

Item 1. Cover Page

**Form ADV Part 2A
Firm Brochure**

Genstar Capital Management LLC

Four Embarcadero, Suite 1900
San Francisco, CA 94111-4191
(415) 834-2350

www.gencap.com

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This brochure provides information about the qualifications and business practices of Genstar Capital Management LLC. If you have any questions about the contents of this brochure, please contact us at 415-834-2350. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about Genstar Capital Management LLC (“Genstar” or the “Firm”) also is available on the SEC’s website at www.adviserinfo.sec.gov.

Genstar refers to itself as a “registered investment adviser”. Registration does not imply a certain level of skill or training.

Item 2. Material Changes

The date of the last filed amendment to the Firm's brochure was on March 30, 2020. This amendment includes revised information about fees and expenses (Item 5), business risks (Item 8), and conflicts of interest (Item 11).

Nevertheless, investors are encouraged to review this brochure in its entirety. The information set forth in this brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall control.

Item 3. Table of Contents

<u>Item 1.</u>	Cover Page	1
<u>Item 2.</u>	Material Changes	2
<u>Item 3.</u>	Table of Contents	3
<u>Item 4.</u>	Advisory Business.....	4
<u>Item 5.</u>	Fees and Compensation	5
<u>Item 6.</u>	Performance-Based Fees and Side-By-Side Management.....	9
<u>Item 7.</u>	Types of Clients	10
<u>Item 8.</u>	Methods of Analysis, Investment Strategies and Risk of Loss.....	10
<u>Item 9.</u>	Disciplinary Information.....	21
<u>Item 10.</u>	Other Financial Industry Activities and Affiliations.....	21
<u>Item 11.</u>	Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	22
<u>Item 12.</u>	Brokerage Practices.....	41
<u>Item 13.</u>	Review of Accounts	42
<u>Item 14.</u>	Client Referrals and Other Compensation	42
<u>Item 15.</u>	Custody	43
<u>Item 16.</u>	Investment Discretion	43
<u>Item 17.</u>	Voting Client Securities	43
<u>Item 18.</u>	Financial Information.....	44
<u>Item 19.</u>	Requirements for State-Registered Advisers	44

Item 4. Advisory Business

General Information

This brochure is prepared on behalf of Genstar Capital Management LLC, Genstar Capital Partners LLC, and Genstar Capital LLC (together with their affiliates that provide advisory services to and/or receive management fees from the Funds (as defined below), “**Genstar**” or the “**Firm**”), in accordance with the requirements of Rule 203-1 under the Investment Advisers Act of 1940 (“**Advisers Act**”) and Form ADV. Such affiliates may or may not be under common control with Genstar Capital Management LLC, but possess a substantial identity of personnel and/or equity owners with Genstar Capital Management LLC. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds (as defined below), or may serve as General Partners (as defined below) of the Funds. The information herein responds to specific information required by the Rule, and Form ADV, and does not contain all of the terms of an investment in any of the Funds. Investors should refer to the information in the Fund Documents (as defined below) for additional information regarding an investment in any of the Funds.

Our Firm

Genstar is a San Francisco-based private investment firm. The principal owners of Genstar Capital Management LLC, Genstar Capital LLC, and Genstar Capital Partners LLC are Jean-Pierre L. Conte, J. Ryan Clark, Anthony J. Salewski, Robert S. Rutledge, and Eli P. Weiss (the “**Managing Directors**”). Genstar has been in business for approximately 32 years.

Genstar makes controlled, growth-oriented private equity investments in middle-market companies located in North America. Middle-market companies generally are companies having an enterprise value of approximately \$250 million to \$1,500 million. The Firm targets investments in four core industry verticals of Financial Services, Healthcare, Industrials, and Software. Genstar’s advisory services consist of providing investment advice and other management and administrative services, including investigating, structuring, and negotiating potential investments on behalf of the Funds, monitoring the performance of such investments and advising as to disposition of such investments. Genstar may serve as the investment adviser or general partner to the Funds in order to provide such services.

Ownership and Structure

Genstar is a Delaware limited liability company that is registered with the SEC as an investment adviser under the Advisers Act. Together with trusts for the benefit of their families, the Managing Directors are the principal owners of the Firm.

Nature of Our Clients

Genstar provides discretionary investment management services through affiliated General Partners to private investment funds (the “**Funds**”). The Funds are typically U.S. limited partnerships or other investment vehicles that are not registered or required to be registered under the U.S. Investment Company Act of 1940 (“**1940 Act**”) or the U.S. Securities Act of

1933 (“**Securities Act**”), and are privately placed to qualified investors in the United States and elsewhere.

The Funds are collectively referred to in this brochure as “**Clients**.” Persons and entities that invest in the Funds are referred to in this brochure as “**investors**” or “**limited partners**.” Genstar provides investment advice and other services directly to the Funds and not individually to the investors in the Funds.

Genstar does not currently participate as manager in any wrap fee programs.

Types of Advisory Services Offered

Discretionary investment management services are provided to the Funds in accordance with the terms of private placement memoranda and relevant offering materials and governing documents, including limited partnership agreements, side letters and advisory agreements, of the Funds (together, the “**Fund Documents**”).

Discretionary investment management services are provided directly to each Fund, subject to the discretion and control of the applicable general partner of such Fund, Genstar Capital V, L.P., Genstar Capital VI, L.P., Genstar Capital VII, L.P., Genstar Capital VIII, L.P., Genstar Capital IX, L.P. and Genstar Capital X, L.P., (each a “**General Partner**,” collectively, the “**General Partners**”), and not individually to the investors in such Fund. The terms upon which the Firm serves as investment manager of a Fund are established at the time such Fund is established and are generally set out in the Fund Documents applicable to such Fund. These terms may vary among each Fund and potentially restrict investments in accordance with certain diversification provisions.

Assets Under Management

As of December 31, 2020, Genstar managed \$21,471,129,794 of Client assets, all of which are managed on a discretionary basis. This includes the committed capital that may be called by the Funds from their respective limited partners.

Item 5. Fees and Compensation

Management Fees

Genstar and affiliated General Partners of the Funds generally receive management fees and “**Carried Interest**” allocations, as described in Item 6 below, respectively, in connection with the investment management and other services the Firm and the General Partners provide to the Funds. Such fees and Carried Interest allocations paid by a Fund are indirectly borne by investors in such Fund.

The Funds generally pay annual management fees based upon aggregate commitments during the commitment period (i.e., period of time during which the applicable General Partner may draw upon the limited partners’ capital commitments to make new investments) of the

relevant Fund, and, following the commitment period, based upon funded commitments with respect to investments that have not been the subject of a disposition. Management fees are payable in advance on a quarterly basis.

To the extent provided in the Fund Documents of the Funds, Genstar will pay out of management fees its own operating expenses incurred in connection with the management of the Funds (which, for the avoidance of doubt, exclude those expenses borne directly by the Funds as described below). Additionally, Genstar will bear full economic responsibility for organizational expenses in excess of formation expenses (excluding any non-U.S. regulatory expenses) and for any placement fees (other than Local Intermediary Fees (as defined below)) through an offset against management fees.

Organizational and Offering Expenses

The Funds will bear all reasonable legal and other expenses incurred in the formation of the Funds and the General Partners, up to an amount provided in the Fund Documents. Genstar will bear economic responsibility for organizational expenses in excess of this amount, subject to the terms provided in the Fund Documents.

Other Expenses, Transaction Fees and Offset of Management Fees

Except as noted above, and subject to the terms of the Fund Documents, the Funds will pay all other costs, expenses and liabilities that in the good faith judgment of the General Partners are incurred by or arise out of the operation and activities of the Fund.

Genstar may perform management, advisory, transaction-related, financing, monitoring, director, financial advisory and other services (“**Related Services**”) for, and receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds, including fees in connection with mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales, unconsummated transactions and similar transactions (“**Transaction Fees**”). For purposes of determining the management fee offset described below, Transaction Fees exclude any portion thereof that is allocable to or is based on an investment by any parallel fund, alternative investment vehicle, co-investment vehicle, or other investor (including, for the avoidance of doubt, any strategic co-investors or priority co-investors), on the basis of capital committed (or to be committed) by each to the relevant transaction. Generally, under the terms of the applicable Fund Documents, these Transaction Fees are net of out-of-pocket costs and expenses incurred by Genstar in connection with consummated or unconsummated transactions or in connection with generating any such fees. These Transaction Fees may be substantial and may be paid in cash, in securities of the portfolio companies or investment vehicles (or rights thereto) or otherwise. Although these fees are in addition to the management fees, Genstar will generally apply all or a percentage of such fees to reduce the amount of management fees paid by the applicable Fund in connection with the receipt of such fees. The amount and manner of such reduction is set forth in the Fund Documents of the applicable Fund. As some Funds do not pay management fees, any such reduction will not benefit such Funds. Any such reduction of a Fund’s management fees will be limited to the extent of such Fund’s proportionate interest in the applicable portfolio company. There are also certain circumstances (such as the occurrence

of an initial public offering or strategic exit) which may accelerate the payment of such fees. Since the management agreements with the portfolio companies providing for such fees may have prolonged terms (often exceeding ten years and/or subject to automatic extensions and renewal), the effect of such acceleration may be substantial, particularly in the event such circumstances occur early in the life of the Fund's investment in such portfolio companies. Additionally, a portfolio company or other third person may reimburse Genstar for expenses, including, without limitation, variable travel expenses incurred in accordance with Genstar's travel policy as in effect from time to time, which may include expenses for chartered or first-class travel, expenses associated with the structuring, negotiating, making, sourcing (including any retainers, success and finder's fees and other compensation paid to contractors), researching, acquiring, monitoring, restructuring, holding, selling and otherwise disposing of, or otherwise related to, such Fund's proposed or actual investments; all third party expenses relating to unconsummated transactions (i.e., broken deal expenses, break-up fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties) and temporary investments, variable administrative expenses (such as research), lodging, meals and entertainment, due diligence expenses (including fees for attending conferences the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts; expenses related to recruitment of executive staff; legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith) incurred by Genstar in connection with its performance of services for such portfolio company. Such reimbursed expenses are generally not included in the definition of "Transaction Fees" under the terms of the applicable Fund Documents, and such reimbursements are not subject to the sharing arrangements described above. For a discussion of material conflicts of interest created by the receipt of such fees and reimbursements, please see Item 11 below.

