



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

BERTRAM CAPITAL MANAGEMENT, LLC

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March 31st, 2021

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Bertram Capital Management, LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (650) 358-5000. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

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

MATERIAL CHANGES

There have been no material changes to this Brochure since the March 31st, 2020 annual updating amendment. The Management Company routinely makes changes throughout its Brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices. This annual amendment reflects updates to the descriptions of potential risks of investment and related potential conflicts of interest under "Methods of Analysis, Investment Strategies and Risk of Loss," and supplements existing disclosures relating to the practices of the Management Company and its affiliates under "Fees and Compensation."

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

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ADVISORY BUSINESS

Bertram Capital Management, LLC (the “Management Company”), an investment adviser registered with the U.S. Securities & Exchange Commission (the “SEC”), is a private investment management firm with approximately \$2 billion in total client assets under management as of December 31st, 2020, which it manages on a discretionary basis. The Management Company is a California limited liability company that commenced operations in 2006. The Management Company’s Managing Partner is Jeffrey M. Drazan.

The Management Company and its affiliates, including Bertram Growth Capital I (GP), L.P. (“General Partner I”), Bertram Growth Capital II (GP), L.P. (“General Partner II”), Bertram Growth Capital III (GP), L.P. (“General Partner III”), Bertram Growth Capital III Annex Fund (GP), L.P. (“General Partner III Annex”), Bertram Growth Capital IV (GP), L.P. (“General Partner IV”, and together with the General Partner I, General Partner II, General Partner III, General Partner III Annex and General Partner IV, the “General Partners”) and Bertram PC Co-Invest Holdings Manager (“Co-Invest Manager”), (collectively, the “Advisers” or “Bertram”), provide investment supervisory services to their clients, which currently consist of private investment funds (each, a “Fund,” and together with any future private investment funds to which the Management Company or its affiliates provide investment advisory services, including employee and alternative investment vehicles, the “Private Investment Funds”). Additionally, as further described in Item 11 “*Participation or Interest in Client Transactions*,” from time to time, Bertram expects to provide (or agree to provide) certain investors or other persons the opportunity to participate in co-invest vehicles (each a “Co-Invest Fund”) that will invest in certain portfolio companies alongside a Fund. Unless otherwise noted, references throughout this Brochure to “Funds” or “Private Investment Funds” are generally intended to include the Co-Invest Fund. Each of General Partner I, General Partner II, General Partner III, General Partner III Annex and General Partner IV is subject to the Advisers Act, and Co-Invest Manager is registered under the Advisers Act, pursuant to and in reliance upon the Management Company’s registration in accordance with SEC guidance. The Management Company, General Partner I, General Partner II, General Partner III, General Partner III Annex, General Partner IV and Co-Invest Manager operate as a single investment advisory firm and are all under common control.

General Partner I is the general partner of Bertram Growth Capital I, L.P. (“Fund I”), a Delaware limited partnership. General Partner II is the general partner of Bertram Growth Capital II, L.P. and Bertram Growth Capital II-A, L.P., each a Delaware limited partnership (collectively, “Fund II”). General Partner III is the general partner of Bertram Growth Capital III, L.P. and Bertram Growth Capital III-A, L.P., each a Delaware limited partnership (collectively, “Fund III”). General Partner III Annex is the general partner of Bertram Growth Capital III Annex Fund, L.P. (“Fund III Annex”). General Partner IV is the general partner of Bertram Growth Capital IV, L.P. and Bertram Growth Capital IV-A, L.P., each a Delaware limited partnership (collectively, “Fund IV”).

The Funds are private equity funds and invest through negotiated transactions in operating entities. Pursuant to each Fund’s agreement of limited partnership (each, a “Partnership Agreement”), General Partner I, General Partner II, General Partner III, General Partner III Annex and General Partner IV (together with any future general partner of a Private Investment Fund, the

“General Partners”) have the authority to manage the business and affairs of Fund I, Fund II, Fund III, Fund III Annex and Fund IV, respectively. Each General Partner has delegated, subject to its oversight, day-to-day responsibility for the management and operations of the Funds to the Management Company, pursuant to a management agreement (each, a “Management Agreement”).

The Advisers’ investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for such investments. Each Fund invests predominantly in non-public companies, although each Fund may invest in public companies, subject to any limitations set forth in its Partnership Agreement. The Advisers generally seek to take a controlling position when investing in a portfolio company, and generally at least one Bertram partner or other Bertram investment professional serves on a portfolio company’s board of directors in order to represent the applicable Fund’s interests in the portfolio company.

The Advisers’ advisory services for the Funds are detailed in the applicable private placement memoranda, Management Agreements and Partnership Agreements (collectively, the “Fund Documents”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in Private Investment Funds participate in such Fund’s overall investment program, but in certain circumstances are excused from a particular investment due to legal, regulatory or other applicable constraints. Each Fund or General Partner typically enters into side letters or other similar agreements with certain investors that have the effect of establish rights under, altering or supplementing the Partnership Agreement, including providing informational rights, addressing regulatory matters or varying fees and carried interest, with respect to such investors. For the most part, any rights established, or any terms altered or supplemented will govern only the investment of the specific investor and not the terms of a Fund as a whole.

FEES AND COMPENSATION

In general, the Management Company receives a management fee (the “Management Fee”) and the applicable General Partner receives a carried interest in connection with advisory services provided to each Private Investment Fund. For each Private Investment Fund, the carried interest distributed to a General Partner is generally subject to a potential giveback at the end of a Fund’s life if the General Partner has received excess cumulative distributions. As discussed in more detail below, the Management Company or other Bertram entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies (e.g., monitoring or other fees) of Private Investment Funds and a portion of such additional compensation may offset the Management Fees otherwise payable to the Management Company.

Fees, compensation and expense reimbursements received from a Co-Invest Fund are generally negotiated on a vehicle-by-vehicle basis. The current Co-Invest Fund does not pay Bertram a management fee or performance-based fees, but Bertram could receive such fees from a Co-Invest Fund in the future and any such compensation would not be shared with the other Funds. If a Co-Invest Fund does not pay management fees, it does not receive the benefit of

management fee offsets or otherwise share in such fee income. Investors should review the applicable Fund's Partnership Agreement for details regarding the fee structures summarized below. Unless otherwise defined herein, all capitalized terms shall have the meanings ascribed to them in the applicable Partnership Agreement.

Management Fees

Fund I

Fund I paid General Partner I, or a designated affiliate, a quarterly management fee (the "Fund I Management Fee") equal to 0.625% (i.e., 2.5% per annum) of aggregate subscriptions of all Fund I investors ("Fund I Subscriptions") until December 31, 2012. Beginning January 1, 2013 until September 30, 2017, the Fund I Management Fee for each subsequent fiscal quarter was reduced to 85% of the amount of the prior year's Fund I Management Fee before taking into account certain adjustments as described in Fund I's Partnership Agreement. Beginning October 1, 2017, the Fund I Management Fee shall be equal to the lesser of 0.5% (i.e. 2.0% per annum) of the Fund's net asset value as of the first day of the quarter or 0.625% (i.e., 2.5% per annum) of Fund I Subscriptions adjusted for the 15% annual reduction. Fund I investors participating in a closing after Fund I's Initial Closing Date were required to bear the Fund I Management Fee from Fund I's Initial Closing Date with interest, as set forth in Fund I's Partnership Agreement.

