks not present in direct investments, including, for example, the outcomes of collaborative decision-making varying (adversely) from those which General Partners or Patient Square would have independently reached on behalf of the Funds, and the possibility that such co-party might become bankrupt, or might have interests, objectives, rights or remedies that are different from or may conflict with those of the Funds or may be in a position to take action contrary to the investment objectives of the Funds. In addition, the Funds may in certain circumstances be liable for actions of their third-party co-venturers or partners. Such investments may also involve risks not present in investments in which the Funds invest alone or offers traditional co-investment opportunities that are managed by Patient Square or one of its affiliates. Furthermore, if any such co-party becomes bankrupt or defaults on its funding obligations, it may be difficult for the Funds to make up the shortfall. A Fund may be required to make additional contributions to replace such shortfall, reducing the diversification of the Fund's investments. A Fund may also be liable for the conduct of its co-venture parties. In addition, in negotiating an investment through joint ventures or other similar arrangements, the Funds may have to agree to less favorable terms (e.g., bearing a disproportionate share of expenses) than might be present in direct investments or traditional co-investment arrangements.

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

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) differing and potentially less well-developed or well-tested corporate laws regarding stakeholder rights, creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) exposure to fluctuations in interest rates payable with respect to the instruments in which the Funds invest; (f) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (g) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (h) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements, and less or more government supervision and regulation; (i) certain economic, social and political risks, including potential

exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic, governmental or social instability, including the risk of sovereign defaults, regulatory change and the possibility of expropriation or confiscatory taxation; (j) the possible imposition of non-U.S. taxes on income, gains and gross sales or other proceeds recognized with respect to such securities or instruments; (k) the application of complex U.S. and non-U.S. tax rules to cross-border investments; (l) possible non-U.S. tax return filing requirements for the Funds or Patient Square and Limited Partners; (m) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; and (n) political hostility to investments by foreign or private equity investors.

Certain Industry-Related Risks

Risks of Investing in Health Care Sector. The Funds expect to make investments in the various sectors within the health care industry, which are subject to regulatory controls by international, national, and, in some instances, local governmental authorities. The nature and scope of health care regulations are generally subject to political forces and market considerations. While investments in health care companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial or total loss. Health care reform continues to be a significant factor in the profitability of health care companies, particularly with the focus on coordinated and value-based care initiatives and departures from fee for service driven models. New laws, regulations and judicial decisions, or new interpretations of existing laws, regulations and decisions that relate to health care availability, methods of delivery or payment for products and services, or sales, marketing or pricing, may have a material negative impact on the performance of portfolio companies that operate in this industry. Patient Square cannot predict whether new legislation or regulations governing the health care industry will be enacted by legislative bodies or governmental agencies, or what effect such legislation or regulations might have.

In both the U.S. and foreign markets, sales of health care products and services, and the success of such platforms, frequently depend, in part, on the availability of reimbursement from third-party payors such as governmental health programs, private health insurers (i.e., commercial payors), and other organizations. The levels of revenues and profitability of providers/suppliers of health care products and services may be affected by the continuing efforts of governmental and third-party payors to contain or reduce the costs of health care. Significant uncertainty exists as to the reimbursement status of certain health care products and services. There can be no assurance that a company's proposed products or services will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment.

Further, companies in the health care industry are often subject to significant risks related to litigation and liability for damages in connection with their operations, or products and services offered. The litigation and liability environment in the health care industry is constantly evolving, and new judicial decisions and legislative activity may increase exposure to any of these types of claims. Even if liability insurance is maintained by a portfolio company, it may not be adequate to cover potential liabilities, including as a result of warranty and product liability claims.

Health care companies may face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel.

The manufacturing of health care products is a highly complex process, to which regulators apply stringent standards. From time to time, issues can arise in manufacturing that may result in a delay or suspension of a product, or even a recall of a product. An error may arise in the production process that results in the contamination of a product or batch, or more simply, a product batch being produced outside of approved specifications as a result of production variability. Corrective actions to such events can impact profitability and sometimes remove products from the market.

Health care companies whether focused on or possessing health care technological components often face specific risk which the Funds may be exposed to by investing in such companies. Such risks typically include: (i) rapidly changing science and technologies; (ii) new competing products and improvements in existing products which may quickly render existing products or technologies obsolete; (iii) scarcity of management, technical, scientific, research and marketing personnel with appropriate training; (iv) the possibility of lawsuits related to patents and other intellectual property and their associated rights; and (v) rapidly changing investor sentiments and preferences with regard to technology sector investments.

Adverse Trends in Health Care Provider Operations. The health care industry is currently experiencing the following trends: changes in the demand for and methods of delivering health care items and services; changes in third-party reimbursement policies; significant unused capacity in certain areas, which has created substantial competition for patients among health care providers in those areas; increased expense for uninsured patients; increased competition among health care providers; increased insurance expenses; increased health care provider liability expenses; continued pressure by private and governmental payors to reduce payments to providers of services; increased scrutiny of billing, referral and other practices by federal and state authorities; increased scrutiny of surprise billing and related issues associated with transparency; changes in federal and state health care program payment models; increased risk of exposure to certain communicable diseases for health care providers, clinical staff and frontline workers; challenges in ability to recruit and retain health care providers, clinical staff and frontline workers, due to heightened risk of exposure to certain communicable diseases; increased emphasis on compliance with privacy and security requirements related to protected health information; and supply chain interruptions due to certain communicable diseases and related uncertainty with respect to national stockpiles of medical necessities and access to such supplies, including shortages, delays and significant price increases of equipment, supplies and personal protective equipment or property, plant and equipment.

Further, certain target portfolio companies may be experiencing increased costs and expenses, as a result of (i) conducting daily “fitness-for-duty” assessments for all employees, including temperature and symptoms checks and providing personal protective equipment; (ii) the expansion of benefits to the employees, including the provision of additional paid time off for employees who have contracted certain communicable diseases or are required to be quarantined; and (iii) implementing increased health and safety protocols at all the facilities, including increased cleaning/sanitization of workspaces, restricting visitor access, mandating

social distancing guidelines and increasing the availability of sanitization products. These trends may, individually and/or collectively, have an adverse impact on the operations of health care providers in which a Fund holds an investment.

Special Risks Associated with Health Care Technology Investments. Investing in securities and other instruments of companies that offer health-related technology or technology-enabled products or services involves substantial risks. These risks include, but are not limited to, the following: certain companies in the Funds' portfolio may have limited operating histories; certain of these companies may produce products or render services that rapidly become obsolete as a result of the emergence of new competing products or services and/or improvements in existing products or services; rapidly changing market conditions and/or participants; cyclical patterns in information technology spending which may result in inventory write-offs, cancellation of orders and operating losses; scarcity of management, engineering and marketing personnel with appropriate technological training; the possibility of lawsuits related to technological patents; changing investors' sentiments and preferences with regard to technology sector investments (which are generally perceived as risky) with their resultant effect on the price of underlying securities; worldwide competition; consumer preferences; product compatibility; government regulation; excessive investor optimism or pessimism; and other factors. Many of the products and services offered by technology-related companies are also subject to the risk of short product cycles. Certain technology-related companies face special risks that their products or services may not prove to be commercially successful. Such companies also may be subject to risks relating to research and development costs and the availability and price of components. As product cycles shorten and manufacturing capacity increases, these companies could become increasingly subject to aggressive pricing and competition, which hampers profitability. In addition, technology assets and intellectual property, and in investments in or financing thereof, are usually governed by a complex series of legal documents and contracts. As a result, the risk of dispute over interpretation or enforceability of the documentation may be higher than for other investments. In addition, technology-related companies often own large numbers of patents, copyrights, trademarks, and trade secrets and frequently enter into litigation based on allegations of infringement or other violations of intellectual property rights. Lawsuits involving disputes over intellectual property or related claims, regardless of the merits of the claims, are often time-consuming, costly to defend and can result in significant damage awards or expensive settlements. Such lawsuits can cause significant diversion of management attention and, if successful, can limit the ability of such companies to develop or market the technologies that form the core of their business.