From time to time, Genstar may (in its sole discretion), agree to pay a portion of a Transaction or other fee received from an actual or prospective portfolio company to a third party ("**Third Party Fee**"), such as a consultant, advisor, finder, broker and/or investment bank. In such event, the Third Party Fee is not a fee that Genstar is entitled to retain and therefore, Genstar is not required under the terms of the applicable Fund Documents to offset such Third Party Fee against a Fund's management fee.

Genstar also engages and retains operating partners, senior advisors, operating executives, strategic advisers, consultants, and other similar professionals who are not employees or affiliates of Genstar and who, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not be subject to the sharing arrangements described above.

As further described herein and in the applicable Fund Documents, Genstar has created a Strategic Advisory Board ("**SAB**"), consisting of senior executives retained by Genstar, who will consult with Genstar on various matters, including issues relating to investments, general market trends, specific transactions and management assessment. Additionally, as part of its

strategy, Genstar has entered and may enter into certain strategic relationships with operating executives to provide certain services in connection with sourcing investments, due diligence and/or providing operating management to portfolio companies. Such persons may, from time to time, receive payments from, or allocations with respect to, portfolio companies or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not offset the management fee payable in respect of the Funds for purposes of Transaction Fees.

The members of the Strategic Advisory Board will, and operating partners may, also receive other benefits, including the opportunity, either through the Fund or a separate investment vehicle, to invest in each of the Fund's investments at the same time and on the same terms as the limited partners, but without payment of management fees or Carried Interest, or in particular investments in portfolio companies. In addition, members of the Strategic Advisory Board and any operating executives may, from time to time, receive compensation, guaranteed payments, cash fees, a share of proceeds upon sale of a portfolio company or other incentive-based compensation. Compensation paid to the members of the Strategic Advisory Board will be borne by Genstar. Members of the Strategic Advisory Board will, and operating partners may, also receive reimbursement from the Funds of certain costs and expenses that are incurred in connection with providing services with respect to the Fund, including their reasonable out-of-pocket expenses and expenses of meetings of the Strategic Advisory Board (and travel expenses).

In addition, these persons will (i) receive cash and/or non-cash (e.g., equity) consideration for their services from the applicable portfolio companies and (ii) invest directly in one or more portfolio companies. Any such cash or non-cash consideration received by a member of the Strategic Advisory Board or an operating executive from a portfolio company will not be Transaction Fees subject to offset pursuant to the applicable limited partnership agreement.

The precise amount of, and the manner and calculation of, the management fees for each Fund are established by Genstar, as modified by negotiations with limited partners in the applicable Fund, and are set forth in such Fund's Fund Documents received by each limited partner prior to investment in such Fund. Genstar may irrevocably elect to waive all or any portion of the management fee payable. The management fees and other fees and distributions described above are generally subject to waiver or reduction by Genstar in its sole discretion, both voluntarily and on a negotiated basis with selected investors. The fee structures described above may be modified from time to time. Fees may differ from one Fund to another, as well as among limited partners in the same Fund.

To the extent provided in the applicable Fund Documents, Genstar will pay all of their own ordinary administrative and overhead expenses in managing Fund investments, including salaries, benefits and rent.

Consistent with the Fund Documents, each Fund, and its underlying investors, will pay all other costs, expenses and liabilities that in the good faith judgment of the General Partner are incurred by or arise out of the operation and activities of the Fund, including: a) those

incurred in connection with or arising out of the Alternative Investment Fund Managers Directive (the “AIFMD”) or comparable regimes or statutes in other non-U.S. jurisdictions, including reports, disclosures, filings, registrations and legal expenses related thereto (together, “Non-U.S. Regulatory Expenses”), including any fees or interest that, in the good faith judgment of the General Partner, are incurred in connection with or arising out of the engagement by the Fund of any placement agent solely for the purpose of complying with applicable regulations in a specific jurisdiction with respect to marketing Interests in such jurisdiction (such fees or interest, “Local Intermediary Fees”); (b) the management fee; (c) those associated with the structuring, negotiating, making, sourcing (including any retainers, success and finder’s fees and other compensation paid to contractors (whether or not related to a specific acquisition of a portfolio investment) but excluding any compensation paid to members of the Strategic Advisory Board), researching, acquiring, monitoring, restructuring, selling or otherwise disposing of, or otherwise relating to, consummated investments, proposed but unconsummated investments and restructurings (including break-up fees and fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties), and temporary investments, including travel expenses incurred in accordance with Genstar’s travel policy as in effect from time to time, variable administrative expenses (such as research), lodging, meals and entertainment expenses, due diligence expenses (including fees for attendance of industry conferences, the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts, legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith, to the extent that such fees and expenses are not reimbursed by a portfolio company or other third person; (d) premiums for insurance protecting the Fund and any indemnitees (as defined in Fund Documents) from liabilities to third persons in connection with Fund affairs, including fees and expenses incurred in connection with obtaining representations and warranties insurance; (e) legal, auditing, consulting and accounting fees and expenses, including expenses associated with the preparation of the Fund’s financial statements, tax returns and reports to limited partners; (f) communications expenses (including the cost of any software or online data portal utilized in connection therewith or with reporting and any expenses incurred in connection with webcasts, video conferencing or similar technology services); (g) custodial and banking fees and expenses; (h) appraisal expenses, including the cost of obtaining positive assurance from an independent appraisal firm on the General Partner’s determination of fair value with respect to each investment; (i) those of depositary, custodial, trustee, paying agent, record-keeping and administrator services (including, but not limited to, fees, expenses and costs incurred in connection with the preparation and circulation of drawdown notices and distribution notices); (j) those associated with the organization, documentation and maintenance of any Alternative Investment Funds (as defined in Fund Documents), holding vehicles (as defined in Fund Documents), taxable subsidiaries (as defined in Fund documents) and underlying partnerships (as defined in Fund Documents); (k) reasonable out-of-pocket expenses of the limited partner advisory board and the Strategic Advisory Board and expenses of meetings thereof (including travel expenses) and the annual leadership conference among the members of the limited partner advisory board, chief executive officers of portfolio companies, members of the Strategic Advisory Board, operating partners, and Managing Directors (and

their respective spouses); (l) those associated with meetings of limited partners; (m) those incurred in connection with the implementation of environmental, social and governance policies in connection with the activities of the Fund or any investment or proposed investment, including due diligence and reporting; (n) those incurred in connection with any sector-specific summits or similar meetings among chief executive officers, chief financial officers or other senior executives of any portfolio companies or prospective portfolio companies and members of the Strategic Advisory Board, operating partners, Managing Directors and other investment professionals of Genstar; (o) those that are classified as extraordinary expenses under generally accepted accounting principles (such as litigation, including the amount of any judgments or settlements paid in connection therewith) and indemnity expenses; (p) those related to taxes and other governmental or regulatory charges, fees and duties payable by the Fund (including interest and penalties thereon and taxes and other amounts related thereto), in each case, except to the extent that such amounts are (i) allocable to, or indemnifiable by, a Managing Director and (ii) actually borne or paid by such Managing Director, and all expenses incurred by the tax matters representative, or in connection with any tax filing, audit, investigation, settlement or review of the Fund; (q) those related to any and all claims, demands, liabilities, costs, expenses, damages, losses, suits, proceedings and actions, whether judicial, administrative, investigative or otherwise, of whatever nature, known or unknown, liquidated or unliquidated, that may accrue to or be incurred by any indemnitee, or in which any indemnitee may be involved, as a party or otherwise, or with which an indemnitee may be threatened, relating to or arising out of the investment or other activities of the Fund, or activities undertaken in connection with the Fund, or otherwise relating to or arising out of the limited partnership agreement, including amounts paid in satisfaction of judgments, in compromise or as fines or penalties, and counsel fees and expenses incurred in connection with the preparation for defense or disposition of any investigation, action, suit, arbitration or other proceeding, whether civil or criminal; (r) interest on and fees and expenses arising out of permitted borrowings, guarantees or other credit arrangements entered into by the Fund, including those incurred in negotiating, entering into, effecting, maintaining, varying and terminating any such arrangements; (s) those relating to a defaulting limited partner; (t) those incurred in connection with hedging transactions; (u) those incurred in connection with government and regulatory filings required to be made in respect of the Fund or any Alternative Investment Fund (including Form PF but excluding Form ADV) and those related to compliance with privacy laws, rules or regulations of any applicable jurisdiction, including the General Data Protection Regulation; (v) those incurred in connection with any actual or proposed purchase, sale, assignment, pledge or transfer of a limited partner's interest (as defined in Fund Documents) or the withdrawal or termination of a limited partner (except to the extent allocable to or payable by, and actually borne and paid by, the applicable purchaser or limited partner, assignee, pledgee or transferee, as the case may be); (w) those incurred in connection with winding up and liquidating the Fund and its subsidiaries or any Alternative Investment Funds, holding vehicles, taxable subsidiaries or underlying partnerships; (x) those incurred by subsidiaries of the Fund or Genstar, in each case, through which investments are held or managed and formed for the purposes of maintaining a permanent residence in certain jurisdictions, including costs associated with establishing, administering and managing such entities (such as rent for office space, related overhead, board of directors expenses and employee salaries and benefits) and winding up and dissolving such entities; (y) those incurred in connection with the administering of, and compliance with, "side letters" entered