Fund II

Fund II pays General Partner II, or a designated affiliate, a quarterly management fee (the "Fund II Management Fee") equal to 0.5% (i.e., 2.0% per annum) of non-affiliated Fund II investors' aggregate subscriptions ("Fund II Subscriptions") until the fiscal quarter after Fund II reaches the sixth anniversary of its Effective Date or, if earlier, the date six months after the permanent expiration or termination of the investment period as a result of the occurrence of certain events stated in Fund II's Partnership Agreement. Beginning in the first full quarter after September 16, 2016, the Fund II Management Fee shall be reduced to 85% of the amount of the Fund II Management Fee for the prior twelve-month period before taking into account certain adjustments as described in Fund II's Partnership Agreement. Fund II investors participating in a closing after Fund II's Initial Closing Date were required to bear the Fund II Management Fee from Fund II's Initial Closing Date with interest, as set forth in Fund II's Partnership Agreement.

Fund III

Fund III pays General Partner III, or a designated affiliate, a quarterly management fee (the "Fund III Management Fee") equal to 0.5% (i.e., 2.0% per annum) of non-affiliated Fund III investors' aggregate subscriptions ("Fund III Subscriptions") until the earliest to occur of (i) the fiscal quarter after Fund III reaches the sixth anniversary of its Effective Date; (ii) the date General Partner III or its affiliates first receives or begins to accrue management fees with respect to a new equity investment fund with objectives, strategy and scope substantially similar to those of the Fund III; and (iii) the date six months after the permanent expiration or termination of the investment period as a result of the occurrence of certain events stated in Fund III's Partnership Agreement. Beginning the first full quarter after July 1, 2020, the Fund III Management Fee shall be reduced to 85% of the amount of the Fund III Management Fee for the prior twelve-month

period before taking into account certain adjustments as described in Fund III's Partnership Agreement. Fund III investors participating in a closing after Fund III's Initial Closing Date are required to bear the Fund III Management Fee from Fund III's Initial Closing Date with interest, as set forth in Fund III's Partnership Agreement.

Fund III Annex

Fund III Annex pays General Partner III Annex, or a designated affiliate, a quarterly management fee (the "Fund III Annex Management Fee") equal to 0.25% (i.e., 1.0% per annum) of non-affiliated Fund III Annex investors' aggregate contributions reduced by the non-affiliated Fund III Annex investors' percentage of aggregate investment contributions used to make portfolio investments that have been disposed of or completely written-off for U.S. federal income tax purposes ("Fund III Annex Contributions") until the earliest of (i) the fiscal quarter after the Fund III investment period expires; (ii) the date General Partner III or its affiliates first receives or begins to accrue management fees with respect to a new equity investment fund with objectives, strategy and scope substantially similar to those of the Fund III; and (iii) the date six months after the permanent expiration or termination of the investment period as a result of the occurrence of certain events stated in Fund III Annex's Partnership Agreement. Beginning the first full quarter after July 1, 2020, the Fund III Annex Management Fee shall be no greater than 85% of the amount of the Fund III Annex Management Fee for the prior twelve-month period before taking into account certain adjustments as described in Fund III Annex's Partnership Agreement; provided that for any period commencing after the tenth anniversary of the effective date, the Fund III Annex Management Fee shall be reduced to 0%. Fund III Annex investors participating in a closing after Fund III Annex's Initial Closing Date are required to bear the Fund III Annex Management Fee from Fund III Annex's Initial Closing Date with interest, as set forth in Fund III Annex's Partnership Agreement.

Fund IV

Fund IV will pay General Partner IV, or a designated affiliate, a quarterly management fee (the "Fund IV Management Fee") equal to 0.5% (i.e., 2.0% per annum) of non-affiliated Fund IV investors' aggregate commitments ("Fund IV Commitments") until the earliest of (i) the fiscal quarter after the Fund IV investment period expires; (ii) the date General Partner IV or its affiliates first receives or begins to accrue management fees with respect to a new equity investment fund with objectives, strategy and scope substantially similar to those of Fund IV; and (iii) seven months after the permanent expiration or termination of the investment period as a result of the occurrence of certain events stated in Fund IV's Partnership Agreement. For each twelve-month period thereafter, the Fund IV Management Fee shall be reduced to the lesser of (i) 80% of the amount of the Fund IV Management Fee for the prior twelve-month period and (ii) 2% per annum multiplied by the net asset value of Fund IV's remaining assets as of the first day of such twelve-month period, in each case before taking into account certain adjustments as described in Fund IV's Partnership Agreement. Fund IV investors participating in a closing after Fund IV's Initial Closing Date are required to bear the Fund IV Management Fee from Fund IV's Initial Closing Date with interest, as set forth in Fund IV's Partnership Agreement.

Other Management Fee Information

Each Fund's Management Fee is calculated and generally paid quarterly in advance. Installments of the Management Fee payable for any period other than a full fiscal quarter period are proportionately adjusted based upon the ratio of the number of days in such period bears to ninety (90).

As set forth in the applicable Fund's Partnership Agreement, each Fund's Management Fee is generally reduced, although not below zero, by a portion of directors' fees, consulting fees, commitment fees, monitoring fees, break-up fees and success fees or other remuneration paid to the Advisers and certain of their affiliates ("Supplemental Fees"). However, as more fully described herein and in the applicable Fund's Partnership Agreement, a Fund's Management Fee is generally not offset by fees, other compensation and expense reimbursements received by Bertram Labs (as defined and discussed further below) or any other Special Consultant (as defined and discussed further under "Risk of Investment – Certain Consultants" in "Methods of Analysis, Investment Strategies, Risk of Loss") from a Fund's portfolio companies, prospective portfolio companies or from other customers for services rendered or products sold or licensed, or received by Bertram or any of its affiliates as payments for services provided to any portfolio company in its ordinary course of business or as compensation for services provided by any Bertram Labs personnel as an employee of or in a similar capacity for such portfolio company or its subsidiaries. Management Fees are only offset to the extent the Advisers and certain of their affiliates receive Supplemental Fees and will not be offset for any Supplemental Fees paid to the portfolio company management team.

In addition, each Fund's Partnership Agreement allows its General Partner to waive or agree to reduce the Management Fee the General Partner is otherwise entitled to receive. Any such waived or reduced portion of the Management Fee reduces the amount of capital that the respective General Partner would otherwise be required to contribute to such Fund. The investors of a Fund would, in such circumstances, be required to make a pro rata contribution according to their respective subscriptions to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions. The Management Fee offsets described above are applied after taking into account the effect of any such waiver or reduction in Management Fees by the General Partner.

Carried Interest

With respect to Fund I, General Partner I is generally entitled to receive a carried interest equal to 20% (or 25% in the event certain additional performance targets are reached) of all realized profits, as more fully described in Fund I's Partnership Agreement. With respect to Fund II, General Partner II is generally entitled to receive a carried interest equal to 20% (or 25% in the event certain additional performance targets are reached) of all realized profits in excess of a 6% compound preferred return and related general partner catch up, as more fully described in Fund II's Partnership Agreement. With respect to Fund III, General Partner III is generally entitled to receive a carried interest equal to 20% of all realized profits in excess of a 8% compound preferred return and related general partner catch up, as more fully described in Fund III's Partnership

Agreement. With respect to Fund III Annex, General Partner III Annex is generally entitled to receive a carried interest equal to 10% of all realized profits in excess of a 8% compound preferred return and related general partner catch up, as more fully described in Fund III Annex's Partnership Agreement. With respect to Fund IV, General Partner IV is generally entitled to receive a carried interest equal to 20% of all realized profits in excess of a 8% compound preferred return and related general partner catch up, as more fully described in Fund IV's Partnership Agreement. The carried interest distributed to each General Partner is subject to a potential giveback at the end of the applicable Fund's life if the General Partner has received excess cumulative distributions.

Other Information

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

Bertram principals or other employees of the Management Company generally receive salaries and other compensation derived from, and in certain cases including, a portion of the Management Fee, carried interest or other compensation received by the Advisers or their affiliates.