Health Care Research and Innovation. The health care industry spends heavily on research and development. Research findings (e.g., regarding side effects or comparative benefits of one or more particular treatments, services or products) and technological innovation (together with patent expirations) may make any particular treatment, service or product less attractive if previously unknown or underappreciated risks are revealed, or if a more effective, less costly or less risky solution is or becomes available. Any such development could have a material adverse effect on the companies in which the Funds invest.

Certain portfolio companies may also conduct clinical trials in the course of their research and development. Clinical trials can be time-consuming, expensive and involve a high degree of uncertainty. The success of the Funds may, in part, depend on the success of such clinical trials.

Technological Change; Competition. The Funds' portfolio companies are likely to face competition from other companies or products based on product efficacy and/or safety profiles, the timing and scope of regulatory approvals, availability of supply, marketing and sales capability, reimbursement coverage, price and patent position. Others may develop technologies, which are, or in the future may be, the basis for products that will directly compete with or reduce the commercial market opportunity for the Funds' portfolio companies. For example, competition from larger and better capitalized pharmaceutical companies and more established biotechnology companies may be intense and may increase over time. Smaller companies may also prove to be significant competitors, particularly through collaborative arrangements with larger pharmaceutical and established biotechnology companies. Academic institutions, governmental agencies and other public and private research organizations also conduct research, seek patent protection and establish collaborative arrangements for clinical development and marketing, which can result in such competing products. These factors may materially adversely affect interests held by the Funds.

Regulated Industries. Certain industry segments in which the Funds intend to invest, including various sectors of the health care industry are (or may increasingly become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Compliance with these regulations can be costly. While the Funds intend to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to the health care sector are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which the Funds invests. By way of example, the health care industry has been, and will likely continue to be, significantly impacted by recent legislative changes, and various U.S. federal, state or local or non-U.S. legislative proposals related to such industries are introduced from time to time, which, if adopted, could have a significant impact on such industries in general and/or on companies in which the Funds may invest. Even where health care companies develop and implement comprehensive compliance programs, there is no guarantee that they, their employees, consultants or contractors will be afforded protection from economic exposure to such laws and regulations.

There are various federal and state laws prohibiting fraudulent and abusive business practices by health care providers, suppliers, and parties that contract with such providers and suppliers who participate in, receive payments from or are in a position to make or influence referrals in connection with government-sponsored health care programs, including the Medicare and Medicaid programs. These federal laws include: the Federal Anti-Kickback Statute, which prohibits, among other things, the offering, payment, solicitation or receipt of any form of remuneration in return for, or to induce, the referral of any item or service reimbursed by state or federal health care programs; the Federal Physician Self-Referral Prohibition (so called "Stark Law"), which, subject to specific exceptions, restricts physicians from making referrals for specifically designated health services for which payment may be made under federal health care programs to an entity with which the physician, or an immediate family member, has a financial relationship; the False Claims Act, which prohibits any person from knowingly presenting false or fraudulent claims for payment to the federal government, including claims paid by the Medicare and Medicaid programs; the Civil

Monetary Penalties Law, which authorizes the U.S. Department of Health and Human Services (“DHHS”) to impose monetary penalties or exclusion from participating in state or federal health care programs for certain fraudulent acts; the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”), which makes it a federal crime to defraud any health benefit plan, including private payors; and the Exclusions Law, which authorizes the DHHS to exclude someone from participating in state or federal health care programs for certain fraudulent acts.

Changes in applicable laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance costs or the need for additional capital expenditures. For example, in November 2020, DHHS published two final rules that aim to reduce regulatory barriers to care coordination and accelerate the transformation of the health care system into one that pays for value and promotes the delivery of coordinated care. The rules provide greater flexibility for health care providers to participate in value-based arrangements and to provide coordinated care for patients. The final rules also ease unnecessary compliance burdens for health care providers and other stakeholders across the industry, while maintaining strong safeguards to protect patients and programs from fraud and abuse.

Furthermore, governments have considerable discretion in implementing regulations that could impact a portfolio company’s business, and as local governments may be influenced by political considerations, they may make decisions that adversely affect a portfolio company’s business. 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 a portfolio company’s lessee or for other reasons. If a portfolio company fails to comply with these requirements, it could also be subject to civil or criminal liability and the imposition of fines. In addition, a Fund may require the consent or approval of applicable regulatory authorities in order to acquire or hold particular portfolio companies. If a Fund or any of its portfolio companies is unable to obtain required consent or approval, such Fund or such portfolio company may be unable to enter into transactions or to structure transactions in ways that are optimal for the Fund.

A Fund intends to invest in portfolio companies it believes have obtained all necessary regulatory approvals. There can be no assurance that a portfolio company will be able to (a) obtain all required regulatory approvals that it does not yet have or that it may require in the future, (b) obtain any necessary modifications to existing regulatory approvals or (c) maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay in satisfying or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of a facility or leases to third parties or could result in additional costs to a portfolio company.

The success of the Funds’ portfolio companies may be dependent upon obtaining certain government approvals. The research, development, preclinical and clinical trials, manufacturing, labeling, and marketing related to a health care industry company’s products are subject to an extensive regulatory approval process by U.S. Food and Drug Administration (“FDA”) and other regulatory agencies in the United States and abroad. The process for obtaining FDA and other required regulatory approvals, including the required preclinical and clinical testing is very lengthy, costly and uncertain. There can be no

guarantee that, even after such time and expenditures, a portfolio company will be able to obtain the necessary regulatory approvals for clinical testing or for the manufacturing or marketing of any products or that the approved labeling will be sufficient for favorable marketing and promotional activities. If a portfolio company is unable to obtain these approvals in a timely fashion, or if after approval for marketing, a product is later shown to be ineffective or to have unacceptable side effects not discovered during testing, the portfolio company may experience significant adverse effects, which in turn, could negatively affect the performance of the Funds. Moreover, even after approval, products may still be the subject of regulatory action if new facts concerning their safety and efficacy come to light. Health care regulation is subject to change and can have a considerable impact on the marketing of products and services by companies in which the Funds invest or the customers or counterparties of such companies. Such regulatory changes could affect the ability of a portfolio company or one of its significant customers' or counterparties' ability to obtain or maintain approval of its products, even forcing such companies to withdraw their products from the market. In some cases, new regulations can substantially change the marketing conditions for certain health care products, such as pharmaceuticals. Accordingly, investments made in reliance on an existing market structure may not be cost effective or may be devoid of value and existing market positions could be endangered.

Certain Structural & Macroeconomic Risks:

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics, presidential, congressional and other elections 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 are likely to 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 the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This would likely slow the rate of future investments by the Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn would likely have an adverse effect upon the Funds' portfolio companies.