into with any limited partner and the limited partnership agreement, including summaries thereof; (z) those associated with the notification and election process in connection with any “most favored nations” provision of any “side letter”, including the preparation of any compendium related thereto; (aa) those incurred in connection with the collection of any amounts due to the Fund from any person; (bb) those incurred in connection with any restructuring or amendments to the constituent documents of the Fund and related entities, including the General Partner and Genstar, to the extent necessary to implement a restructuring or amendment to the limited partnership agreement or other fund documents, but not including organizational expenses or Genstar expenses; (cc) expenses incurred in connection with assisting limited partners in complying with FOIA requests; and (dd) those relating to anti-money laundering or “know your customer” compliance, tax diligence expenses and/or related procedures.

In certain cases, a co-investment vehicle may be formed in connection with the consummation of a transaction. In some cases, one or more additional co-investment vehicles to provide employees of Genstar (other than Managing Directors) and its affiliates with the opportunity to co-invest with the Fund. If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction would therefore be borne by the Fund or Funds selected by Genstar as proposed investors for such proposed transaction. In addition, Genstar is authorized to waive or reduce all or a portion of the management fee payable by a Fund in full or partial satisfaction of any obligation of Genstar and certain employees and affiliates of Genstar to invest in and/or alongside such Fund, which could result in acceleration of investor capital contributions. Waived or reduced management fees may not be subject to various offsets or the reductions described above. Due to waived or reduced management fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets.

In some cases, expenses might be attributable to more than one Fund, or to Genstar and one or more Funds. In such cases, Genstar will allocate such expenses to all affected Funds in its discretion. Genstar may experience a conflict of interest when determining and applying an allocation methodology. Please see Item 11 below regarding “Conflicts of Interest” for information regarding the conflicts of interest that may arise in relation to Genstar’s expense allocation.

Additionally, please see Item 6 below regarding “Carried Interest” that Funds may pay.

Although Genstar does not generally utilize the services of broker-dealers to effect portfolio transactions for the Funds, when a broker is used in connection with an investment by a Fund, such Fund will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below. Neither Genstar nor any of its supervised persons accepts compensation for the sale of securities or other investment products.

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

With respect to each Fund a portion of the profits of each Fund, if any, is distributed to its general partner as “carried interest” (the “**Carried Interest**”). Each General Partner of a Fund is an affiliate of Genstar. Carried Interest paid by a Fund is indirectly borne by investors in such Fund. Certain Funds and investors (including employees and other related persons of Genstar) in such Funds incur lower or no Carried Interest. Certain co-investment investors are also not required to pay management fees or Carried Interest.

The payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a Fund) has the potential to create an incentive for Genstar to disproportionately allocate time, services or functions to Funds paying Carried Interest at a higher rate, or allocate investment opportunities to such Funds. Generally, and except as may be otherwise set forth in the Fund Documents of the Funds, this conflict is mitigated by (i) certain limitations on the ability of Genstar to establish new investment funds, (ii) contractual provisions requiring certain Funds to purchase and sell investments contemporaneously and/or (iii) contractual provisions and procedures setting forth investment allocation requirements. Please also see Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by Genstar.

Item 7. Types of Clients

Genstar provides discretionary investment advice solely to private equity funds. Genstar does not have any requirements for opening or maintaining an account. Investment in the Funds is generally only available to “accredited investors” and/or “qualified purchasers,” within the meaning of the Securities Act, and the 1940 Act, respectively.

Genstar does not have a minimum size for a Fund, but minimum investment commitments have been established for investors in the Funds. The General Partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the Fund Documents of such Fund.

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

The Fund Documents for each Fund set forth the terms of investment and identify such Fund’s investment objectives along with risk factors. The Fund Documents contain additional information on these risks associated with an investment in the respective Fund and should be reviewed by any prospective investor in such Fund.

Investment Strategies and Methods of Analysis

Genstar’s investment strategy is to make controlled, growth-oriented private equity investments in middle-market companies located in North America. For 32 years, Genstar’s investment process has focused on identifying companies Genstar can grow revenue and improve operating earnings through its “change capital” approach. Typically, Genstar acquisition targets have annual EBITDA of \$25 million to \$100 million and enterprise values of \$250 million to \$1,500 million. The Firm generally pursues platform companies producing positive cash flow, typically with a minimum of \$25 million of pro forma

EBITDA. Genstar has experience structuring investments in a variety of ways, including (i) control investments in privately held businesses, (ii) carve- outs of corporate divisions, (iii) ownership restructuring/ recapitalizations, (iv) control growth equity investments, (v) take-private transactions, (vi) industry consolidations, and (vii) partnerships with other strategic or financial investors. The Firm favors what it believes to be high-quality businesses in stable industries that exhibit long-term growth potential, particularly where Genstar sees an opportunity to improve performance.

Genstar targets investments in four core industry verticals, although it may invest in other industries under certain circumstances:

- Healthcare
- Financial Services
- Industrials
- Software

The General Partners seek to identify and assess trends within its core sectors to produce investment themes with the objective of developing specific, actionable investment ideas. Genstar believes that a focused industry approach provides a competitive advantage over generalist buyout firms and that companies under Genstar's management benefit from the specialized knowledge, experience, and operating networks that Genstar provides. Over time, Genstar has developed an extensive knowledge base and contact network in its Core Verticals comprising executive specialists, service providers, and other financial sponsors that are relevant to sourcing and exiting deals.

Genstar seeks to utilize a rigorous and disciplined approach to evaluate potential acquisitions. The Firm leverages its own domain expertise and executive networks alongside those of a group of leading industry executives, the Strategic Advisory Board, which whom it partners in seeking to identify investment opportunities, including a comprehensive review of: (i) a target company's management team; (ii) the quality and market perception of its products and services; (iii) its competitive position and prospects within its industry; (iv) the industry's evolutionary trajectory and momentum; and (v) the economic opportunities of change management – e.g., new revenue opportunities, cost opportunities, or add-on acquisitions. Genstar's investment professionals take an active role in this process, aided by SAB members, industry and other consultants, and the Firm's informal network of contacts within its target industry.

Genstar has a dedicated group of investment professionals with the mission of driving change at its portfolio companies. Genstar seeks to identify companies where it can grow revenue and improve operating earnings. Genstar focuses on providing the expertise, executive network, and capital necessary to transform businesses into market leaders.. Genstar seeks to add value in multiple ways, including (i) evaluating, building, and upgrading (as necessary) the leadership team, (ii) aggressively identifying, pursuing and investing in growth opportunities, (iii) professionalizing management practices, (iv) initiating process improvements, (v) driving cost efficiencies, and (vi) creating a professional board with

strong incentive alignment.

Risk of Loss

Investing in securities involves a substantial degree of risk. A Fund may lose all or a substantial portion of its investments and investors in the Funds must be prepared to bear the risk of a complete loss of their investments.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Funds, include the following:

Business Risks

Business and Regulatory Risks of Private Equity Funds Legal, tax and regulatory changes could occur that may adversely affect or impact the Funds at any time during the term of the Funds. The legal, tax and regulatory environment for private equity funds is evolving, and changes in the regulation and market perception of such funds, including changes to existing laws and regulations and increased criticism of the private equity and alternative asset industry by regulators and politicians and market commentators, may materially adversely affect the ability of the Funds to pursue its investment strategy and the value of the investments held by the Funds. In recent periods, market disruptions, such as the type experienced in 2008, and the dramatic increase in the capital allocated to alternative investment strategies have led to increased governmental and regulatory (as well as self-regulatory) scrutiny of the private equity and alternative investment fund industry in general, and certain legislation proposing greater regulation of the private equity and alternative investment fund management industry periodically is being, and may in the future be, considered or acted upon by governmental or self-regulatory bodies of both U.S. and non-U.S. jurisdictions. It is impossible to predict what, if any, changes may be instituted with respect to the regulations applicable to the Funds, the General Partner, Genstar, their respective affiliates, the markets in which they operate and invest or the counterparties with which they do business, or what effect such legislation or regulations may have. There can be no assurance that the Funds, the General Partner, Genstar or their respective affiliates will be able, for financial reasons or otherwise, to comply with future laws and regulations, and any regulations that restrict the ability of the Funds to implement its investment strategy could have a material adverse impact on the Funds and its portfolio. To the extent that the Funds or the Fund's investments are or may become subject to regulation by various regulatory authorities or bodies in the United States or abroad, the costs of compliance generally will be borne by the Funds.