Bertram is permitted to exempt certain investors in a Fund from payment of all or a portion of Management Fees and/or carried interest, including the Advisers, their affiliates and any other person designated by the Advisers, such as "friends and family" of Bertram or its personnel, or other investors meeting certain qualification requirements. Bertram reserves the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by Bertram and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where a Bertram professional or its affiliate invests in a Fund, such professional or its affiliate generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Partnership Agreement, certain General Partners may have the right to permit investors, affiliated with Bertram or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest. In general, the Management Fee offsets described herein apply only with respect to the capital commitments of fee-paying investors.

Bertram Labs, LLC ("Bertram Labs") is a wholly owned subsidiary of the Management Company, comprised of highly skilled engineers and other technology professionals that may be employed or retained to develop and/or customize software and other technology products and/or solutions for and/or to provide other technology-related services to a Fund, its portfolio companies and/or prospective portfolio companies as well as to other customers.

In addition to Bertram Labs, other wholly-owned subsidiaries and certain affiliates of Bertram including, but not limited to, HappyApps, LLC (collectively, "Bertram Technology") are permitted to, from time to time, offer certain technology products for sale to Advisers, their affiliates, the Funds, their portfolio companies and/or prospective portfolio companies. Any fees

or other compensation paid to Bertram Labs or Bertram Technology by a portfolio company or prospective portfolio company will not be treated as Portfolio Company Remuneration (as defined in the Partnership Agreement) and, therefore, will not reduce the Management Fee.

In addition to Bertram Labs and Bertram Technology, other subsidiaries and certain affiliates of Bertram including, but not limited to, Morpheus Data, LLC (“Morpheus”) which is majority-owned by principals of the Management Company, is permitted to, from time to time, offer certain technology products for sale to Advisers, their affiliates, the Funds, their portfolio companies and/or prospective portfolio companies. Bertram principals or other employees of the Management Company also serve as directors and/or officers of Morpheus. Any fees or other compensation paid to Morpheus by a portfolio company or prospective portfolio company will not be treated as Portfolio Company Remuneration (as defined in the Partnership Agreement) and, therefore, will not reduce the Management Fee.

In addition to Bertram Labs, the Management Company, a portfolio company or prospective portfolio company or any of their respective affiliates is permitted to, from time to time, retain other Special Consultants to provide manufacturing, sales, marketing, technology, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence or other similar services to the Fund or any portfolio company or prospective portfolio company of a Fund. A portfolio company, prospective portfolio company of Fund generally pays fees or other compensation to or reimburse expenses of the Special Consultants, which payments and reimbursements will not be treated as Portfolio Company Remuneration and, therefore, will not reduce the Management Fee and Funds do not otherwise share in such fees or reimbursements.

Furthermore, a portfolio company is permitted to, from time to time, pay Bertram or any of its affiliates fees and other compensation as payments for services provided to any portfolio company in its ordinary course of business or as compensation for services provided by any Bertram Labs personnel as an employee of or in a similar capacity for such portfolio company or its subsidiaries, and typically is required to reimburse expenses incurred in connection with providing such services, and such fees, compensation, and expense reimbursements will not offset the Management Fee.

In addition to the Management Fee, each Fund will pay all other costs and expenses relating to the Fund’s activities, investments and business that are not reimbursed by a portfolio company (which reimbursements may be for travel (including private air charter costs and first and business class travel) related to the investment activities of the Fund and any other expenses incurred in connection with such portfolio company) or applied to reduce Portfolio Company Remuneration. Such costs and expenses typically include: (i) organizational expenses incurred in connection with the organization, funding and start-up of a Fund, its General Partner and management entities; (ii) costs and expenses attributable to structuring, organizing, acquiring, managing, operating, holding, valuing, winding up, liquidating, dissolving and disposing of the Fund’s investments, including follow-on investments and refinancings (including interest on money borrowed by or on behalf of the Fund); (iii) legal, filing, accounting, auditing, consulting (including consulting and retainer fees paid to Bertram Labs (as described above)), consultants performing investment initiatives and other similar consultants), financing, insurance (including directors and officers, errors and

omissions liability and other insurance), travel (including private air charter costs and first and business class travel), broker, finder's, placement, financing commitment fees, real estate title, appraisal costs, printing, custodian, depositary, transfer, registration and other similar fees and expenses; (iv) expenses incurred in connection with third party valuations; (v) expenses associated with the preparation of the Fund's financial statements, tax returns, tax estimates, Schedule K-1s or any other administrative, regulatory or other Fund-related reporting or filing obligations; (vi) expenses of the advisory committee of a Fund and annual meetings of the investors and any other meeting with any investor(s); (vii) extraordinary expenses (such as litigation, indemnification, judgments and settlements, if any); (viii) expenses incurred in connection with transactions not consummated (including travel expenses, which may include private air charter costs and first and business class travel); and (ix) any taxes, fees or other governmental charges levied against the Fund.

In the event that a Parallel Fund (as defined in each of Fund II, Fund III and Fund IV's Partnership Agreements) proposes to structure an investment using a blocker corporation or other intermediate entity to avoid causing investors of the Blocker Fund to incur UBTI (as defined in the Partnership Agreement) or ECI (as defined in the Partnership Agreement), all costs, expenses and reduction in proceeds attributable to such blocker corporation or other intermediate entity, including, without limitation, those related to the structuring, formation, operation and liquidation of, and all taxes incurred in connection with, related to or imposed on, a blocker corporation or other intermediate entity shall be borne solely by the investors investing through such intermediate entity.

Co-Invest Funds typically pay expenses similar to those described above. A Co-Invest Fund will typically bear its pro rata share of any expenses relating to consummated investments in which it participates, but Co-Invest Funds are generally formed in connection with the consummation of a transaction and therefore generally do not bear broken-deal expenses, which are generally allocated to the other Fund(s) that were pursuing the investment. As a general matter, broken deal-expenses are allocated among Fund investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. In addition, from time to time, for strategic and other reasons, a Co-Invest Fund may purchase a portion of an investment from a Fund after such Fund has consummated its investment in the portfolio company. Any such purchase from a Fund by a Co-Invest Fund generally would occur shortly after the Fund's completion of the investment (also known as a post-closing sell down or transfer) to avoid any changes in the valuation of the investment. Where appropriate, and in a General Partner's sole discretion, such General Partner reserves the right to charge participants in the Co-Invest Funds (other than the Funds) interest on the purchase to compensate the applicable Funds for the applicable holding period.

Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in side letters relating thereto, and (where applicable) environmental, social, governance and other standards to which the relevant General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Partnership Agreements, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests.

Brokerage fees may be incurred in accordance with the practices set forth in “Brokerage Practices” below. The expenses described above are detailed, but do not include every possible expense a Fund may incur. Investors should review the applicable Fund’s Fund Documents for further details.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” the General Partners receive a carried interest allocation on certain realized profits in the Funds except for the Co-Invest Fund. The Advisers currently advise only Funds that are charged a performance-based fee, although they generally have the authority to waive carried interest with respect to certain affiliated entities as described above. In addition, the Advisers do not allocate investments based on their potential to earn carried interest.

Additionally, to the extent that Bertram personnel are assigned varying percentages of carried interest from the Funds, such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

The carried interest or performance-based fee may create an incentive for the Advisers to make riskier or more speculative investments on behalf of the Funds than would be in the case in the absence of such fees. In allocating investments, the Advisers may have incentives to favor Funds with higher potential for carried interest distributions over Funds with lower potential for carried interest. As described in more detail below, the Advisers have adopted allocation policies designed to treat all Funds fairly and equitably in accordance with the applicable Partnership Agreements.

TYPES OF CLIENTS

The Advisers provide investment advice to Private Investment Funds, which include investment partnerships or other investment entities formed under domestic or non-U.S. laws and operated as exempt investment companies under the Investment Company Act of 1940, as amended (the “Investment Company Act”). The investors participating in Private Investment Funds may include individuals, banks or thrift institutions, insurance companies, pension and profit-sharing plans, trusts, estates or charitable organizations, executives of portfolio companies, corporations or other business entities or other investment entities, and include, directly or indirectly, principals or other employees of the Management Company and its affiliates.