Market Conditions. The capital markets have experienced great volatility and financial turmoil in recent times. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally have the potential to reduce the availability of attractive investment opportunities for the

Funds and affect the Funds' ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) also increases the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the portfolio companies. The Funds' performance can be affected by deterioration in the capital markets and by market events, such as the onset of a credit crisis, the downgrading of the credit rating of the U.S. or pandemics, which, among other things, can impact the public market comparable earnings multiples used to value privately-held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates may adversely affect the value of investments in portfolio companies and the Funds' performance. Volatility and illiquidity in the financial sector could have an adverse effect on the ability of the Funds to sell and/or partially dispose of their portfolio company investments. Related adverse effects could include the requirement of the Funds to pay break-up, termination or other fees and expenses in the event the Funds are not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Funds to dispose of investments at prices that Patient Square believes reflect the fair value of such investments. The impact of market and other economic events may also affect the Funds' ability to raise funding to support their investment objectives.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments.

The recent deterioration of the global credit markets has made it more difficult for investment funds such as the Funds to obtain favorable financing for investments. The Funds' ability to generate attractive investment returns may be adversely affected to the extent the Funds are unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of the Funds to realize their investments at favorable times or for favorable prices.

Public Health Emergencies. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases, have and may in the future result in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to the Funds.

In an effort to contain public health emergencies, national, regional and local governments, as well as private businesses and other organizations, may implement severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home," "shelter in place" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. This can result in significantly diminished global economic production and activity of all kinds and has contributed to both volatility and a severe decline in all financial markets. Among other things, these developments may result in material reductions in demand across most categories of consumers and businesses, dislocation (or in some cases a complete halt) in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, steep increases in unemployment levels in the United States and several other countries, and strain and uncertainty for businesses and households, with a

particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

Furthermore, uncertainty can result in or coincide with, among other things: increased volatility in the financial markets for securities, derivatives, loans, credit and currency; a decrease in the reliability of market prices and difficulty in valuing assets (including any portfolio company assets); greater fluctuations in spreads on debt investments and currency exchange rates; increased risk of default (by both government and private obligors and issuers); further social, economic, and political instability; nationalization of private enterprise; greater governmental involvement in the economy or in social factors that impact the economy; changes to governmental regulation and supervision of the loan, securities, derivatives and currency markets and market participants and decreased or revised monitoring of such markets by governments or self-regulatory organizations and reduced enforcement of regulations; limitations on the activities of investors in such markets; controls or restrictions on foreign investment, capital controls and limitations on repatriation of invested capital; the significant loss of liquidity and the inability to purchase, sell and otherwise fund investments or settle transactions (including, but not limited to, a market freeze); unavailability of currency hedging techniques; substantial, and in some periods extremely high, rates of inflation, which can last many years and have substantial negative effects on credit and securities markets as well as the economy as a whole; recessions; and difficulties in obtaining and/or enforcing legal judgments.

The ultimate impact of such health emergencies — and the resulting potential decline in economic and commercial activity across economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including global or regional economic downturns (including a recession) of indeterminate duration and severity, are possible. The extent of such a health emergency's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if economies are able to fully “re-open,” it is difficult to assess what the longer-term impacts of an extended period of economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

Certain Legal, Regulatory & Tax Risks:

Legal, Regulatory & Tax Risks, Generally. Legal, regulatory and tax changes could occur during the term of the Funds that may adversely affect the Funds, their portfolio companies or the Limited Partners. From time to time the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. The Funds may invest in portfolio companies that operate in a highly regulated environment and are subject to extensive legal and regulatory restrictions and limitations and to supervision, examination and enforcement by regulatory authorities. New and existing regulations and burdens of regulatory compliance

may directly impact the business and results of the operations of, or otherwise have a material adverse effect on, portfolio companies that are subject to regulation. Failure to comply with any of these laws, rules and regulations, some of which are subject to interpretation and may be subject to change, could result in a variety of adverse consequences, including civil penalties and fines, which may have material adverse effects. Furthermore, disruptions in government, such as those resulting from shutdowns of the U.S. federal government, have resulted in, and may in the future result in, delays or the inability of Patient Square, General Partners, the Funds and/or their affiliates to obtain regulatory and other approvals in a timely manner.

Enhanced Scrutiny and Regulation of the Private Equity and Financial Services Industries.

The Funds' ability to successfully implement their investment strategies, as well as the ability of the Firm to conduct its operations, is based on laws and regulations that are subject to change through legislative, judicial or administrative action and could be adversely affected by future legislative, judicial or administrative action.

There has been significant discussion in recent times regarding enhanced governmental scrutiny and increased regulation of the private investment fund and financial services industries. In the aftermath of the global financial crisis in 2008, there have been unprecedented legislative and regulatory actions taken by numerous governments and their agencies. This enhanced oversight and regulation, and the potential for significant additional rule-making by various governmental bodies, has created uncertainty in the financial markets, including the private fund industry. Many of the regulators to which the Funds, General Partners, Patient Square or their respective affiliates are expected to be subject globally, including governmental agencies and self-regulatory organizations, are empowered to conduct investigations and administrative proceedings that can result in fines, suspensions of personnel or other sanctions, including censure, the issuance of cease-and-desist orders or the suspension or expulsion of applicable licenses or members. Even if an investigation or proceeding does not result in a sanction or the sanction(s) imposed against the Funds, General Partners, Patient Square or their respective affiliates were small in monetary amount, the adverse publicity relating to the investigation, proceeding or imposition of these sanctions could harm the reputations of the Funds, General Partners, Patient Square or their respective affiliate, which may adversely affect the Funds' investment performance by hindering their ability to obtain favorable financing or consummate a potentially profitable investment.

In the United States, the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act (the "Dodd-Frank Act"), which was enacted in 2010, significantly revised and expanded the rulemaking, supervisory and enforcement authority of U.S. federal bank, securities and commodities regulators. A key feature of the Dodd-Frank Act is the extension of prudential regulation by the Board of Governors of the Federal Reserve System to financial institutions that are not currently subject to such regulation but that potentially pose risk to the financial system. The Dodd-Frank Act also imposes a number of restrictions on the relationship and activities of banking organizations with private equity and hedge funds and other provisions that will affect the alternative asset management industry, either directly or indirectly. The Dodd-Frank Act, as well as future related legislation, may have an adverse effect on the alternative asset management industry generally and on Patient Square, the General Partners and/or the Funds, specifically by impeding the Funds' ability to effectively implement and capitalize on their investment strategies.

The regulatory environment for private investment funds is evolving, and changes in the regulation of private investment funds and their activities may adversely affect the value of investments held by the Funds and the ability of the Funds to effectively deploy their investment strategies and manage and operate portfolio companies in a manner that maximizes Limited Partner returns. Increased scrutiny and potential legislation applicable to private investment funds and their sponsors may also impose significant administrative burdens on Patient Square and may divert time and attention from portfolio management activities. In addition to, and in particular in light of, the changing global regulatory climate, Patient Square, the General Partners and/or the Funds may be required to register under certain foreign laws and regulations, and need to engage distributors or other agents in certain non-U.S. jurisdictions in order to market the Interests to potential investors. The effect of any future regulatory change(s) on the Funds could be substantial and adverse.

Any further increases in the regulations applicable to private investment funds generally or the Funds, the General Partners and/or Patient Square in particular may result in increased expenses associated with the Funds; activities and additional resources of Patient Square being devoted to such regulatory reporting and compliance-related obligations, which may reduce overall returns for investors in the Funds or have an adverse effect on the ability of the Funds to effectively achieve their investment objectives.

There can also be no assurance that any of the foregoing will not have an adverse impact on Patient Square or otherwise impede the Funds' ability to effectively implement their investment strategies.