Inflation Risk. Recent years have been characterized by low rates of inflation. If inflation were to rise at rates higher than those anticipated in underwriting Fund investments, the effective rate of return on such investments may be reduced. An unexpected rise in the rate of inflation could have a material and adverse impact on Funds and its investments.

Illiquid and Long-Term Investments. An investment in the Funds requires a long-term commitment, and limited partners should expect little or no near-term cash flow. Many of the Funds' investments will be highly illiquid, and there can be no assurance that the Funds

will be able to realize such investments in a timely manner. Consequently, the return of capital and the realization of gains, if any, from an investment generally will occur only upon the partial or complete disposition of such investment and may result in distributions in-kind to the limited partners. The Funds intend generally to seek controlling interests in the portfolio companies in which they invest, and such investments are inherently illiquid. While a portfolio company may be sold at any time, it is generally expected that the disposition of most of the Funds' portfolio companies will not occur for a number of years after the applicable investments are made. It is unlikely that there will be a public market for the securities held by the Funds at the time of their acquisition, and such securities may require a substantial length of time to liquidate. The Funds generally will not be able to sell the securities they hold of any investment publicly unless the sale of such securities is registered under applicable securities laws, or unless an exemption from such registration requirements is available. In some cases, the Funds may be prohibited or limited by contract from selling certain securities or debt instruments for a period of time and as a result, may not be permitted to sell an investment at the time or price they might otherwise desire to do so.

Availability of Suitable Investments. The success of the Funds depends, in large part, on the identification and availability of a sufficient number of investment opportunities that fall within the Funds' investment objectives and the ability of the General Partners and Genstar to identify, negotiate, close, manage and exit those investment opportunities. The General Partners and Genstar believe that they will ultimately be able to locate sufficient investments suitable for the Funds, but the identification of attractive investment opportunities is a long and complex process and involves a high degree of uncertainty, especially with regard to timing. The Funds compete for the right to make investments with an ever-increasing number of other parties, including other private investment funds as well as individuals, financial institutions and other institutions, some of which may have greater resources than the Funds. In addition, private investment funds with similar investment objectives may be formed in the future, which may compete for investment opportunities. As a result, the Funds may have difficulty in making certain investments or, alternatively, be required to make investments on economic terms less favorable than anticipated. While the General Partners and Genstar plan to minimize such competition by relying on their network of relationships, there can be no guarantee that the Funds will be able to fully invest their committed capital or that the General Partners and Genstar will be able to identify investment opportunities that satisfy the Funds' targeted investment objectives. If the Funds fail to make new investments or make investments on less favorable terms, their financial condition and results of operations could be materially and adversely affected. Regardless, limited partners will be required to pay management fees based on aggregate commitments during the Funds' investment periods. While the General Partner and Genstar have an obligation to manage the Funds in the interests of the limited partners as a whole, such obligation does not impose a duty to invest 100% of the aggregate commitments of the limited partners.

Leverage. The Funds' investments are expected to include portfolio companies whose capital structures may have significant leverage. Although the General Partner will seek to use leverage in a manner it believes is appropriate under the then-circumstances, the leveraged capital structure of such portfolio companies will increase the exposure of such portfolio companies to adverse economic factors, such as rising interest rates, downturns in the

economy or deteriorations in the condition of the applicable portfolio company, and such portfolio company may be subject to restrictive financial and operating covenants. As a result, such portfolio companies' flexibility to respond to changing business and economic conditions may be limited. In the event that a portfolio company is unable to generate sufficient cash flow to meet principal and/or interest payments on its indebtedness, such portfolio company may default on its loan agreements or be forced into bankruptcy, resulting in a restructuring of such portfolio company's capital structure or liquidation, in which case the value of the applicable Fund's investment in such portfolio company could be significantly reduced or even eliminated. Moreover, the Funds may invest in securities that are not protected by financial covenants or limitations on additional indebtedness.

The General Partners may also obtain leverage at the fund level in order to fund all or a portion of the capital necessary for investments. The Funds may, from time to time, borrow on a secured or unsecured basis. It is expected that this indebtedness, if incurred, will be secured primarily by the unfunded commitments of the limited partners of the applicable Fund. In addition, the General Partners intends to evaluate whether it is prudent and appropriate to incur this leverage and there can be no assurance that leverage will be incurred given that adverse economic factors, such as a significant rise in interest rates, may cause the General Partners, in its discretion, to elect not to incur such leverage. The extent to which a Fund or its subsidiaries (including investment entities) uses leverage may have important consequences to its limited partners, including, but not limited to, the following: (i) greater fluctuations in the valuation of such Fund's assets; (ii) use of cash flow (including capital contributions) for debt service and related costs and expenses, rather than for additional investments, distributions or other purposes; (iii) increased interest expense if interest rate levels were to increase; (iv) in certain circumstances, prematurely disposing of investments to service such Fund's debt obligations; (v) limitation on such Fund's flexibility to make distributions to its limited partners or to sell assets that are pledged to secure the indebtedness; (vi) a decrease in the amount of distributions that the limited partners might otherwise have received in respect of a preferred return had such leverage not been incurred; and (vii) the net internal rate of return of such Fund's being higher than it otherwise would have been without fund-level borrowing, particularly during the early years of a Fund's life. Additionally, the General Partners may be entitled (a) to receive Carried Interest earlier than it otherwise would have and (b) in certain circumstances, to receive more Carried Interest than it otherwise would have, in each case had such Fund not incurred such indebtedness and, instead, had required the limited partners to make additional capital contributions.

As a result, the General Partner may be incentivized to fund the acquisition of investments and ongoing capital needs of Funds with the use of indebtedness in lieu of drawing down unfunded Commitments. There can be no assurance that Funds will have sufficient cash flow to meet its debt service obligations. As a result, a Funds exposure to losses may be increased due to the illiquidity of its investments generally. Finally, in the case of borrowings which are secured by the unfunded commitments, limited partners whose unfunded commitments have been pledged may be called upon to fund their entire unfunded commitments to repay indebtedness and the failure of other limited partners to honor their respective unfunded commitments may result in a limited partner's payment exceeding its pro rata share of the indebtedness that has been incurred by a Fund or a Fund could be forced to divest existing investments to repay borrowings, and there is no guarantee that the Fund would be able to

divest those assets at their current value. Tax exempt investors should note that the use of leverage by certain Funds or its subsidiaries may create unrelated business taxable income.

In connection with any credit facility entered into by certain Funds, the borrowers thereon (and the limited partners) may be required to (i) make certain representations and warranties to one or more lenders and (ii) indemnify the lenders pursuant to any credit facility in case any such representations and warranties are inaccurate. These arrangements may create contingent liabilities of a Fund and/or its subsidiaries, for which the General Partner may establish reserves or escrow accounts in which the limited partners would be required to fund a pro rata share. A limited partner may also be required to fund amounts to repay subscription-based credit facility borrowings incurred in connection with an investment even if such limited partner did not participate in the relevant investment in connection with which such borrowings were incurred. In addition, to the extent the subscription-secured credit facility borrowings of a parallel fund are cross-collateralized by the capital commitments to one or more other parallel funds, such other parallel fund (or the limited partners of such other parallel funds) may be required to satisfy the borrowing parallel fund's obligations..

Portfolio Company Management Risks. With respect to management at the portfolio company level, many portfolio companies rely on the services of a limited number of key individuals, the loss of any one of whom could significantly adversely affect the portfolio company's performance. Although the General Partners and Genstar expect to monitor portfolio company management, management of each portfolio company will have day-to-day responsibility with respect to the business of such portfolio company. There can be no assurance that the existing management team of a portfolio company, or any new team installed by the General Partner of a Fund or Genstar, will be able to successfully operate the portfolio company or meet the applicable Fund's expectations.

General Economic Conditions. Changes in general global, regional and U.S. economic and geopolitical conditions may affect the Funds' activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets are expected to affect the value and number of investments made by the Funds or considered for prospective investment. The Funds' investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence has increased market volatility and reduced liquidity, both of which could have a material adverse effect on the performance of the Funds' investments. No assurance can be given as to the effect of these events on the Funds' investments or investment objectives.

Financial Market Fluctuations. Material changes and fluctuations in the economic environment, for example, of the type experienced in the years following 2008 that caused significant dislocations, illiquidity and volatility in the wider global economy, and the market changes that have resulted and may continue to result from the spread of COVID-19 (as defined below) (see also "*Public Health Risk*," below) may affect the Funds' ability to make investments and the value of investments held by the Funds. Any resulting economic downturn resulting from any such marketplace events and/or volatility in the financial markets could adversely affect the financial resources of portfolio companies and result in the inability

of such portfolio companies to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such defaults, a Fund may suffer a partial or total loss of capital investment in such portfolio companies, which would, in turn, have an adverse effect on the Fund's returns. Such marketplace events also may restrict the ability of the Funds to make new investments, or sell or liquidate investments at favorable times or for favorable prices.