The Funds generally have a minimum investment amount of \$5 million for third-party investors, which each Fund’s General Partner has the right to waive. Generally investors in the Funds must be (i) “accredited investors” as defined under Regulation D of the Securities Act of 1933, as amended and (ii) either “qualified purchaser” as defined under the Investment Company Act or “knowledgeable employees” of the Advisers as defined under the Investment Company Act.

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

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

The Management Company provides day-to-day investment advisory services to the Funds, subject to the supervision of the applicable General Partner. The Management Company's Managing Partner has ultimate decision-making authority for each Fund. Since the Advisers have common owners and personnel, the Advisers' general investment methodology is described below. Investors should refer to the applicable Fund Documents for further information regarding investment strategies employed for a specific Fund.

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

Investment Strategy and Process

The Advisers seek to make control investments principally in established companies in the middle-market primarily domiciled in North America, with approximately \$5 to \$30 million of EBITDA. The Advisers believe that companies of this size are usually large enough to have developed proven and sustainable business models yet small enough to offer substantial opportunities for growth and improvement in operating performance. The Advisers typically pursue investments in companies in the business services, consumer, industrial/ manufacturing and technology industries. The Advisers typically invest Fund assets in a core platform company that has the potential for growth and then make add-on acquisitions as part of their "buy and build" strategy. The Advisers may also make non-control investments in partnership with other investors where the opportunity exists to exert influence over the operating strategy and/or management of the business. In addition, the Advisers may make initial investments in public entities with the intent of securing a larger minority or control position where the Advisers' strategies for growth are aligned with management.

The Advisers' investment process begins with sourcing investment opportunities. The Advisers have a designated business development team that focuses on sourcing opportunities that fit Bertram's investment criteria and building and maintaining strong intermediary relationships. Thesis-driven research and direct company outreach from the investment professionals augment business development efforts and enable the business development team to target specific industries in its conversations with intermediaries.

The Advisers usually assign three to four investment professionals to conduct a comprehensive industry and business analysis of each potential investment. The due diligence process is typically designed to develop a thorough understanding of a target company's business,

markets and competitive position. The Advisers' due diligence review typically focuses on the following areas: the company's competitive position; attractiveness of the industry in which the company competes; trends affecting the industry; operating performance review, including historical performance and prospects for each product or service line; review of the company's competitors; structure of the company's customer base and distribution channels; opportunities for growth either organically or through acquisitions; supplier arrangements; cost position and opportunities to improve margins through efficiencies; management's ability to execute; and exit strategies.

During the course of due diligence and strategic planning, the transaction team usually summarizes key findings which are reviewed by all investment professionals. The Advisers hold regular meetings to discuss the status of and critical items related to each potential investment. All investment professionals participate in the investment review process, while the Investment Committee provides final approval.

Once an investment is made, in partnership with such company's management, the Advisers then employ specific strategies to help the company distinguish itself operationally, accelerate the growth of the business and expand the business' total addressable market. The Advisers then seek to deploy more capital into the platform to act as a consolidator in the market. The Advisers' ultimate goal is to build a fundamentally stable and well diversified business that is influential in its sector. The Advisers typically hold investments between two and five years, while continually assessing the exit environment and potential alternatives available to its portfolio companies.

Risks of Investment

Each Fund and its investors bear the risk of loss that the Advisers' investment strategy entails. Although the following risk factors are generally applicable to each of the Private Investment Funds, investors should review a particular Fund's private placement memorandum for information regarding risks specific to that Fund. In addition, Co-Invest Funds generally invest in one portfolio company associated with the other Funds and therefore lack the potential benefit of diversification and will be particularly exposed to the legal and financial risks associated with that transaction, including the risk of loss. In general, the risks involved with the Advisers' investment strategy and an investment in a Fund include, but are not limited to the following:

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

Future and Past Performance. The performance of the Bertram principals' prior investments is not necessarily indicative of a Fund's future results. While the Advisers intend for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

Dynamic Investment Strategy. While the Advisers generally intend to make private equity investments, the Advisers are permitted to pursue additional investment strategies and/or may modify or depart from the initial investment strategy, investment process and investment techniques as the Advisers determine appropriate. The Advisers are permitted to pursue investments outside of the industries and sectors in which the Bertram principals have previously made investments.

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

Concentration of Investments. The Funds will participate in a limited number of investments and may make several investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return.

Lack of Sufficient Investment Opportunities. 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, investors will be required to bear Management Fees through the Funds during their Investment Period (as defined in the Partnership Agreement) based on the entire amount of the investors' investments and other expenses as set forth in the Partnership Agreement.

Growth Equity Transactions. Each Fund's strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio 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. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which the Advisers intend to invest or have invested, including various segments of the healthcare industry, are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While the Advisers intend to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries, including in particular the healthcare industry, 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 a Fund invests. By way of example, the healthcare 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 a Fund may invest.

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

Need for Follow-On Investments. A Fund may make investments in portfolio companies with the intention of making follow-on investments in such portfolio companies or may decide, following its initial investment in a given portfolio company, to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that any Fund will make follow-on investments or that any Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Leveraged Investments. A Fund is permitted to make use of leverage by incurring or having a portfolio company, including in respect of companies not rated by credit agencies, incur debt to finance a portion of its investment in a given portfolio company. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage by a Fund generally will also result in fees, interest expense and other costs to that particular Fund that may not be covered by distributions made to a Fund or appreciation of its investments. 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 increases 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 that particular 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 that particular Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, that particular Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

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

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

Reliance on the Advisers and Portfolio Company Management. At the outset, a Private Investment Fund has no operating history and is entirely dependent on the Advisers. Control over the operation of a Fund will be vested entirely with the Advisers and a Fund's profitability depends largely upon the business and investment acumen of the Bertram principals. The loss or reduction of service of one or more of the Bertram principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the Bertram principals currently, and may in the future, manage other investment funds besides the Funds, and the Bertram principals may need to devote substantial amounts of their time to the investment activities of such other funds, which poses potential conflicts of interest in the allocation of the time of the Bertram principals. Investors generally have no right or power to take part in the management of a Fund, and, as a result, the investment performance of a Fund will depend on the actions of the Advisers. In addition, certain changes in the Advisers or circumstances relating to the Advisers may have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities. Although the Advisers will monitor the performance of each Fund investment, it is primarily the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although each Fund generally intends 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 a Fund's objectives.

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

Non-U.S. Investments. A Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due 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 a Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or the investors with respect to a Fund's income, and possible non-U.S. tax return filing requirements for a Fund and/or its investors.

Additional risks include: (a) risks of economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; and (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

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

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity firms, contributed to the recent downturn in the U.S. and global financial markets, may complicate or prevent a Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, a Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

Alternative Investment Fund Managers Directive. The EU Alternative Investment Fund Managers Directive (the "AIFMD") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area ("EEA"). If a Fund is actively marketed to investors domiciled or having their registered office in the EEA in circumstances where no transitional relief is available: (i) a Fund may be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which may result in a Fund incurring additional costs and expenses; (ii) a Fund and/or the Advisers may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which may result in a Fund incurring additional costs and expenses or otherwise affect the management and operation of a Fund; (iii) the Advisers may be required to make detailed information relating to a Fund and its investments available to regulators and third parties; and (iv) the AIFMD may also restrict certain activities of a Fund in relation to EEA portfolio companies including, in some circumstances, a Fund's ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for a Fund to raise its targeted amount of investments.

The United Kingdom and Brexit. On March 29, 2017, the United Kingdom formally notified the European Council of its intention to leave the EU ("Brexit"). The UK formally left the EU on January 31, 2020, and entered a transition period that ended on December 31, 2020. On December 24 2020, the UK government and the EU Commission provisionally agreed a trade and cooperation agreement governing their future relationship, which, following a ratification process, is expected to apply on a provisional basis through an additional transition period.