Legislative and Political Changes. The current administration has indicated that it intends to seek to enact changes to numerous areas of law and regulations currently in effect. Any such changes could significantly impact the Funds or their investments. Specific legislative and regulatory proposals might materially impact the Funds including, changes to trade agreements, immigration policy, import and export regulations, tariffs and customs duties, income tax regulations and the federal tax code (including added scrutiny of Management Fees, taxation of carried interest and use of management fee and carried interest waivers), public company reporting requirements and antitrust enforcement.

Changes in federal policy, including tax policies, and at regulatory agencies occur over time through policy and personnel changes following elections, which lead to changes involving the level of oversight and focus on the financial services industry or the tax rates paid by corporate entities. The nature, timing and economic effects of potential changes to the current legal and regulatory framework affecting financial institutions under the current administration remain highly uncertain. Future changes may adversely affect the Funds' operating environment and therefore the Funds' businesses, operating costs, financial conditions and results of operations, together with the incentives faced by Patient Square.

Environmental, Health and Safety ("EHS") Matters. Certain portfolio companies may be subject to federal, state, local and foreign laws, regulations, rules and ordinances relating to pollution, protection of the environment, worker health and safety and the generation, storage, handling, transportation, treatment, disposal and remediation of hazardous substances and wastes (including medical, infectious, and pharmaceutical wastes). Portfolio companies could incur significant expenditures in order to comply with existing or future EHS laws, and actual or alleged violations of EHS laws or permit requirements could result in

restrictions or prohibitions on company operations or civil or criminal sanctions. Additionally, the risk of accidental contamination or personal injury or property damage relating to hazardous substances and wastes cannot be eliminated, which could result in litigation or claims against a company and, under some environmental laws, the assessment of strict liability and/or joint and several liability for investigating and cleaning up contamination on or from its properties or at off-site locations where it disposed or arranged for the disposal or treatment of hazardous substances or wastes. Moreover, changes in EHS regulations could inhibit or interrupt the operations of portfolio companies, or require portfolio companies to modify their facilities or operations. Accordingly, EHS matters may cause portfolio companies to incur significant unanticipated losses, costs or liabilities, which could reduce their profitability.

Political Risk; Current and Future Health Care Reforms. Political events, such as elections on federal, state, and local levels, can have an impact on health care companies throughout the health care sector (e.g., provider platforms, medical device manufacturers and suppliers, pharmaceutical, biotechnology companies, etc.). There can be no guarantee that the government's role in the health care industry will not adversely impact the performance of the Funds. There continues to be significant interest among policy makers and governmental and private payors in the United States as well as foreign jurisdictions in promoting changes in the health care industry to contain health care costs, increase access to care for those in need, navigate transparency issues such as surprised billing and improve the overall quality of care and wellness, which is frequently referred to as increased coordinated and value based care. In connection with efforts to increase access to care, on March 23, 2010, President Obama, signed into law the Patient Protection and Affordable Care Act, which Congress modified pursuant to the Health Care and Education Reconciliation Act of 2010 (collectively, the "PPACA"). The PPACA expanded insurance coverage to more individuals, which could have a negative impact on various sectors within the health care industry. While the Funds cannot predict which future regulations will be adopted, or eliminated, or what affect adopted regulations, including the future and substance of the PPACA may have on the health care companies in which the Funds invest, the pendency, repeal, approval or implementation of such regulations and laws could decrease the Funds' anticipated returns or adversely affect its investment opportunities.

Cybersecurity Breaches; Identity Theft; Protected Health Information. The information and technology systems of Patient Square, General Partners, the Funds and their portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If these systems are compromised, become inoperable for extended periods of time or cease to function properly, Patient Square, General Partners, a Fund and/or a portfolio company likely will have to make a significant investment to fix or replace them. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the operations of Patient Square, General Partners, a Fund and/or a portfolio company and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to the Funds' investors (and the beneficial owners of such investors). Such a failure could harm the reputations of Patient Square, General Partners, a Fund and/or a portfolio company, subject any such entity and their respective affiliates to legal claims and otherwise affect their business and financial performance. Cyber-attacks

might potentially be carried out by persons using techniques that could range from efforts to circumvent network security electronically or overwhelm websites to intelligence gathering and social engineering functions aimed at obtaining information necessary to gain access. Such a failure or breach could also harm investors (e.g., in the event identity theft or otherwise obtaining access to investor accounts). Cyber-attacks often also take the form of socially-engineered frauds, such as “phishing.” Third parties often also attempt to fraudulently induce employees, customers, third-party service providers or other users of Patient Square’s systems to disclose sensitive information in order to gain access to Patient Square’s data or that of the Funds’ investors or portfolio companies. Companies have also been subject to “ransomware” attacks.

To the extent that any of Patient Square, General Partners, a Fund, a portfolio company or their respective service providers is subject to cyber-attack or other unauthorized access is gained to such entity’s information technology system, Patient Square, General Partners, such Fund and/or 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; (v) cash; or (vi) other items. Similarly, such a security breach could disrupt or halt such entities’ operations for an indefinite period of time. In certain events, the failure or deemed failure of Patient Square, General Partners, a Fund and/or a portfolio company to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. Such cybersecurity and disaster recovery incidents could also result in reputational harm to Patient Square, General Partners, a Fund and/or any affected portfolio company. Any of such circumstances could subject Patient Square, General Partners, a Fund or its portfolio companies to substantial losses. The foregoing risks are equally applicable to service providers of Patient Square, General Partners, a Fund and its portfolio companies.

Furthermore, certain portfolio companies in the health care industry may be subject to more stringent penalties in the event protected health information is improperly used, accessed, stored or disclosed due to laws such as the HIPAA. Portfolio companies may need to expend additional capital, software development and other resources to modify products and services to address these evolving data security and privacy issues. Any failure to maintain confidentiality of sensitive protected health information in accordance with the applicable regulatory requirements could damage a portfolio company’s business, reputation and expose it to claims, fines and penalties.

Conflicts of Interest

Patient Square and its affiliates engage in a broad range of advisory and non-advisory activities, including, investment activities for the Funds and other Clients and for special purpose acquisition companies (“SPACs”) sponsored by the Firm (collectively with the Clients, “Patient Square Accounts”) and for their own accounts and providing transaction-related, management, legal, and other services to the Patient Square Accounts and portfolio companies. There can be no assurance that Patient Square will resolve all conflicts in a manner that is most favorable to any Patient Square Account. The following is a summary of conflicts of interests related to an investment in a Fund, and each prospective Investor should carefully review the full discussion of conflicts of interests in the applicable Governing Documents.

Time and Resources

Patient Square will devote such time, personnel, and internal resources as are necessary to conduct the business affairs of the Patient Square Accounts in an appropriate manner as required by the applicable Governing Documents, although the Patient Square Accounts and their respective investments will place varying levels of demand on these over time. In the ordinary course of Patient Square conducting its activities, the interests of any Patient Square Account likely will conflict with the interests of Patient Square, its personnel, one or more other Patient Square Accounts, portfolio companies, or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general matter, Patient Square will determine all matters relating to structuring transactions and the Patient Square Accounts and other operations using its reasonable judgment and considering all factors it deems relevant in its sole discretion, subject in certain cases to the required approvals by the advisory board of the relevant Patient Square Account (as applicable).