Furthermore, the public securities markets have seen increased volatility and the ability of companies to obtain financing for ongoing operations or expansions may be severely hampered by, among other reasons, the tightening of the credit markets and further financial turmoil and uncertainty. The repercussions of any market turmoil are unclear. The ability to realize investments depends not only on portfolio companies and their historical results and prospects, but also on political, market and economic conditions at the time of such realizations. In the past, many private equity funds looked to the public securities markets as a potential exit strategy, and there can be no assurance that the Funds will be able to exit from an investment by listing their shares on securities exchanges. The trading market, if any, for the securities of any portfolio company may not be sufficiently liquid to enable the Funds to sell these securities when the General Partners believe it is most advantageous to do so, or without adversely affecting the stock price. Continued or renewed volatility in the financial sector may have a material adverse effect on the ability of the Funds to buy, sell and partially dispose of their portfolio companies. The Funds may be adversely affected to the extent that they seek to dispose of any of their investments in an illiquid or volatile market and the Funds may find themselves unable to dispose of investments at prices that the General Partners believe reflect the fair value of such investments. Future market conditions cannot be predicted.

General Economic Conditions. Changes in general global, regional and U.S. economic and geopolitical conditions may affect Fund activities. Interest rates, general levels of economic activity, the price of securities and participation by other investors in the financial markets may affect the value and number of investments made by Funds or considered for prospective investment. Fund investments can be expected to be sensitive to the performance of the overall economy. A negative impact on economic fundamentals and consumer and business confidence has increased volatility and reduced liquidity, both of which could have a material adverse effect on the performance of the Funds' investments. No assurance can be given as to the effect of these events on the Fund's investments or investment objectives.

Public Health Risk. There have been a number of outbreaks of infectious illness in recent decades, including SARS, H1N1/09 flu, avian flu, ebola and, as of March 2020, there is an outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization has declared a "Public Health Emergency of International Concern." The outbreak of COVID-19 has resulted in numerous deaths, adversely impacted global commercial activity and contributed to significant volatility in certain markets, including equity, debt and commodities markets.

Funds may be adversely affected by the effects of widespread outbreak of contagious diseases, such as the recent outbreak of COVID-19 described above. Public health crises can develop rapidly and unpredictably, which may prevent governments, asset managers, companies or

others (including the General Partner, Genstar, the Funds and portfolio companies) from taking timely or effective steps to mitigate or reduce any adverse impacts to the Funds and/or its investments. The extent and duration of any such impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time, including new information which may emerge concerning the severity of COVID-19 and containment efforts.

Any outbreak of contagious diseases and other adverse public health developments, together with any resulting disruptions or restrictions on travel, social distancing policies and/or quarantines imposed or recommended by the governments of the jurisdictions where Genstar, the Funds and/or its investments are based (together, the “Isolation Measures”), could have a material and adverse effect on the Funds and its investments, including by disrupting or otherwise adversely affecting the human capital, business operations or financial resources of the General Partner, Genstar, portfolio companies, the Funds or the fund administrator or other service providers to the Funds (which could, in turn, adversely impact the ability of such service providers to fully support the administration and operations of the Fund). Such disruptions and adverse effects are particularly acute with respect to the travel and hospitality industries.

In addition, a significant outbreak of contagious diseases in the human population, and any containment or other remedial measures imposed (including the Isolation Measures), may result in a widespread health crisis that could severely disrupt global, national and/or regional economies and financial markets and cause an economic downturn that could adversely affect the performance of the Funds and its investments. For example, the risks associated with spread of COVID-19 has led to significant uncertainty and extreme volatility in the financial markets, including those leading to the automatic suspension of trading on U.S. stock exchanges. Disrupted global, national and/or regional economies and financial markets may also result in increased competition to acquire perceived ‘safe haven’ assets (e.g., assets with government supported revenues). Increased competition may inflate the acquisition cost of such assets and/or lead to increased competition for such assets, which may result in the delay or inability of Funds to deploy capital in a timely manner. In addition, a wide-spread health crisis may result in a greater number of people facing economic uncertainty through job losses. More widely, a widespread health crisis may lead to governments being required to take unprecedented steps to ensure public health and/or economic stability which may make it more likely that there could be government regulation and/or intervention.

The extent of any impacts will depend on future developments, which are highly uncertain and cannot be predicted at this time, including new information which may emerge concerning the severity of COVID-19 and containment efforts by the U.S. or other governments. The performance of the Funds may also be affected by particular issues affecting companies, regions or sectors and sub-sectors of its investments and while the impact of this on the proposed investment strategy for the Funds is uncertain it will continue to be monitored by Genstar as the situation in relation to COVID-19 develops.

In addition, the risks associated with a widespread outbreak of a contagious disease, such as COVID-19, may make it more likely that an investor fails to fund its subscription obligation

or make required capital contributions or other payments when due, in which case the Fund's ability to complete its investment strategy, satisfy credit facility borrowing covenants or obligations or otherwise continue operations may be impaired. A default by limited partners could leave Funds with insufficient capital to meet its funding obligations, and would limit opportunities for investment diversification and likely reduce returns to Funds.

Geopolitical Risks. An unstable geopolitical climate and continued threats of terrorism could have a material effect on general economic conditions, market conditions and market liquidity. Moreover, a serious pandemic, natural disaster, armed conflict, threats of terrorism, terrorist attacks and the impact of military or other actions could severely disrupt the global, national and/or regional economies. A resulting negative impact on economic fundamentals and consumer confidence may increase the risk of default of particular investments, negatively impact market value, increase market volatility and cause credit spreads to widen and reduce liquidity, all of which could have an adverse effect on investments, Fund returns and Fund's ability to make and/or dispose of investments. No assurance can be given as to the effect of these events on the value of or markets for investments.

Governmental Intervention. The global financial markets underwent significant disruptions in 2008 and, recently, as a consequence of the spread of COVID-19 that led to governmental intervention in certain jurisdictions. Such intervention was in certain cases implemented on an "emergency" basis, suddenly and substantially eliminating market participants' ability to continue to implement certain strategies or manage the right of their outstanding positions. At the time, the scope and application of these interventions was unclear, arguably resulting in confusion and uncertainty which in itself can be materially detrimental to the efficient functioning of the markets as well as previously successful investment strategies. If governmental intervention programs are unwound, there could likewise be uncertainty and adverse effects on the markets. It is impossible to predict what interim or permanent governmental restrictions (or easing of restrictions) may be imposed on the markets or the effect of such restrictions on Fund strategies.

Co-Investments with Third-Parties. The Funds may co-invest with third parties (which may include certain investors) from time-to-time through jointly owned acquisition vehicles, partnerships, joint ventures or other structures. In such situations, a Fund's ability to control its equity investments will depend upon the nature of the joint investment arrangements with such co-investors and such Fund's relative ownership stake in such investments. A Fund may be a minority investor in these circumstances. In addition, such arrangements may restrict such Fund's ability to dispose of its investments for potentially significant periods of time. Such investments may involve risks not present in investments where co-investors are not involved. A co-venturer or partner of a Fund may at any time have economic or business interests or goals (including with respect to timing of the sale) that are inconsistent with those of such Fund and may be in a position to take (or block actions that are consistent with) such Fund's investment objectives. The Funds may be liable for certain actions of its co-venturers or partners. Co-investments may also involve higher costs than other investments. Co-venturers or partners potentially may include the Funds' investors.

Non-U.S. Investments. The Funds may make investments outside of the United States,

including in U.S.-based businesses that have substantial non-U.S. operations. Non-U.S. securities involve certain risks not typically associated with investing in U.S. securities, including risks relating to: (i) currency exchange matters, including fluctuations in the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which the Funds' non-U.S. investments may be denominated, and costs associated with conversion of investment principal and income from one currency into another; (ii) differences between the U.S. and non-U.S. currencies securities markets, including potential price volatility in, and relative illiquidity of, some non-U.S. securities markets; (iii) the absence of uniform accounting, auditing and financial reporting standards, practices and disclosure requirements and less governmental supervision and regulation; (iv) certain economic and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic or social instability and the possibility of expropriation or confiscatory taxation; (v) obtaining non-U.S. governmental approvals and complying with non-U.S. laws and regulations; (vi) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities; (vii) less developed corporate laws regarding fiduciary duties and the protection of investors; and (viii) rudimentary anti-fraud and insider trading regulations. Genstar's historical returns on its U.S. investments may not be indicative of the results they may achieve on investments located in non-U.S. countries. There may be no prohibitions or restrictions on the ability of management to terminate existing business operations, sell or otherwise dispose of a portfolio company's assets, or otherwise materially affect the value of the portfolio company without the consent of the portfolio company's shareholders. Anti-dilution protection also may be very limited. In certain of these countries, the concept of fiduciary duty on the part of the management or directors of companies to shareholders may be limited. The legal systems in these countries may offer no effective means for the Funds to seek to enforce their rights or otherwise seek legal redress or to seek to enforce non-U.S. legal judgments.