Although provisionally agreed, the terms of UK's ongoing and future relationship with the EU are still uncertain, including the extent to which UK businesses will have access to the EU single market and the extent to which EU businesses have access to the UK market. There is also risk of significant disruption to trade between the UK and the EU, particularly as new trade arrangements are intended to be ratified and implemented.

There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from the UK's exit from the EU may adversely affect both EU and UK-based businesses, including the Advisers and Fund portfolio companies, as applicable. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

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

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. 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.

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

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

Certain hedging arrangements may create for the Advisers and/or one of their affiliates an obligation to register with the U.S. Commodity Futures Trading Commission or other regulator or comply with an applicable exemption.

Significant Adverse Consequences for Default. Each Fund's Partnership Agreement provides for significant adverse consequences in the event an investor defaults on its investment or any other payment obligation. In addition to losing its right to potential distributions from the particular Fund, a defaulting investor may be forced to transfer its interest in the particular Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest.

Dilution. Investors who were admitted or that increase their respective investment to a Fund at subsequent closings generally participated in then-existing investments of the particular Fund, thereby diluting the interest of existing investors in such investments. Although any such new investors will be required to contribute their pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of a Fund's existing investments at the time of such contributions.

General Partner's Carried Interest. The fact that a General Partner's carried interest is based on a percentage of net profits may create an incentive for a General Partner to cause a Fund to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case.

Transfer by General Partner. To the extent a General Partner, its partners, the Bertram principals and/or their respective affiliates commit to make a direct or indirect investment in or along-side a Fund, a participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Partnership Agreement.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose

information regarding such companies, limitations on the ability of a Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Bertram principals, and increased costs associated with each of the aforementioned risks.

Director Liability. A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately that particular Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

Limitation of Recourse and Indemnification. Each Fund's Partnership Agreement will limit the circumstances under which the Advisers and their affiliates will be held liable to that particular Fund. As a result, investors may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, the Partnership Agreement will provide that a Fund will indemnify the Advisers and their affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of a Fund. Such indemnification obligations could materially impact the returns to investors.

Litigation. In the ordinary course of its business, a Fund may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of a Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the Advisers' and the Bertram principals' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. Furthermore, such confidence may be adversely affected by local, regional, or global health crises including, but not limited to, the rapid and pandemic spread of novel viruses commonly known as SARS, MERS and COVID-19 (Coronavirus). Such health crises could exacerbate political, social, and economic risks previously mentioned, and result in significant breakdowns, delays, and other disruptions to important global, local, and regional supply chains affected, with potential corresponding results on the operating performance of affected portfolio companies. A climate of uncertainty, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings

on the disposition of businesses. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the contagion of infectious viruses or diseases, or general economic downturn may have an adverse effect upon a Fund's portfolio companies.

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

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

The ultimate impact of COVID-19 — and the resulting precipitous decline in economic and commercial activity across almost all of the world's largest economies — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. The extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative and financial and monetary policy interventions (including the effectiveness of vaccines and the implementation of vaccination programs) designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to "re-open," it will be difficult to assess what the longer-term impacts of an extended period of

unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

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

Market Conditions. The capital markets have experienced great volatility and financial turmoil. 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 may reduce the availability of attractive investment opportunities for a Fund and may affect a Fund's 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) may also increase the risks inherent in a Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011, 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 a Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments. Such adverse effects may include the requirement of a Fund to pay break-up termination or other fees and expenses in the event the particular Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the

inability of a Fund to dispose of investments at prices that the Advisers believe reflect the fair value of such investments. The impact of the market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

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 a Fund, to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or to only offer committed financing for these investments on unattractive terms. A Fund's ability to generate attractive investment returns may be adversely affected to the extent a Fund is 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 a Fund to realize its investments at favorable times or for favorable prices.

Certain Consultants. The Advisers, the Funds, existing or prospective portfolio companies or any of their affiliates expect, from time to time, to retain other companies and individuals ("Operations Executives"), which may be affiliates of the General Partner or the Management Company (including Bertram Labs and Bertram Technology), employees of such affiliates, portfolio companies of other funds managed by the General Partner or its affiliates, third party consultants, "operating partners," "strategic partners," "executive partners" or "senior advisors." The Operations Executives are typically engaged to provide services to, or in connection with, the Fund in relation to its activities or one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies ("Services"). Pursuant to the Partnership Agreement, fees and expenses associated with the Services (collectively "Consulting Fees and Expenses"), are generally paid and/or reimbursed by applicable portfolio companies and/or the Fund. Consulting Fees and Expenses may, at the discretion of the General Partner taking into account the particular Services, include a profits, participation or equity interests in a portfolio company or holding company, discretionary bonuses (whether or not based on pre-determined milestones), a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operations Executive, which 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 Operations Executive, 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. Additionally, portfolio companies may provide opportunities for Operations Executives to invest in such portfolio company and reimburse costs and expenses incurred by Operations Executives. Operations Executives also may receive remuneration from a General Partner and/or a Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. Such investment opportunities, reimbursements and other compensation paid to an Operations Executive will not offset or reduce the Management Fee. To the extent that Operations Executives are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds

will bear a greater share of such compensation due to the utilization of the Operations Executive's services at a time when fewer portfolio companies or Funds make use of such Operations Executive. Operations Executives may have a limited partnership or profit interest in a Fund, the General Partner, one or more other investment funds sponsored by the General Partner or in an affiliate of the General Partner. Although a General Partner could intend to retain Operations Executives with a view to reducing costs to portfolio companies (and, ultimately, a Fund) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. In addition, a General Partner could intend to retain only such Operations Executives which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Without limiting the generality of the foregoing, Bertram Labs and/or Bertram Technology may make available to the portfolio companies and/or prospective portfolio companies proprietary software and other technology from Bertram Labs, Bertram Technology and/or certain technology consulting and other services from Bertram Labs, Bertram Technology, in each case for a fee or other compensation determined by the General Partner to be appropriate.

Bertram has a potential incentive in having the Fund and the portfolio companies retain Operations Executives or in otherwise directing portfolio company business to Bertram Labs and Bertram Technology because Bertram Labs and Bertram Technology are owned by the Management Company and the fees and other compensation earned by them and expense reimbursements paid to them do not offset the Management Fee and are not otherwise shared with the Fund, its investors or its portfolio companies. Bertram believes this conflict is mitigated, in part, by the following: (1) the portfolio companies are not charged separately for certain services they receive from Bertram Labs (e.g., certain design and exploratory prototype work is deemed to be covered by the Fund's Management Fee); (2) the portfolio companies typically would have to purchase services or products from a third party or hire additional employees if they did not purchase services or products from Bertram Labs or Bertram Technology; and (3) Bertram has adopted certain procedures designed to ensure that portfolio company personnel are involved in and, to the extent possible, make independent decisions with respect to, decisions to retain the services of or purchase products from Bertram Labs or Bertram Technology.

Without limiting the generality of the foregoing, Bertram Labs may make available to the portfolio companies proprietary software and other technology from Bertram Labs and/or certain technology consulting and other services from Bertram Labs, in each case for a fee or other compensation determined by the Advisers to be appropriate.

Unfunded Pension Liabilities of 80%-Owned Portfolio Companies. Recent court decisions have suggested that, where an investment fund owns 80% or more of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although the Advisers intend to manage its investments to minimize any such exposure, a Fund may, from time to time, own an 80% or greater interest in a portfolio company that has unfunded pension fund liabilities. If a Fund (or other 80%-owned portfolio

companies of a Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of that Fund and the companies in which that Fund invests 80% or more of the equity.