Investment Allocation

From time to time, Patient Square will be presented with investment opportunities that would be suitable for a Patient Square Account, but also for other Patient Square Accounts. In determining which Patient Square Account should participate in such investment opportunities, Patient Square and its affiliates are subject to conflicts of interest among the Investors in such investment vehicles. Except as required by the relevant Governing Documents and Patient Square's Investment Allocation Policy, which may be amended from time to time, Patient Square is not obligated to recommend any investment to any particular Patient Square Account. Investments by more than one Patient Square Account in a portfolio company also have the potential to raise the risk of using assets of certain Patient Square Accounts to support positions taken by other Patient Square Accounts.

Patient Square must first determine which Patient Square Account will, or are required to, participate in the relevant investment opportunity. Patient Square generally assesses whether an investment opportunity is appropriate for a particular Patient Square Account based on the relevant Governing Documents, as well as factors including, but not limited to, the following considerations: (i) the investment professionals that sourced the relevant investment opportunity; (ii) the investment focus and objective of each relevant Patient Square Account; (iii) the expected amount of capital required to make the investment as well as each relevant Patient Square Account's current and projected capacity for investing (including for any potential follow-on investments); (iv) the relevant Patient Square Account's targeted rate of return and investment holding period; (v) the stage of development of the prospective investment; (vi) the existing portfolio of investments of the relevant Patient Square Account; (vii) the investment opportunity's risk profile; (viii) the expected life cycle of the relevant Patient Square Account; (ix) any investment targets or restrictions (e.g., industry, jurisdiction, size, etc.) of the relevant Patient Square Account; (x) the ability of the relevant Patient Square Account to accommodate structural, timing, and other aspects of the investment process; and (xi) legal, tax, contractual, regulatory, fiduciary, or other considerations. Each Patient Square Account generally reserves the right to invest together with Patient Square Accounts advised by Patient Square or an affiliate in the manner set forth in the Governing Documents and Patient Square's Allocation Policy. Patient Square will determine the allocation of investment opportunities among its Clients in a manner that it

believes is fair and equitable to its Clients under the circumstances over time consistent with Patient Square's obligations and reserves the right to take into consideration factors such as those set forth above.

Patient Square's allocation of investment opportunities in the manner discussed above often will not result in proportional allocations among all Patient Square Accounts. Different economic arrangements among Patient Square Accounts will also create an incentive for Patient Square or its personnel to allocate certain co-investment opportunities (for example, those that are expected to generate higher carried interest) to the Patient Square Accounts with greater economic potential for Patient Square or such personnel (e.g. those with higher Management Fees and/or performance-based fees). While Patient Square allocates 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 discussed above, there can be no assurance that the actual allocation of an investment opportunity or the terms on which that allocation is made will be as favorable as it would have been if the conflicts of interest to which Patient Square is subject, discussed herein, did not exist.

Co-Investments

In connection with determining the allocation of co-investment opportunities, Patient Square will, in its sole discretion, provide or commit to provide co-investment opportunities to one or more Limited Partners and/or other persons, in accordance with the relevant Governing Documents, Side Letters and Patient Square's Allocation Policy, which may be amended from time to time. Patient Square's procedures permit it to take into consideration, in its discretion, a variety of factors in making such determinations, including but not limited to: (i) whether the prospective co-investor has expressed an interest in evaluating co-investment opportunities, including the perceived degree of that interest; (ii) the expertise, knowledge and sophistication of the prospective co-investor with respect to the issuer, segment, industry, geographic region or other characteristics that are relevant to the investment; (iii) the prospective co-investor's perceived ability to approve the investment pursuant to any applicable internal approval processes (including the predictability of the prospective co-investor's investment process), and to otherwise successfully and efficiently execute the transaction, in a timely manner with respect to the timeframe in which Patient Square believes favorable transaction terms may be achieved based on their history of consummating co-investment opportunities; (iv) any tax, regulatory, securities laws and/or other legal considerations with respect to the prospective co-investor (e.g., qualified purchaser or qualified institutional buyer status); (v) confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; (vi) Patient Square'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 Patient Square's ability to execute the relevant transaction in the desired time or on desired terms; (vii) the size of the investment allocation available to Patient Square (and not being allocated to the Patient Square Accounts) and the practicality of splitting the allocation into smaller tranches; (viii) the ability of the prospective co-investor to invest an amount of capital that is consistent with the needs of the investment, taking into account the amount of capital reasonably expected to be needed (including for potential add-on acquisitions and other potential additional investments) and the maximum number of investors that can realistically participate in the

transaction; (ix) any requirements of any third-party lenders as to the identity of any investors participating as co-investors, as to the creditworthiness of any co-investors, as to the number of co-investors, or as to other matters with respect to the Investors in the transaction; (x) whether the prospective co-investor is considered “strategic” to the investment because it is able to offer a Patient Square Account or Patient Square or its affiliate certain services or benefits, including, but not limited to, the ability to help consummate the investment, the ability to aid in operating or monitoring the investment, or whether Patient Square believes that allocating investment opportunities to an Investor or person will help establish, recognize, strengthen and/or cultivate relationships (including formal or informal strategic relationships) that have the potential to provide longer-term benefits to any of the relevant portfolio companies, Patient Square or its affiliates; (xi) whether the prospective co-investor has a history of consummating co-investment opportunities with Patient Square or its affiliates; (xii) whether the prospective co-investor has the financial and operational resources and other relevant wherewithal to evaluate and participate in a co-investment opportunity; (xiii) the likelihood that the prospective co-investor would require governance rights (including, but not limited to, board or observer rights, access to the management team of the underlying portfolio company, or material informational rights) that would complicate or jeopardize the transaction (or, alternatively, where the Investor would be willing to defer to Patient Square and assume a more passive role in governing the investment); (xiv) whether the prospective co-investor has any interests in any competitor of the underlying investment; (xv) the expected investment holding period; (xvi) the services provided by the prospective co-investor to the issuer of the investment (or otherwise provided by the prospective co-investor with respect to the investment); (xvii) the size and/or timing of the prospective co-investor’s interest to be held in the underlying portfolio company as a result of a Patient Square Account’s investment (which is likely to be based on the size of the prospective co-investor’s capital commitment and/or investment in such Patient Square Account); (xviii) the size of the prospective co-investor’s commitment to a Fund; (xix) whether the prospective co-investor has any known investment policies and restrictions, guideline limitations or investment objectives that are relevant to the transaction, including the need for early or recurring distributions; (xx) the extent to which the prospective co-investor has previously been provided a greater amount of co-investment opportunities relative to other prospective co-investors; and (xxi) the likelihood that the prospective co-investor may invest in a future fund sponsored by Patient Square or its affiliates and other factors that Patient Square considers important in connection with the specific transaction or investment.

Furthermore, Patient Square or its related persons and its affiliates 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 Investors, and the consideration of the factors set forth above likely will result in certain Investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of Patient Square and its affiliates make capital investments in or alongside certain Funds, Patient Square and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Patient Square Account’s return from a transaction would be equal to and not less than another Patient Square Account participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Secondary Transactions

In certain cases, Patient Square will have the opportunity (but, subject to any applicable restrictions or procedures in the Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Patient Square Account. In such cases, Patient Square will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors similar to those employed in selecting co-investors, and unless required by the Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Patient Square Account interests should be offered to one or more existing Patient Square Account Investors.