Risk of Loss. Performance of any investment is not guaranteed and as a result, there is a risk of loss of the assets of the Funds that may be out of Genstar's control. Genstar cannot guarantee any level of performance or that investors will not experience a loss of their account assets. Genstar can provide no assurance that the Funds will be able to generate returns or that the returns will be commensurate with the risks inherent in the Firm's investment strategy. The marketability and fair market value of any investment will depend upon a variety of factors beyond the control of the Funds and Genstar. The expenses of a Fund may exceed its income, and an investor in a Fund could lose the entire amount of its contributed capital. As a result, an investor should only invest in a Fund if the investor can withstand a total loss of its investment. Past performance of Genstar and the Funds is not indicative of future performance.

Equity Securities. The Funds intends to invest in common and preferred stock and other equity securities, including both public and private equity securities. Equity securities generally involve a high degree of risk and will be subordinate to the debt securities and other indebtedness of the issuers of such equity securities. Prices of equity securities generally fluctuate more than prices of debt securities and are more likely to be affected by poor economic or market conditions. In some cases, the issuers of such equity securities may be highly leveraged or subject to other risks such as limited product lines, contracts markets or

financial resources. In addition, actual and perceived accounting irregularities may cause dramatic price declines in the equity securities of companies reporting such irregularities or that are rumored to be subject to accounting irregularities. The Funds may experience a substantial or complete loss on individual equity securities.

Debt Investments. Certain Funds are permitted to invest in debt securities, including, without limitation, higher yielding (and, therefore, higher risk) debt securities. Such debt may be secured or unsecured and may be structurally or contractually subordinated to substantial amounts of senior indebtedness. In the event of bankruptcy or liquidation of an issuer of such securities, there may not be enough proceeds to repay the holders of such securities following repayment to the holders of senior indebtedness. Moreover, such debt investments may not be protected by financial covenants or limitations upon additional indebtedness and there is no minimum credit rating for such debt investments. In certain cases, such debt will be rated below “investment grade” or will be unrated and face ongoing uncertainties and exposure to adverse business, financial or economic conditions and the issuer’s failure to make timely interest and principal payments. The market values of certain of these debt securities may reflect individual corporate developments. It is likely that a major economic recession could have a materially adverse impact on the value of such securities. In addition, adverse publicity and investor perceptions, whether or not based on fundamental analysis, may also decrease the value and liquidity of these debt securities.

Possible Hedging Activities. The Funds may, but are not required to, seek to minimize the risk of a decrease in the value of one or more investments by using certain hedging strategies. The use of hedging strategies is a highly specialized activity and there can be no assurance that their use will achieve the intended result. These hedging strategies may limit the ability of the Funds to profit from the increase in the value of an investment above a certain price and may increase the cost of owning certain portfolio companies. While such hedging transactions may reduce certain risks, such transactions themselves may entail certain other risks, including counterparty credit risk and market liquidity risk. In addition, if judgments made with respect to interest rates, future stock prices, exchange rates, market conditions or trends are not correct, these hedging strategies could result in losses to the Funds. Changes in liquidity may result in significant, rapid and unpredictable changes in the prices of derivatives. Thus, while the Funds and the portfolio companies may benefit from the use of hedging instruments, unanticipated changes in interest rates, securities prices or currency exchange rates may result in a poorer overall performance for the Funds and the portfolio companies than if they had not used those hedging instruments.

Furthermore, the creditworthiness of a counterparty to any hedging transaction entered into by the Funds may change over time and, while such counterparty may have been creditworthy at the time such transaction was entered into, there is no guarantee such counterparty will remain creditworthy throughout the duration of such Fund or that such counterparty will be able perform its obligations under, or pay amounts due on, such hedging transactions. This risk is also subject to, and heightened by, commodity price fluctuations.

Moreover, the U.S. Commodities Futures Trading Commission (“CFTC”) and other federal and global financial regulators have adopted margin requirements for uncleared derivatives, which may present significant challenges and additional risks for the Funds, including

increased costs, reduced access to dealer counterparties, potential decreases in market liquidity and other unforeseen consequences. These requirements also may result in the Funds being unable to adequately hedge its investments, which may have an adverse impact on the performance of the Funds. It is likely that the applicable Fund will leave unhedged certain currency exchange rates, interest rates and public security prices and in any such case, the Funds will be exposed to risk that such fluctuation of prices thereof will decline during the term of the investments such that the results of such investments will be worse in U.S. dollar terms than the results based upon the local currency.

The preceding paragraphs are subject to any limitation imposed by the de minimis exemption under Rule 3.13(a)(3) or any other exemption from registration under the U.S. Commodity Exchange Act, as amended, applicable to the Funds at any time.

U.S. Dollar Denomination of Interests. Interests are denominated in U.S. dollars. Subscribed investors for interests in any country in which U.S. dollars are not the local currency should note that changes in the value of exchange between U.S. dollars and such currency may have an adverse effect on the value, price or income of the investment in the Funds to such investor. The fees, costs and expenses incurred by investors in converting their local currency to U.S. dollars (if applicable) in order to meet drawdowns will be borne solely by such investor and will be in addition to the amounts required by such drawdowns (and will not be part of or otherwise reduce their commitments and/or unfunded commitments, as applicable).

Environmental Hazards. Under environmental laws enacted by U.S. federal and state governments, owners and lessees of property may be liable for the clean-up and removal of hazardous substances even where the present owner was not responsible for placing the hazardous substances on the property or where the property was contaminated prior to the time the owner took title. If any property acquired or leased by a portfolio company was found to have an environmental problem, the portfolio company could incur substantial costs and a Fund could suffer a complete loss of its investment in such portfolio company.

Environmental, Social and Governance Matters. While environmental, social and governance (“ESG”) matters (also referred to as “responsible investing”) are only one category of the many factors the General Partner will consider in making an investment, there is no guarantee that the General Partner will successfully implement and make investments in companies that create positive ESG impacts while enhancing long-term value and achieving financial returns. To the extent that the General Partner engages with companies on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Successful engagement efforts on the part of the General Partner will depend on the General Partner’s skill in properly identifying and analyzing material ESG and other factors and their impact-related values, and there can be no assurance that the strategy or techniques employed will be successful. Since considering ESG qualities when evaluating an investment may result in the selection or exclusion of certain investments based on the General Partner’s view of certain ESG-related and other factors, it carries the risk that certain Funds may underperform Funds that do not take ESG-related factors into account. Applying ESG investing goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria

utilized by the General Partner or any judgment exercised by the General Partner will reflect the beliefs or values of any particular limited partner. ESG-related practices differ by region, industry and issue and are evolving accordingly, and a company's ESG-related practices or the General Partner's assessment of such practices may change over time.

Climate Change. Ongoing changes to the climatic conditions in which the Funds operates and invests may have an adverse impact on Funds and its investments. While the precise future effects of climate change are unknown, it is possible that changes in weather patterns or extreme weather (such as floods, hurricanes and other storms) could, among other adverse impacts, damage Fund investments. Significant increases in precipitation levels or wind could cause damage to Fund investments and create periods in which Fund investments are inoperable. Further, rising sea levels could, in the future, adversely affect the value and operations of any low-lying coastal portfolio companies, result in the imposition of new taxes or increase applicable insurance rates. Climate change may also give rise to changes in regulations and consumer sentiment that could have a negative impact on the operations of certain Funds and its investments by increasing their operating costs or restricting or decreasing demand for their activities, among other effects. The adverse effects of climate change and related regulation at state, federal and international levels could have a material adverse effect on the business, financial position, results of operations or cash flows of Funds and its investments. Any of the foregoing could adversely affect the value of Fund investments and their performance.

Cybersecurity Risk. Funds, General Partners, Genstar, Fund service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. For example, Funds have an expectation to provide limited partners all statements, reports, notices, updates, requests and any other communications required under the Fund Documents of the applicable Fund or under any "side letter" in electronic form, such as e-mail or posting on Genstar's web-based reporting site or other Internet service, in lieu of or in addition to sending such communications as hard copies via fax or mail. These systems are subject to a number of different threats or risks that could adversely affect Funds and its investors, despite the efforts of the General Partner and Genstar and any of their respective service providers to adopt technologies, processes and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, e-mail and other technology assets, as well as the confidentiality, integrity and availability of information belonging to applicable Funds and its investors. Cyber incidents refer to both intentional attacks and unintentional events including: processing errors, human errors, technical errors including computer glitches and system malfunctions, inadequate or failed internal or external processes, market-wide technical-related disruptions, unauthorized access to digital systems (through "hacking" or malicious software coding), computer viruses, and cyber-attacks which shut down, disable, slow or otherwise disrupt operations, business processes or website access or functionality (including denial of service attacks). For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Genstar, the General Partners, Fund service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Genstar's systems to disclose sensitive information in order to gain access to Genstar or the General Partner's data or that of Fund investors. A

successful penetration or circumvention of the security of Genstar's or the General Partner's systems could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause Funds, the General Partners, Genstar or their respective service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

In addition, substantial costs may be incurred in order to prevent any cyber incidents in the future. While Fund service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, Funds cannot control the cybersecurity plans and systems put in place by its service providers or any other third parties whose operations may affect the Funds.