Monitoring Fee Acceleration. Agreements made with portfolio companies may require the acceleration of future monitoring fees and other fees payable by a portfolio company at the sale or public offering of such portfolio company and an agreed upon value of such fees may be paid to the Advisers at such time. To date, the Advisers have not accelerated the payment of any such fees.

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

Co-Investments. The Advisers generally have the right, in their sole discretion, to provide or commit to provide co-investment opportunities to one or more investors and/or other persons, in each case on terms to be determined by the Advisers in their sole discretion. Potential conflicts of interest arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which the Advisers have the right to make to one or more persons for any number of reasons as determined by the Advisers in their sole discretion, have the potential to not be in the best interests of a Fund or any individual investor. In exercising its sole discretion in connection with such co-investment opportunities, the Advisers expect to consider some or all of a wide range of factors, which potentially could include the likelihood that an investor may invest in a future fund sponsored by the Advisers or their affiliates. A Fund could potentially co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments likely will involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take action contrary to the investment objectives of a Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction. Co-investors may also have access to additional information that a Fund's limited partners do not.

Furthermore, a General Partner or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other limited partners. When and to the extent that employees and related persons of the General Partner make capital investments in or alongside a Fund, the

General Partner is subject to conflicting interests in connection with these investments. The General Partner's allocation of co-investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others.

If a co-investment vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by a Fund, although, from time to time, a Fund alongside which a co-investment vehicle is investing may bear such costs directly or indirectly. 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, ultimately is not consummated, all broken deal expenses relating to such unconsummated transaction are likely to be borne entirely by the Fund, and not by any prospective co-investors that were to have participated in such transaction. In many cases no co-investment vehicle will have been formed at such time. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle may bear its share of such broken deal expenses.

A Fund could potentially co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such Fund might not have control over these companies and, therefore, have a limited ability to protect its position therein. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may have financial difficulties resulting in a negative impact on such portfolio company, may at any time have economic or business interests or goals that are inconsistent with those of the Fund, may cause the investment to be reviewable by the Committee on Foreign Investments in the United States ("CFIUS") or another U.S. or other national security investment clearance regulator, or may be in a position to take action contrary to the investment objectives of the Fund or narrow the array of potential exit strategies for the Fund, as described below. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

Contingent Liabilities Upon Disposition. In connection with the disposition of an investment, a Fund and/or the Advisers often are required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors.

Cyber Security Breaches and Identity Theft. The Advisers, each Fund, certain of the Fund's portfolio companies and service providers to the Advisers, the Funds and the portfolio companies generally rely on information technology systems for current and planned operations.

Cybersecurity incidents and cyber-attacks have been occurring globally at a more frequent and severe level and will likely continue to increase in frequency in the future. Information and technology systems of the Advisers, each Fund's portfolio companies and any service provider may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons, security breaches, usage errors by their respective professionals. There can be no guarantee that the Advisers or the Funds will be able to prevent or mitigate such incidents. The failure of these systems for any reason could cause significant interruptions in the operations of the Advisers, the Funds and portfolio companies and could result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). A cybersecurity incident could have numerous material adverse effects, including on the operations, liquidity and financial condition of the Funds. Cyber threats and/or incidents could cause financial costs from the theft of Fund assets (including proprietary information and intellectual property) as well as numerous unforeseen costs including, but not limited to: litigation costs, preventative and protective costs, remediation costs and costs associated with reputational damage, any of which could be materially adverse to the Funds.

The Funds, their affiliates, service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect a Fund and its investors, despite the efforts of such Fund's service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks and other technology assets, as well as the confidentiality, integrity and availability of information belonging to a fund and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of a Fund's service providers, counterparties or data within these systems. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks.

Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of systems to disclose sensitive information in order to gain access to data or that of a Fund's investors. A successful penetration or circumvention of the security of systems could result in the loss, theft or corruption of an investor's data, a loss of Fund data, a loss of funds, the inability to access electronic systems, overall disruption in operations systems, loss, theft or corruption of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. These threats may also indirectly affect a Fund through cyber incidents with third party service providers or counterparties. Data taken in such breaches may be used by criminals in identity theft, obtaining loans or payments under false identities, and other crimes that could affect a Fund's investors directly as well as affect the value of assets in which a Fund invests. These risks can disrupt the ability to engage in transactional business, cause direct financial loss and reputational damage, lead to violations of applicable laws related to data and privacy protection and consumer protection or incur regulatory penalties, all or part of which may not be covered by insurance. Cybersecurity risks also result in ongoing

prevention and compliance costs. In addition, the Funds may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information and adverse reputational reaction or litigation.

Similar types of operational and technology risks are also present for the portfolio companies in which Funds invest, which could have material adverse consequences for such companies, and may cause the Funds' investments to lose value.

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

For example, California has passed the California Consumer Privacy Act of 2018, and the EU has enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

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

Regulatory Restrictions. Anti-money laundering, anti-boycott, and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent the Advisers or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations, and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC.

Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice, and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

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

Conflicts of Interest

Until such time as the Advisers are permitted to raise a successor investment fund to a Fund, the Bertram principals will pursue all appropriate investment opportunities that meet the investment criteria of the particular Fund for the benefit of that Fund, subject to certain exceptions set forth in the Partnership Agreement. However, the Bertram principals currently, and are expected in the future to, manage several other investment funds besides the Funds and investments similar to those in which the Funds will be investing and expect to direct certain relevant investment opportunities or resources to those other investment funds and investments. Bertram personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. As a result, Bertram principals and the Advisers' investment staff have the potential to encounter conflicts of interest in allocating management time and services between such investment funds and investments. The Bertram principals and Advisers' investment staff will continue to manage and monitor such investment funds and investments. The Advisers believe that the significant investment of the Bertram principals in a Fund, as well as the Bertram principals' interest in the carried interest, operate to align, to some extent, the interest of the Bertram principals with the interest of the investors, although the Bertram principals have or are expected to have economic interests in such other investment funds and investments as well and receive management fees and carried interests relating to these interests. Such other investment funds and investments that the principals expect from time to time control or manage generally have the potential to compete with a Fund or companies acquired by a Fund. It is possible for conflicts of interest to arise between such other investment funds and investments and a Fund or companies acquired by such Fund. At such time as the Advisers are permitted to raise a successor investment fund to a Fund, the Bertram principals will continue to manage a Fund's investments, but also from time to time, likely will focus investment activities on other opportunities and areas unrelated to such Fund's investments. Certain investments will be allocated between Funds and any successor or predecessor fund in a manner as set forth in the respective Partnership Agreement.

From time to time, a General Partner's allocation of investment opportunities among a Fund and any of the other investment funds sponsored by the General Partner will not always, and often will not, be proportional. Therefore, such allocations have the potential to be more advantageous to a Fund relative to one or all of the other investment funds, or vice versa. While a General Partner will allocate investment opportunities in a way that it believes in good faith is fair and equitable to a Fund, there can be no assurance that such Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which the General Partner is expected to be subject to did not exist.

Unless restricted by the Partnership Agreements, Bertram personnel are permitted to serve on boards or act in other roles unaffiliated with Bertram, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies, former portfolio companies and unaffiliated other private companies and receive compensation in connection with such services and roles.

Because a General Partner's carried interest is based on a percentage of net realized profits, it potentially creates an incentive for a General Partner to cause a Fund to make riskier or more speculative investments than would otherwise be the case.

Principals and employees of the Advisers often serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interests of such portfolio company and its shareholders. In certain circumstances (for example in situations involving bankruptcy or near-insolvency of a portfolio company), actions that may be in the best interests of the portfolio company have the potential to not be in the best interests of a Fund, and vice versa. Accordingly, in these situations, there are potential conflicts of interests between such individual's duties as an employee of the Advisers and such individual's duties as a director of such portfolio company.