Capital Structure Conflicts

Where multiple Patient Square Accounts invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. Conflicts also may arise for Patient Square as between multiple Patient Square Accounts (including the Funds) in connection with the negotiation of the price of the debt securities or other instruments, the characterization of such debt securities or other instruments, the terms of inter-creditor agreements, the interest rate or stated dividend yield of such debt securities or other instruments, the nature of the covenants running in favor of lenders and the other terms and conditions of the investment or in addressing subsequent amendments or waivers. Other conflicts may arise in cases where one Patient Square Account desires optimal flexibility to grow its portfolio company, while another Patient Square Account, as a holder of debt interests and/or other securities in the same company, would be benefitted by placing tighter restrictions on the type and the amounts of such company's permitted investments and acquisitions. In troubled situations, certain decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly with respect to Patient Square Accounts that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Patient Square Accounts could or could not provide such additional capital, and if provided, each Patient Square Account generally will supply such additional capital in such amounts, if any, as determined by Patient Square in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, Patient Square expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of a Patient Square Account versus other Patient Square Accounts (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). The action taken by one Patient Square Account may be adverse to other Patient Square Accounts, particularly in the case of financial distress of a portfolio company. Further, Patient Square is expected to sponsor one or more funds that focus on credit-focused strategies and/or provides private debt to a variety of borrowers, including portfolio companies in which a Fund have invested or will invest equity.

If a Patient Square Account enters into any indebtedness with another Patient Square Account on a joint and several basis, the applicable General Partner(s) are expected to enter into one or more agreements that provide each Patient Square Account with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, Patient Square expects to be subject to potential conflicts of interest, for example between a Patient Square Account with a reimbursement obligation and other Patient Square Accounts seeking reimbursement. In certain circumstances, Patient Square is expected to be prohibited from exercising (or Patient Square may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Patient Square Account or the other may be subject to creditor claims regarding subordination of interests. Patient Square intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Patient Square to bear its proportionate share of the applicable indebtedness.

Common Investments

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

Allocation of Expenses

Subject to any relevant restrictions or other limitations contained in the Governing Documents and Patient Square's Expense Allocation Policy, which may be amended from time to time, Patient Square will allocate fees and expenses in a manner that it believes is fair and equitable to its Clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, Patient Square expects to be faced with a variety of potential conflicts of interest. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based

on number of Patient Square Accounts receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has a greater benefit to the Funds, Patient Square and/or its affiliates.

As a general matter, Patient Square Account expenses typically will be allocated among all relevant Patient Square Accounts eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by Patient Square or its affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion.

Portfolio Company Appointments

As a result of the Funds' controlling interests in portfolio companies, Patient Square and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Patient Square personnel, VCF Personnel, Senior Advisors or persons acting at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Patient Square, its affiliates, Senior Advisors or VCF Personnel. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by the relevant Fund(s) and/or other Client(s) to Patient Square.

Additionally, a portfolio company typically will reimburse Patient Square or service providers retained at Patient Square's discretion for expenses (including without limitation travel expenses) incurred by Patient Square or such service providers in connection with their performance of services for such portfolio company. This subjects Patient Square and its affiliates to conflicts of interest because the Clients generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Patient Square determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices.

Secondees

In certain circumstances, current or former Patient Square personnel are expected to serve in interim or part-time roles at portfolio companies, or may provide services to portfolio companies as secondees or in similar capacities, while maintaining certain benefits, support services and/or indicia of employment at Patient Square. Under such arrangements, Patient Square and/or the relevant portfolio company will pay all or a portion of the compensation in respect of such employees, or could supervise or oversee such employees. Any such arrangements create conflicts of interest, in that amounts paid by a portfolio company in connection with seconded relationships or to former employees generally will not offset or reduce cost to Clients, including the Management Fee. As seconded arrangements are often initiated to meet temporary portfolio company needs, they are expected to change over time, and in many cases will be ended by Patient Square when the portfolio company is sold, at which point the secondees may or may not return to Patient Square.

Portfolio Company Service Providers

Patient Square generally exercises its discretion to recommend to a Client 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) Patient Square or a related person of Patient Square (which may include a portfolio company of Patient Square Accounts); (ii) an entity with which Patient Square or its affiliates or current or former members of their personnel has a relationship or from which Patient Square or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers; (iii) relationships where Patient Square personnel are seconded, or from which Patient Square receives secondees; (iv) a Senior Advisor or VCF Personnel and (v) certain Limited Partners or their affiliates. For example, Patient Square expects to be presented with opportunities to receive financing and/or other services in connection with the Funds' investments from certain Limited Partners or their affiliates that are engaged in lending or related business. This discretion subjects Patient Square to conflicts of interest, because although Patient Square selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the Funds and/or other Patient Square Accounts, Patient Square has a potential incentive to recommend its own services or those of an affiliate because of its own financial or other business interest. There is a possibility that Patient Square, 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 Funds, relevant Patient Square Accounts or Patient Square, would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Patient Square will not necessarily seek out the lowest cost options when incurring (or causing a Patient Square Account or its portfolio companies to incur) such expenses. Although Patient Square generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Patient Square 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.

Value Creation Functions and Senior Advisors

The cost of services provided by VCF Personnel ("VCF Services") together with overhead, employee benefits, insurance, paid time off, airfare, lodging, meals, entertainment, gifts and certain other out-of-pocket expenses incurred in connection with the VCF Services (collectively, "VCF Fees and Expenses") and compensation to Senior Advisors are expected to be paid and/or reimbursed by portfolio companies or prospective portfolio companies or directly by the Funds, which payments are not included as Transaction Fees and do not offset or otherwise reduce the Management Fee. The type, amount and allocation of VCF Fees and Expenses may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Value Creation Functions or its members, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Although Patient Square seeks to utilize VCF Services and Senior Advisors with a view of 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, including the

conflicts of interest discussed herein. In addition, the Firm generally intends to retain only such VCF Personnel that it believes provide a level of service at a value generally consistent with or better than other relevant market alternatives. However, there can be no assurance that no other service provider or VCF Personnel is more qualified to provide the applicable services or could provide such services at a lesser cost. In addition, the Firm has an incentive to retain VCF Personnel to provide services to portfolio companies even if retaining other providers would be as or more advantageous to the portfolio company.

Senior Advisors may also provide services similar to -- or as part of -- the Value Creation Functions, in which case Patient Square expects to recover directly or indirectly from the Funds or portfolio companies the costs and expenses of any such Senior Advisors in a manner similar to the recovery of VCF Fees and Expenses, as described above, even if such Senior Advisor is an employee or affiliate of Patient Square.

Cross-Transactions

Patient Square reserves the right from time to time to cause a Patient Square Account to enter into a cross-transaction whereby the Patient Square Account purchases securities from, or sells securities to, other Patient Square Account managed by Patient Square. Certain of such transactions raise potential conflicts of interest, including where the investment of one Patient Square Account supports the value of a portfolio company owned by another Patient Square Account. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by a Patient Square Account is acquired by a portfolio company acquired by another Patient Square Account. In some cases, a portfolio company of a Patient Square Account may be merged with or into a portfolio company owned by another Patient Square Account. 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 Patient Square Account's Governing Documents or otherwise in the sole discretion of Patient Square or its affiliates, Patient Square or its affiliates reserve 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 at the expense of the relevant Patient Square Account to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Patient Square Accounts (including, where applicable, the consent of each Patient Square Account's advisory board) to such transactions. Patient Square also may determine that the willingness of a third-party to make an investment on substantially the same economic terms demonstrates the fairness of the relevant transaction to the Patient Square Account under then-current market conditions. Patient Square intends to conduct such transactions in a manner that Patient Square believes to be fair and equitable to each Client under the circumstances, including a consideration of the potential present and future benefits with respect to each Client. Patient Square reserves the right to cause a Patient Square Account and/or its portfolio companies to enter into similar transactions with SPACs sponsored by Patient Square and/or its affiliates, which gives rise to potential conflicts of interest similar to those discussed herein. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to the Patient Square Account.