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

Currency Exchange Risk. Capital contributions to the Funds are payable in U.S. dollars and the Funds' assets are valued in U.S. dollars. Certain of the Funds' investments may be denominated in currencies other than the U.S. dollar, and therefore the value of such investments will depend in part on the relative strength of the U.S. dollar. The Funds may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between non-U.S. currencies and the U.S. dollar, as well as the transaction costs associated with converting non-U.S. currencies into U.S. dollars. Changes in non-U.S. currency exchange rates may also affect the value of dividends and interest earned, and the level of gains and losses realized on the sale of such investments. The rates of exchange between the U.S. dollar and other currencies are affected by many factors, including forces of supply and demand in the non-U.S. currency exchange markets. Exchange rates also are affected by the international balance of payments and other economic and financial conditions, government intervention, speculation and other factors. The Funds are not obligated to engage in any currency hedging operations, and there can be no assurance as to the success of any hedging operations that the Funds may implement. See also "*Possible Hedging Activities*," above.

Counterparty Risk. The Funds will be subject to the risk of the inability of counterparties and custodians to perform with respect to transactions or to safeguard assets, whether due to insolvency, bankruptcy or other causes, which could subject the Funds to incur substantial losses. In an effort to mitigate such risks, the General Partner will attempt to limit transactions and entrust assets to counterparties which it believes are established, well-capitalized and creditworthy.

Fraud. Of paramount concern in purchasing securities and other assets is the possibility of material misrepresentation or omission on the part of a counterparty. Such inaccuracy or incompleteness may adversely affect the valuation of a portfolio company or other asset.

Genstar Manager and the General Partner (as applicable) rely upon the accuracy and completeness of representations made by counterparties to the extent reasonable and appropriate, but cannot guarantee that such representations are accurate or complete. Under certain circumstances, distributions to the Funds may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance.

Regulated Industries. The Funds may be subject to certain restrictions when considering investments in regulated industries. As a result, the General Partner may restrict or limit transactions or exercise of rights for the Funds or limit the amount of voting securities purchased by the Funds or restrict the type of governance rights it acquires or exercises in connection with its investments in regulated industries. In addition, regulatory changes could occur during the term of the Funds that may materially and adversely affect the Funds.

Market Abuse. Any fraud, price manipulation, market abuse or improper influence in markets in which the Funds directly or indirectly invests may have a material adverse effect on the Funds. There can be no assurance that any form of regulation or any market constraints would prevent fraud, price manipulation, market abuse, or improper influence in the future. Moreover, there can be no assurance that any redress would be available to, or would be practical for, the Funds to pursue with respect to any particular fraud, price manipulation, market abuse, or improper influence.

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 the Firm, the General Partners, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Firm, 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 the Firm, the General Partner, the Funds and/or their portfolio companies.

Cross-Collateralization. Indebtedness incurred by a Fund, any Alternative Investment Funds and any co-investment vehicles is expected to be structured in a way that such Fund, any Alternative Investment Funds and any co-investment vehicles are jointly responsible on a cross-collateralized basis for the repayment of indebtedness, and the capital commitments of the investors of one of the parallel funds composing such Fund or any co-investment structure are pledged to secure indebtedness obtained for the benefit of the other parallel funds composing such Fund, Alternative Investment Funds and co-investment vehicles, as applicable. If the indebtedness is structured in this manner, the failure of investors in one of the parallel funds composing such Fund, any Alternative Investment Fund or any co-investment vehicle to fund a capital call in order to repay indebtedness may result in other investors being required to fund more than their pro rata share of the indebtedness, and, in certain circumstances, an investor may be called upon to fund its entire commitment to repay indebtedness. Investors in one or more parallel funds may benefit from the incurrence of indebtedness even though their capital commitments may not be pledged to secure such indebtedness. In addition, certain guarantees or hedging arrangements may be cross-collateralized among parallel funds, Alternative Investment Funds and/or co-investment vehicles and any such guarantees or hedging arrangements would be subject to the same risks as cross-collateralized indebtedness. In certain cases, for regulatory or other reasons, the General Partner may structure indebtedness, guarantees or hedging arrangements in a manner that it believes generally benefits the applicable Fund as a whole, which may affect one or more of the parallel funds composing Funds differently from other parallel funds. For example, the General Partner may cause certain parallel funds to provide a guarantee for a hedging arrangement while allowing other parallel funds to benefit from such hedging arrangement without providing such a guarantee, following the General Partner's determination that the basis for such arrangement is fair and reasonable to each parallel fund (which may include the General Partner requiring a parallel fund not providing such a guarantee to provide other means of credit support in respect of such arrangement).

Control Position. The Funds will generally seek investment opportunities that allow the Funds to either acquire control or exercise significant influence over the management, operations and strategic direction of the portfolio companies in which they invest. The exercise of control and/or significant influence over a company imposes additional risks of liability for regulatory non-compliance, environmental damage, product defects, failure to supervise management and other types of liability in which the limited liability generally characteristic of business operations may be ignored. The exercise of control and/or significant influence over a portfolio company could expose the assets of the Funds to claims by such portfolio company, its security holders, its creditors and its regulators. While the General Partners and Genstar intend to manage the Funds in a way that will minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Non-Controlling Investments. The Funds may make minority equity investments in portfolio companies where they may have limited influence. Such portfolio companies may have economic or business interests or goals that are inconsistent with those of the Funds, and the

Funds may not be in a position to control the investment policies of such portfolio companies or otherwise protect the value of their investment in such portfolio companies. This could result in the Funds' investments being frozen in minority positions that incur substantial losses. In addition, if a Fund takes a minority position in publicly traded securities as a "toehold" investment, such publicly-traded securities may fluctuate in value over the limited duration of such Fund's investment in such securities, which could potentially reduce returns to investors. Therefore, there can be no assurance that the Funds will be able to realize the value of their investments and distribute proceeds in respect thereof in a timely manner. Furthermore, although the Funds generally seek board representation in connection with their minority investments, there is no assurance that such representation, if sought, will be obtained.

Board Participation. The Funds are expected to be represented on the boards of directors of certain of their portfolio companies and may have their representatives serve as observers to such boards of directors. Although such positions in certain circumstances may be important to the Funds' investment strategy and may enhance the General Partners' and Genstar's ability to manage the Funds' investments, they may also have the effect of impairing the General Partners' ability to sell the related securities when, and upon the terms, they may otherwise desire, and may subject the General Partners, Genstar and the Funds to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. In general, each of the Funds will indemnify certain persons under the applicable limited partnership agreement, including the General Partner and Genstar.

Projections. The Funds may rely upon projections developed by Genstar or a portfolio company concerning a portfolio company's future performance, outcome and cash flow. Projections are inherently subject to uncertainty and factors beyond the control of Genstar and the portfolio company. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values, outcomes and cash-flow.

Adverse Publicity. Each of the Funds, the General Partners and the Firm face the risk of negative publicity, including in matters such as labor disputes and adverse environmental attention, as well as arising out of municipal and federal government scrutiny both in the United States and globally. Additionally, Portfolio Company and Manager employees could pursue claims against the Firm or the Funds, which may draw negative publicity, as well as negative news media attention.

Third-Party Advice. Each Fund, the General Partners and the Firm utilize the services of attorneys, accountants and other consultants in their operations. Each Fund, the General Partners and the Firm generally rely upon such advisors for their professional judgment with respect to legal, tax and other regulatory matters. Nevertheless, there exists a risk that such advisors may provide incorrect advice from time to time.

Partnership Risks

Restrictions on Transfer and Redemption; No Right of Withdrawal. Interests in the Funds

have not been registered under the Securities Act or any other U.S. or non-U.S. securities laws, and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and applicable securities laws, or an exemption from registration is available. It is not expected that registration of the interests under the Securities Act or other securities laws will ever be effected. There is no public market for the interests, and none is expected to develop. In addition, the interests are not assignable or transferable without the consent of the applicable General Partner, which may be given or withheld in such General Partner's sole discretion, and redemptions are not permitted except in extremely limited circumstances as described in the Fund Documents. In addition, no such sale, transfer, assignment, pledge or other disposition may take place if it would cause a Fund to be treated as a "publicly traded partnership" within the meaning of Section 7704 of the Code or cause the assets of a Fund to be considered "plan assets" for purposes of ERISA. Except in extremely limited circumstances, voluntary withdrawals from a Fund are not permitted. Consequently, investors may not be able to liquidate their investments before the end of a Fund's term, and must be prepared to bear the risks of owning interests and contributing capital for an extended period of time.

Required Withdrawal. The General Partner, in its sole and absolute discretion, may require an investor to withdraw from a Fund under certain circumstances set forth in the Fund Documents. Such required withdrawal may result in negative consequences, including the failure of such investor to recognize the full value of its investment in a Fund or to receive distributions in respect of its withdrawal in a timely manner.

Interpretation of Governing Documents. The Fund Documents establish complex arrangements among the Fund, the Firm, the investors and other relevant parties. From time to time, questions may arise regarding certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Fund Documents, if any, may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While the Firm will construe the relevant provisions in good faith and in a manner consistent with its legal obligations, the interpretations used may not always be the most favorable to the Fund or investors.