In addition, the Advisers, their affiliates and/or their personnel maintain relationships with (or may invest in) financial institutions or other service providers, some of which will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services to, the Advisers and/or their affiliates, and/or the Funds.

The Advisers' principals, employees or senior advisors reserve the right to invest in other private equity investment vehicles (including single investor co-investments) managed by other advisers. In some cases, the Advisers or the Funds have the potential to purchase portfolio companies that are owned by such other investment vehicles, which could indirectly benefit any principals, employees or senior advisors.

Additionally, conflicts of interest can arise if a Fund makes an investment in a portfolio company in conjunction with an investment made by another investment fund sponsored by the General Partner or an affiliate. For instance, from time to time, a Fund will not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other investment fund. This has the potential to result in differences in price, investment terms, leverage and associated costs between a Fund and any other investing fund sponsored by a General Partner or an affiliate. There can be no assurance that a Fund and the

other investing fund(s) will exit the investment at the same time or on the same terms, and there can be no assurance that a Fund's return on such an investment will be the same as the returns achieved by any other investment fund participating in the transactions. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to a Fund.

A General Partner is expected to face a variety of potential conflicts of interest when it determines allocations of various fees and expenses to a Fund. A General Partner, in its sole discretion, will allocate fees and expenses in accordance with the Partnership Agreement and in a manner that it believes in good faith is fair and equitable to a Fund under the circumstances and considering such factors as it deems relevant. The allocations of such expenses have the potential to not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on number of funds or co-investors receiving related benefits or proportionately in accordance with asset size.

A General Partner reserves the right to, from time to time, employ personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by a Fund or other funds or investment vehicles advised by the General Partner; conversely, former personnel or executives of a General Partner are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by the General Partner. Similarly, a General Partner and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. 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, a General Partner, a Fund, and other funds or other investment vehicles a General Partner advises. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through Bertram entities) to Bertram personnel and their estate planning vehicles. A General Partner has the potential to be subject to a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company owned by such Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more funds a General Partner advises, will provide a General Partner information about markets and industries in which a General Partner operates (or is contemplating operations) or will provide other services that are beneficial to a General Partner. A General Partner could have a conflict of interest in making such recommendations, in that the General Partner has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for a Fund and other funds and investment vehicles that a General Partner advises, while the products or services recommended have the potential to not necessarily be the best available to the portfolio companies held by a Fund. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements.

Bertram, its affiliates, and equity holders, officers, principals and employees of Bertram and its affiliates reserve the right to buy or sell securities or other instruments that Bertram has recommended to a Fund. In addition, officers, principals and employees reserve the right to buy securities in transactions deemed unsuitable for a Fund. Any such transactions are subject to any

restrictions in the Fund Documents and any related policies and procedures set forth in Bertram's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Bertram 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.

Except to the extent prohibited by the Partnership Agreements, the Advisers and their personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles or accounts, and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the Partnership Agreements and anti-"assignment" provisions of the Advisers Act, Bertram and its personnel are also permitted to offer, restructure and monetize interests in Bertram.

A General Partner is permitted to create one or more investment entities to invest alongside a Fund for certain investors, including certain (but not necessarily all) limited partners and/or their respective affiliates and other investors associated with Bertram principals (e.g., certain employees of a General Partner and/or its affiliates, executives of companies in which the Bertram principals previously have invested, been employed or otherwise been associated, family members, etc.). In some instances, the terms of these entities will be more or less favorable to the investors therein than the terms offered to the limited partners in a Fund. A General Partner will use its reasonable efforts to resolve any conflict of interest in its good faith determination, on an equitable basis, taking into account for such determinations the applicable investment objectives and guidelines of all the parties involved and such other factors as it deems appropriate. In addition, certain potential conflicts of interest may be referred to the advisory committee of a Fund by a General Partner pursuant to the relevant Partnership Agreement.

In connection with its services to the Funds and their investments, the Advisers, their affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of the Advisers' operations, including research, due diligence, investment monitoring, operational improvements and investment activities, the Advisers and their personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Bertram Information"). In many cases, Bertram Information will include tools, procedures and resources developed by the Advisers to organize or systematize Bertram Information for ongoing or future use. Although the Advisers expect the Funds and their portfolio companies generally to benefit from the Advisers' possession of Bertram Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio companies and not by the Fund or portfolio company from which Bertram Information was originally received. Bertram Information will be the sole intellectual property of Bertram and solely for the use of Bertram. The Advisers reserve the right to use, share, license, sell or monetize Bertram Information, without offset to Management Fees, and the relevant Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or portfolio companies are

expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, “points,” “cash back,” rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds or their respective investors; no such rewards will offset Management Fees.

A General Partner generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) a General Partner or a related person of the General Partner (which has the potential to include a portfolio company of a Fund); (ii) an entity with which a General Partner or its affiliates or current or former members of their personnel has a relationship or from which a General Partner or its affiliates or their personnel otherwise derives financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where a General Partner personnel are seconded, or from which a General Partner receives secondees; or (iii) a limited partner of a Fund or another fund sponsored by Bertram. For example, a General Partner expects to be presented with opportunities to receive financing and/or other services in connection with a Fund’s investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects the General Partner to conflicts of interest, because although the General Partner selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of a Fund, the General Partner has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that a General Partner, 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 a Fund, a General Partner or Bertram), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. The General Partner will not necessarily seek out the lowest cost options when incurring (or causing the Fund or its portfolio companies to incur) such expenses. Although a General Partner generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. In certain circumstances where a General Partner commits or has committed to seek “market” or “arms-length” rates or terms, the General Partner will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Consequently, a General Partner undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, a General Partner reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not a General Partner 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.

Bertram has instituted a program under which portfolio companies owned by the Funds are given the option to participate in purchasing, vendor or similar arrangements with Bertram, its personnel 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. In certain cases, such arrangements will involve the sharing of risk, such as under group insurance arrangements where deductibles are shared or calculated with regard to the group rather than individual insured parties. Bertram and its personnel also participate in the program and receive similar benefits and discounts as the portfolio companies participating therein. No such amounts will offset or reduce the Management Fee. Bertram 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 Fund(s)) that will result if the rates for goods and services are discounted due to scale or relative to those widely available in the market.

Bertram 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 Bertram 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. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements. From time to time Bertram, 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. To the extent its portfolio companies offer such discounts to customers other than Bertram and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Bertram 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 Bertram, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Since the Advisers are permitted to retain certain Supplemental Fees (as described under “Fees and Compensation”) in connection with Fund investments, they expect to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, Supplemental Fees are based on enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, Bertram reserves the right to accrue, defer or forego payments of Supplemental Fees, and reserves the right to charge interest at then-available rates with respect to such amounts. In such cases, in accordance with the Fund Documents, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

In addition, a Fund's portfolio companies have the potential to, from time to time, make discounts and other benefits available to employees in connection with products or services offered by such companies.

DISCIPLINARY INFORMATION

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

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Management Company is affiliated with General Partner I, General Partner II, General Partner III, General Partner III Annex, each of which is subject to the Advisers Act, and Co-Invest Manager, which is registered under the Advisers Act, in each case pursuant to and in reliance upon the Management Company's registration in accordance with SEC guidance. Certain of the Bertram principals, officers, employees and/or consultants of the Management Company serve the General Partners or other Bertram affiliates in a similar capacity.

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

The Advisers have adopted a Code of Ethics and Securities Trading Policy and Procedures (the "Code"), which sets forth standards of conduct that are expected of Bertram principals and employees and addresses conflicts that arise from personal trading. The Code requires Bertram personnel to report their personal securities transactions and to pre-clear all securities transactions against a restricted list maintained by the Adviser (subject to limited exceptions stated in the Code) prior to directly or indirectly acquiring or disposing of beneficial ownership in securities. A copy of the Code will be provided to any investor or prospective investor upon request to Bertram's Chief Compliance Officer at (650) 358-5000. The Code requires personal securities transactions to be conducted in a manner that prioritizes a Funds' (and any other client's) interests.