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

SPACs

Patient Square, its affiliates and/or personnel have sponsored, and expect in the future to sponsor, and/or provide other services to one or more SPACs that are expected to invest in the health care sector. SPACs have the potential to compete with the Funds' portfolio companies, and/or compete with the Funds for investment opportunities. In such instances, the Firm will make an allocation decision consistent with the Investment Allocation Policy. Further, Patient Square personnel are expected to serve in director, executive or consulting roles with respect to SPACs, which will require a significant portion of their time. SPACs also provide Patient Square personnel with substantial economic incentives, including salaries, bonuses, incentive equity, stock, options, warrants and/or other interests that, depending on the terms of a particular SPAC, may be more favorable than those associated with profits from the Funds and other Patient Square Accounts. Patient Square believes that its substantial investment in the time and attention requirements of the Funds pursuant to the Governing Documents help to mitigate against these potential conflicts.

Personnel and Service Provider Retention Decisions

Patient Square is also authorized, from time to time, to employ personnel or Senior Advisors or VCF Personnel with pre-existing ownership interests in, or who were employed by, portfolio companies owned by the Clients; conversely, former personnel or executives of Patient Square or its affiliates or former Senior Advisors or VCF Personnel generally have the ability to serve in significant management roles at portfolio companies, the Clients, SPACs and/or other Patient Square Accounts or service providers recommended by Patient Square. Similarly, Patient Square and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, 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, Patient Square, the Funds, SPACs and/or other Patient Square Accounts. Patient Square has a conflict of interest with a Patient Square Account in recommending the retention or continuation of a third-party service provider to the Fund or a portfolio company owned by a Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliates will continue to invest in the Funds, SPACs or

other Patient Square Accounts, or will provide Patient Square information about markets and industries in which Patient Square operates (or is contemplating operations) or will provide other services that are beneficial to Patient Square, or the Funds, SPACs and/or other Patient Square Accounts. For example, Patient Square expects to cause a Client to make payments to investment banks and/or other intermediaries (including those that are Limited Partners), all or a portion of which is for the purpose of generating future deal flow for a Client; 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 a SPAC or Patient Square Account rather than the Fund making the payment. Patient Square expects to be subject to a potential conflict of interest in making these recommendations, in that Patient Square has an incentive to maintain goodwill between itself, such service providers and/or the existing and prospective portfolio companies for the Funds, SPACs and/or other Patient Square Accounts, while the products or services recommended may not necessarily be the best available to the relevant Fund and/or other Patient Square Accounts or their portfolio companies.

Investments Away from the Fund

Patient Square, its affiliates, officers, principals and employees reserve the right to buy or sell securities or other instruments that Patient Square has recommended to Clients. In addition, Patient Square and its related persons reserve the right to buy securities in transactions offered to but not pursued by the Funds and/or other Client(s). Any such transactions are subject to any restrictions in the relevant Governing Documents and any related policies and procedures set forth in Patient Square's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of the Funds and/or other Client(s). Employees and related persons of Patient Square have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies, directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

Capital Deployment

Due to the fact that there are fixed investment periods after which capital from Investors in the Funds may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of each Fund, based upon capital invested by such Fund, this fee structure creates an incentive to deploy capital when Patient Square may not otherwise have done so.

Transaction Fees

Patient Square and its affiliates have the authority to: (i) set the amount of Transaction Fees paid by the Clients and (ii) determine whether Clients should engage in a transaction. Therefore, Patient Square faces a conflict of interest in that it is incentivized to charge higher Transaction Fees to the Clients, and also advise Clients to engage in transactions in order to procure Transaction Fees. Additionally, Patient Square, its personnel, affiliates and Senior Advisors or others designated by Patient Square expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the Governing Documents are applied,

Patient Square and/or such other recipients will be permitted to retain such securities as Transaction 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 Patient Square or retain such securities for a period consistent with their own financial and investment objectives, which is likely to differ from those of other Patient Square Accounts). 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 Client's relative ownership of the portfolio company awarding such compensation.

Sharing, Utilization and Monetization of Portfolio Company Data and Information

Patient Square will likely to enter into formal or informal arrangements with portfolio companies to facilitate the sharing of data and/or data analytics or may otherwise receive various kinds of portfolio company data and information from portfolio companies, including data and information relating to business operations, trends, budgets, customers and other metrics. However, such information sharing involves conflicts of interest among the Patient Square Accounts and/or between Patient Square Accounts and Patient Square. Data analytics based on inputs from one portfolio company could inform business decisions by other portfolio companies, or investment decisions by Patient Square and its affiliates, without the source of the data being directly compensated. Patient Square and its affiliates are permitted to utilize or monetize (including through licensing, selling, or developing into new products or services) such data and information in activities related or unrelated to the Funds or other Patient Square Accounts. Such utilization or monetization could provide to Patient Square a material economic benefit, which would not be shared with the Patient Square Accounts or offset or otherwise reduce the Management Fee. In addition, the acquisition of confidential or material non-public information with respect to portfolio companies of the Patient Square Accounts could limit or restrict the ability of the Patient Square Accounts to buy or sell particular securities.

Side Letters

Patient Square and/or its affiliates reserve the right to enter into Side Letters with certain Investors in the Funds providing such Investors with different or preferential rights or terms, including but not limited to different fee structures (including discounted or rebated compensation), 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 Clients. 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 the General Partners, the other Funds, Patient Square 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.

Portfolio Company Arrangements

Patient Square is permitted to institute a program under which portfolio companies owned by the Funds are given the option to participate in purchasing, vendor or similar arrangements with Patient Square, its affiliates and other portfolio companies. Program participants expect to receive discounts negotiated with various vendors and service providers on a groupwide basis. Participants voluntarily participate in the program without cost, and Patient Square allocates fees and costs for program among the relevant Funds and/or other Patient Square Accounts. Patient Square and its affiliates also participate in the program in exchange for an allocable portion of such fees and costs, and receive similar benefits and discounts as the portfolio companies participating therein. No such amounts will offset or reduce the Management Fee. Patient Square believes the potential for conflicts relating to such arrangements is mitigated by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Funds) that will result if the rates for goods and services are discounted relative to those widely available in the market.

Use of Portfolio Company Products or Services

Patient Square has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Patient Square has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option.

From time to time Patient Square its affiliates, and personnel, and persons selected by them, expect to receive the benefit of “friends and family” and similar discounts from portfolio companies owned by the Funds under which such portfolio companies make their goods and/or services available at reduced rates. Because its portfolio companies offer such discounts to customers other than Patient Square and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Patient Square believes that the potential for conflicts of interest relating to such discounts is mitigated. Discounted prices or better terms offered by a portfolio company to Patient Square, any other portfolio company or third parties have the potential to affect the returns of the portfolio company, and ultimately the Funds that hold such portfolio company.

Conclusion

Any of these situations subjects Patient Square, its personnel and its affiliates to potential conflicts of interest. Patient Square attempts to resolve such conflicts of interest in light of its obligations to its Clients. To the extent that an investment or relationship raises particular conflicts of interest, Patient Square will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Patient Square consults and receives consent to conflicts from an advisory board consisting of Limited Partners of the relevant Client(s), as applicable.

Item 9. Disciplinary Information

To the best of our knowledge, there are no legal or disciplinary events that are material to an Investor's or prospective investor's evaluation of our advisory business or the integrity of Patient Square's management.