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

Accordingly, if the Advisers or any of their affiliated persons come into possession of material nonpublic or other confidential information with respect to any public company, the Advisers would be prohibited from communicating such information to the Funds (or any other clients), and the Advisers will have no responsibility or liability for failing to disclose such information to the Private Investment Funds as a result of following the Advisers' policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of the Advisers' personnel serving as directors of public companies and may restrict trading

on behalf of clients, including the Private Investment Funds. As a result, the Advisers may be prohibited from making a purchase or sale on behalf of the Funds that they would otherwise make.

Bertram principals and employees of the Management Company and its affiliates typically directly or indirectly own an interest in Private Investment Funds, including through a co-investment vehicle. Bertram has formed a Co-Invest Fund that invests alongside a certain Fund portfolio company and may in the future offer certain investors or other persons, including Bertram principals and employees, the opportunity to co-invest either directly in a portfolio company or through a Co-Invest Fund. Bertram generally intends that such Co-Invest Funds invest at the same time as the Funds. However, from time to time, for strategic and other reasons, a Co-Invest Fund may subsequently purchase a portion of an investment from a Fund. The co-invest buy-down generally occurs shortly after the applicable Fund's completion of the investment to avoid any changes in valuation of the investment. Co-Invest Funds are typically expected to dispose of their investments in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. In certain circumstances, a Co-Invest Fund or other co-investor may evaluate a potential investment alongside a Fund. If the potential investment or co-investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment will typically be borne entirely by the primary Fund or Funds pursuing such investment rather than the Co-Invest Fund or other co-investor. As noted under the risk factor discussion in Item 8, the Advisers retain sole discretion with respect to the offer and allocation of any co-investment opportunities. Investors that participate in co-investments, whether directly or through a Co-Invest Fund, may be in a position to obtain additional information regarding the applicable portfolio company that may not generally be available to investors in the Fund. To the extent that co-investment vehicles exist, such vehicles may invest in one or more of the same portfolio companies as a Private Investment Fund, subject to any limitations set forth in the applicable Partnership Agreements. General Partner I, directly or indirectly through affiliates, committed approximately \$14 million to Fund I, General Partner II committed, directly or indirectly through affiliates, approximately \$20 million to Fund II, General Partner III committed, directly or indirectly through affiliates, approximately \$20 million to Fund III, General Partner III Annex committed, directly or indirectly through affiliates, approximately \$6.5 million to Fund III Annex, and General Partner IV will commit, directly or indirectly through affiliates, at least 4.5% of the aggregate commitments of Fund IV.

The Advisers and their affiliates, principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in the Private Investment Funds, and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, the Private Investment Funds, even though their investment objectives may be the same or similar.

BROKERAGE PRACTICES

The Advisers focus on securities transactions of private companies and generally purchase and sell such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, the Advisers may also distribute securities to investors in a particular Fund or sell such securities, including through using a broker-dealer, if a public

trading market exists. Although the Advisor do not intend to regularly engage in public securities transactions, to the extent they do so, they follow the brokerage practices described below.

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

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

To the extent that the Advisers engage in any public securities transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Private Investment Funds are completed independently, the Advisers may also purchase or sell the same securities or instruments for several Private Investment Funds simultaneously. From time to time, the Advisers may, but are not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Private Investment Fund of the Advisers is favored over any other Private Investment Fund.

When an aggregated order is filled in its entirety, each participating Private Investment Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Private Investment Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Private Investment Funds. Each Private Investment Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to Private Investment Funds over time.

REVIEW OF ACCOUNTS

The investments made by the Private Investment Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, the Advisers closely monitor companies in which the Private

Investment Funds invest. The Management Company bears the primary responsibility for confirming that each General Partner manages a private fund in accordance with the private fund's investment objectives and guidelines. Bertram's Chief Compliance Officer periodically will check to confirm that each Private Investment Fund is being managed in accordance with its stated objectives.

Each Fund generally provides to its investors: (i) annual GAAP audited and quarterly unaudited financial statements and (ii) annual tax information necessary for each Limited Partner's tax return. Information provided to investors in Co-Invest Funds is negotiated on a case-by-case basis. In addition to the information typically provided to all limited partners, the Advisers may in certain circumstances (e.g., in connection with a co-investment opportunity) provide certain investors with additional information with respect to a Fund or a portfolio company or provide more frequent reports that other investors will not necessarily receive.

CLIENT REFERRALS AND OTHER COMPENSATION

The Advisers and their affiliates have entered, and in the future may enter, into placement agreements or solicitation arrangements pursuant to which the Advisers compensate third parties for referrals that result in a potential investor becoming a limited partner in a Private Investment Fund.

As described under "Fees and Compensation," the Management Company and its affiliates, often provide certain services to or sell or license products to existing or prospective portfolio companies and may, from time to time, receive fees or other compensation and expense reimbursements from these companies or from a Fund in connection with such services. As described in the Partnership Agreement, while certain fees and compensation offset a portion of a Fund's Management Fees, a Fund's Management Fee is generally not offset by fees, and the Funds do not otherwise share in other compensation and expense reimbursements received by Bertram Labs (as defined above) or any other Special Consultant (as defined and discussed further under Risk of Investment – Certain Consultants" in "Methods of Analysis, Investment Strategies, Risk of Loss") from a Fund's portfolio companies, prospective portfolio companies or from other customers for services rendered or products sold or licensed, or received by Bertram or any of its affiliates as payments for services provided to any portfolio company in its ordinary course of business or as compensation for services provided by any Bertram Labs personnel as an employee of or in a similar capacity for such portfolio company or its subsidiaries.

CUSTODY

The Advisers are deemed to have custody of the Funds' assets, and as a result, maintain custody of each Fund's securities and funds, to the extent required by the Fund's partnership agreement and the Advisers Act, in each Fund's name with certain qualified custodians. Because the Funds are subject to audit at least annually by an independent public accountant registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the Funds' audited financial statements are delivered to investors in accordance with Advisers Act requirements, the Advisers are not required to have a qualified custodian deliver account

statements to investors. Currently, Merrill Lynch, Pierce, Fenner & Smith, Inc., Silicon Valley Bank and First Republic Bank serve as the qualified custodians for one or more of the Funds.

INVESTMENT DISCRETION

Pursuant to the terms of the applicable Partnership Agreement, the Management Agreements and powers of attorney executed by the investors of a Fund, the Management Company has discretion to manage investments on behalf of the Funds, subject to the oversight of the respective General Partners. As a general policy, the Advisers do not allow clients to place limitations on this discretionary authority. Pursuant to the terms of the Partnership Agreements, however, the General Partners typically enter into “side letter” arrangements with certain investors whereby the terms applicable to such investors’ investments in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons.

VOTING CLIENT SECURITIES

The Advisers have adopted the Bertram Proxy Voting Policies and Procedures (the “Proxy Policy”) to address how they will vote proxies, as applicable, for each Fund’s (and any Private Investment Fund’s) portfolio investments. The Proxy Policy seeks to ensure that the Advisers vote proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. The Advisers generally believe their interests are aligned with those of a Fund’s investors through the Bertram principals’ beneficial ownership interests in the Funds and therefore do not expect to seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Advisers may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund’s advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. The Advisers do not consider service on portfolio company boards by Bertram personnel or the Advisers’ receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Advisers when voting proxies on behalf of the Funds. Current and prospective investors who would like a copy of the Advisers’ complete Proxy Policy or information regarding how the Advisers voted proxies for particular portfolio companies should contact Bertram’s Chief Compliance Officer at (650) 358-5000, and such information will be provided at no charge.

FINANCIAL INFORMATION

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