Item 10. Other Financial Industry Activities and Affiliations

Neither Patient Square nor its management persons are registered, or have an application pending to register, as a broker-dealer, a registered representative of a broker-dealer, a futures commission merchant, commodity pool operator or a commodity trading adviser.

Patient Square is affiliated with the General Partners of the Funds through common control of the Funds.

There may be situations in which the interests of a Fund, in an investment or otherwise, conflict with the interests of the applicable Fund's General Partner, the Firm or any of their affiliates. The Governing Documents provide disclosure to Investors as to the methods and practices used by Patient Square and its personnel to address these conflicts of interest. The Firm's Chief Compliance Officer ("CCO") is responsible for identifying any actual or potential conflicts of interest, reviewing the facts and circumstances underpinning the identified actual or potential conflicts of interest with Patient Square's Partners and external counsel, if appropriate, and recommend an appropriate course of action to take. If necessary, the General Partner of a Fund may refer a conflict of interest to the advisory board of a Fund.

Patient Square does not recommend or select other investment advisers for its Clients and does not have any other business relationships that may create material conflicts of interest other than those described in Item 6 of this Brochure.

Item 11. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading¹

Patient Square has adopted a code of ethics (the "Code of Ethics") in compliance with Rule 204A-1(a) under the Advisers Act that establishes standards of conduct for Patient Square's supervised persons. The Code of Ethics includes general requirements that supervised persons must comply with relating to the Firm's fiduciary obligations to the Clients and with applicable securities laws, as well as specific requirements relating to personal trading, insider trading, conflicts of interest and confidentiality of Firm information. It requires supervised persons to comply with the personal trading restrictions described below and to report their personal securities transactions and holdings periodically to the CCO and

¹ **Optima:** We covered Participation or Allocations and Cross-Trades and Principal Transactions in Item 8, so are streamlining this Item 11.

requires the CCO to review those reports. It also requires supervised persons to report any violations of the Code of Ethics promptly to the CCO.

The Code of Ethics requires pre-clearance before purchasing any equity securities including options, warrants, futures or other derivative instrument of any single issuer equity securities, participation in initial public offerings (IPOs), as well as limited offerings (e.g., private placements), and further requires quarterly reporting of supervised persons' personal securities transactions and securities holdings.

Each supervised person receives a copy of the Code of Ethics and any amendments to it, and must acknowledge having received those materials. Annually, each supervised person will certify that he or she complied with the Code of Ethics during the preceding year. The Investors and prospective Investors may obtain a copy of Patient Square's Code of Ethics upon request.

Patient Square employees may also directly invest in investments made by the Funds for their own accounts based on personal investment considerations with pre-approval from Patient Square's CCO. Certain employees may invest in the Funds, either through the General Partner, a feeder fund, a parallel fund (including co-investment vehicles) or as direct investors in the Funds. To the extent that co-investment vehicles exist, such vehicles are expected to invest in one or more of the same portfolio companies as a Fund. Co-investment opportunities generally are also expected to be presented to certain affiliates of Patient Square, as well as third party investors and other persons, and such co-investments may be effected through co-investment 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." General Partners, as applicable, are permitted to reduce all or a portion of the advisory fee, carried interest and/or incentive allocation related to investments held by such persons.

Item 12. Brokerage Practices

Patient Square focuses on making investments in private securities; thus, it does not ordinarily deal with any financial intermediary, such as a broker-dealer, and commissions are not ordinarily payable in connection with such investments. To the extent Patient Square might invest in public securities for the Clients, it will select broker-dealers based upon the broker-dealer's ability to provide best execution in accordance with the Firm's policies and procedures.

If in the future, Patient Square were to make decisions regarding the allocation of brokerage transactions for the Clients, Patient Square will consider a variety of factors, including but not limited to (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable broker-dealer spread or commission, if any), (ii) the operational efficiency with which transactions are effected (such as prompt and accurate confirmation and delivery), taking into account the size of order and difficulty of execution, (iii) the financial strength, integrity and stability of the broker-dealer or counter-party, and (iv) the competitiveness of commission rates in comparison with other broker-dealers.

Patient Square 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 Patient Square 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.

Patient Square does not participate in any soft dollar arrangements.

Item 13. Review of Accounts

Investment recommendations are reviewed by Patient Square’s investment team and approved by the Firm’s Investment Committee. Patient Square’s investment team regularly reviews and monitors Clients’ investments as well as conducts periodic reviews to ensure compliance with each Client’s investment guidelines and restrictions as set forth in respective Governing Documents. Additionally, the Firm’s Portfolio Management Committee will be responsible for periodic review and monitoring of investments of the Clients. Further, on a quarterly basis, Patient Square’s Valuation Committee reviews and approves the valuation of the investments held by the Clients.

Investors will receive annual audited financial statements of their respective Fund(s) and additional Investor reports set forth in such Fund(s)’ Governing Documents.

Item 14. Fund Referrals and Other Compensation

Patient Square has not historically paid a portion of its advisory fees to any other party for the referral of new Investors. However, Patient Square will retain one or more third-party placement agents to assist in the offer and sale of securities of private investment vehicles sponsored in the future. Such placement agents will likely be paid by the relevant private investment vehicle (with a corresponding offset to the vehicle’s management fee).

Any conflicts of interest regarding economic benefits provided to the Firm or its affiliates by other persons that are not Investors are addressed in the manner set forth in the Client’s Governing Documents.

Item 15. Custody

Each General Partner is deemed to have custody of the securities and certain cash assets of the Funds under Advisers Act Rule 206(4)-2 (the “Custody Rule”) because it serves as general partner of the Funds. To address the requirements of the Custody Rule, the Funds

are subject to an annual audit by an independent auditor registered with the Public Company Accounting Oversight Board, and the audited financial statements prepared for each Fund are distributed to each Fund's respective Investors. The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed to the Funds' Investors within 120 days of each Fund's fiscal year end.

Item 16. Investment Discretion

Patient Square and the relevant General Partner have discretionary authority to manage the assets of the Clients pursuant to each Client's Governing Documents. In all cases such discretion is to be exercised in a manner consistent with the stated investment objectives for each Client and the applicable Client's Governing Documents.

Item 17. Voting Fund Securities

In compliance with Rule 206(4)-6 of the Advisers Act, the Firm has adopted proxy voting policies and procedures. The general policy is to vote all proxy proposals, amendments, consents or resolutions (collectively, "Proxies") in a prudent and diligent manner that will serve the applicable Client's best interests and is in line with such Client's investment objectives.

The Clients may, but do not typically, invest in publicly traded securities. However, in the future, the Clients may be in receipt of public securities as it relates to their investment strategies. In those instances, the relevant General Partner will vote Proxies in the best interest of the such Client and in accordance with their fiduciary duty owed to each Client.

If there is an actual or potential material conflict of interest in connection with a prospective vote, such conflict will be resolved in accordance with the applicable Client's Governing Documents and Patient Square's proxy voting policies and procedures. A General Partner may abstain from voting Proxies in any instance if it deems that such abstention is in the best interests of the applicable Client.

Clients and Investors may not direct proxy voting decisions. However, Clients and Investors may obtain information on how the applicable General Partner voted on behalf of its Clients by contacting the Firm's CCO. Additionally, Clients and Investors may also obtain a copy of the Firm's proxy voting policies and procedures by contacting the Firm's CCO.

Item 18. Financial Information

Patient Square is not required to include a balance sheet for our most recent fiscal year, are not aware of any financial condition reasonably likely to impair our ability to meet contractual

commitments to the Clients, and have not been the subject of a bankruptcy petition at any time during the past ten years.