Passive Investment. The management of the affairs of each Fund are vested exclusively in the applicable General Partner and the Firm, and each investor must rely upon the General Partner's and the Firm's ability to identify and consummate investments suitable for the Funds, properly manage the investments in portfolio companies, and determine the appropriate time and terms on which to exit such investments. Investors will have no control with respect to the day-to-day operations of the Funds and will not take part in the management or control of the business of the Funds. No investor will have the opportunity to evaluate for itself the relevant economic, financial and other information regarding the investments which the Funds will acquire. Investors will not receive the detailed financial information issued by portfolio companies which is available to the General Partners. As a result, investors must rely on the ability of the General Partners and the Firm to make appropriate investments and to manage and dispose of such investments. No assurance can be given that the General Partners and the Firm will be successful in selecting suitable

investments or that the objectives of the Funds will be achieved.

Diversification. The ability of a Fund to diversify its investments will depend upon the ultimate size of that Fund relative to the size of the available investment opportunities. To the extent the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies than anticipated and thus be less diversified. Furthermore, because a Fund's General Partner has the ability to concentrate its investments by investing a significant percentage of aggregate commitments, subject to certain limitations, in specific investments and an unlimited amount of its assets in a single industry, the overall adverse impact on a Fund of adverse performance of one portfolio company or industry may be considerably greater than if its General Partner were not permitted to concentrate its investments to such an extent. As a result, poor performance by one or more of its investments could severely affect a Fund's total returns and profitability. The Funds expect to make multiple investments in different industries, but unforeseen circumstances may cause them to limit the number and diversity of their investments.

Liability for Return of Distributions. Under Delaware and other applicable law, if the Funds are otherwise unable to meet their obligations, the limited partners may be obligated to return cash distributions with interest previously received by them if such distributions are deemed to be wrongfully paid to them and such limited partners knew at the time of such distributions that they were wrongfully paid. In addition, a limited partner may be liable under applicable federal or state bankruptcy laws to return a distribution made during the Funds' insolvency. Under the terms of the Fund Documents, the limited partners also may be required to return amounts distributed to them to fund the Funds' indemnity obligations.

Disclosure of Information. The General Partner of a Fund, Genstar and/or certain investors in a Fund may be required by law, regulation or otherwise to disclose certain confidential information relating to an investment of such Fund. Such disclosure may affect the ability of such Fund to realize its investment in such investment or the price that such Fund is able to obtain upon any subsequent realization or may otherwise adversely affect such Fund.

In addition, as a result of increased regulations in the private funds and related industries, including with respect to the sources of funds used in investments and other Fund activities, the General Partner of a Fund may request additional documentation or information from limited partners in such Fund in order to verify, among other things, such limited partners' and its beneficial owners' identities and the source of funds used to purchase the interests in the applicable Fund. The General Partner of a Fund may decline to accept a subscription on the basis of the information that is provided or if this information is not provided. In order to comply with applicable laws, rules, regulations and policies, the General Partner of a Fund may request additional information the limited partners of such Fund at any time. Such information may be provided to governmental and regulatory agencies without notification to the limited partners. The failure of a limited partner to comply with such a request may result in adverse consequences to such limited partner pursuant to the applicable limited partnership agreement. Further, the General Partner will take such steps as they determine in their sole discretion are necessary or appropriate to comply with applicable law, regulations, orders, directives or special measures.

In addition, the Funds, the General Partners, Genstar or their respective affiliates, service providers or agents may from time to time be required or may, in their discretion, determine that it is advisable to disclose certain information about the Funds and their investors, including, but not limited to, investments held by the Funds and the names and percentage interests of beneficial ownership thereof (and the underlying beneficial owners of such beneficial owners), to third parties, including local governmental authorities, regulatory organizations, taxing authorities, markets, exchanges, clearing facilities, custodians, brokers and trading counterparties of, or service providers to, the General Partners, the Firm or a Fund. The General Partners and the Firm generally expect to comply with requests to disclose such information as they may determine, including through electronic delivery platforms; however, the General Partner or the Firm may determine not to make an investment or to cause the sale of certain assets for a Fund rather than make certain disclosures, including as a result of limitations contained in the Fund Documents, and such sale may be at a time that is inopportune from a pricing or other standpoint. In certain circumstances, the Funds, the General Partners, the Firm or any of their respective affiliates, service providers or agents, may be prohibited from disclosing, or may determine not to disclose, that the request has been made.

Disposition of Private Investments. Many of the Funds' investments will involve private securities, which are generally more difficult to sell than publicly traded securities, since there is often no liquid market, which may result in selling interests at a discount. In addition, in connection with the disposition of an investment in private securities, the Funds may be required to make representations about the business and financial affairs of a portfolio company typical of those made in connection with the sale of any business or be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchaser or underwriter of such investment to the extent that any such representations or disclosure document are determined to be inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the Funds.

Recourse to Assets. Each Fund's assets, including any investments made by a Fund, are available to satisfy all liabilities and other obligations of such Fund. If a Fund becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to the Fund's assets generally and may not be limited to any particular asset, such as the asset representing the investment giving rise to the liability. Accordingly, investors could find their interests in a Fund's assets adversely affected by a liability arising out of an investment in which they did not participate because, for example, they were excluded or excused by the General Partner.

Exculpation and Indemnification. Certain exculpation and indemnification provisions contained in the Fund Documents may limit the rights of action otherwise available to investors and other parties against persons identified under the Fund Documents. In addition, each Fund will be obligated to indemnify such persons under the Fund Documents in respect of the operations of such Fund, subject to certain limited exceptions set forth in the Governing Documents. The obligation to fund any indemnification will survive the termination of a Fund or an investor's withdrawal from a Fund. Certain investors may, for regulatory or policy reasons, not be permitted to fund indemnification obligations, or their ability to fund such

obligations may be restricted. In those cases, a Fund may be required to satisfy any shortfall with respect to indemnification obligations even if such obligations are the direct result of a breach of representation, warranty or covenant to any such restricted investor.

Litigation. Litigation can and does occur in the ordinary course of the management of an investment portfolio of securities. The Funds, the General Partners or Genstar may be engaged in litigation both as a plaintiff and as a defendant. This risk is somewhat greater where the Funds exercise control or significant influence over a portfolio company's direction, including as a result of board participation. Such litigation can arise as a result of issuer defaults, issuer bankruptcies and/or other reasons. In certain cases, such issuers may bring claims and/or counterclaims against the Funds, the General Partners, Genstar and/or their respective principals and affiliates alleging violations of securities laws and other typical issuer claims and counterclaims seeking significant damages. The expense of defending against claims made against the Funds by third parties and paying any amounts pursuant to settlements or judgments would, to the extent that (i) the Funds have not been able to protect themselves through indemnification or other rights against the portfolio companies, (ii) the Funds are not entitled to such protections or (iii) the applicable portfolio company is not solvent, be borne by the Funds pursuant to indemnification obligations and reduce net assets. Genstar, the General Partners and others may be indemnified by the Funds in connection with such litigation, subject to certain conditions. The costs associated with any such indemnity obligations would be borne by the Funds to the extent not covered by insurance.

The outcome of any proceedings involving the Funds or its investments may materially adversely affect the Funds and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of the General Partner's 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.

Expedited Transaction. Investment analyses and decisions by the General Partners may frequently be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the General Partners at the time an investment decision is made may be limited. Therefore, no assurance can be given that the General Partners will have knowledge of all circumstances that may adversely affect an investment.

Follow-On Investments. Following an initial investment in a portfolio company, the Funds may be asked to provide additional funds to, or have the opportunity to increase their investment in, such portfolio company or to fund additional investments through such portfolio company. There is no assurance that the Funds will make follow-on investments, as such term is defined in the respective Fund's Fund Documents, or that the Funds will have sufficient resources to, or be permitted to, make all such investments. Any decision by the Funds not to make follow-on investments or their inability to make them may have a substantial negative impact on the portfolio company in need of such investment and may result in missed opportunities for the Funds or result in the dilution of investments (in the event alternative capital is used to satisfy such additional funding needs) in such portfolio company. Additionally, if such Funds makes a follow-on investment, there can be no assurance that such follow-on investment will be successful.

Liabilities Upon Disposition of Investments. In connection with the disposition of certain types of investments, Funds may be required to make representations about the business and financial affairs of such investment typical of those made in connection with the sale of any business, or may be responsible for the contents of disclosure documents under applicable securities laws. Funds may also be required to indemnify the purchaser of such portfolio company or underwriter to the extent that any such representations or disclosure documents are determined to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the limited partners to the extent that the limited partners have received prior distributions from the applicable Fund, subject to certain limitations.

Guarantees of Portfolio Companies. The Funds may guarantee the obligations of their portfolio companies. As a result, if any such portfolio company defaults on its obligations, the applicable Fund will be required to satisfy such obligations. In order to do so, such Fund may call capital, recall distributions or liquidate some or all of the remaining investments prematurely at potentially significant discounts to fair value.

Bridge Financings. From time to time, a Fund may provide interim financing (including issuing interim guarantees) to, or make investments that are intended to be of a temporary nature in equity or debt securities of, a portfolio company or any subsidiary thereof in connection with, or subsequent to, an investment by a Fund in such portfolio company. Any such investment may include assets that the applicable General Partner may not have caused the Fund to acquire on a stand-alone basis (including, without limitation, because the risk/return profile or other characteristics of such assets may not be desirable or appropriate for such Fund) and the General Partner may seek to reduce the Fund's exposure to such assets through disposition, refinancing, co-investment or another transaction. In these situations, a Fund's strategy may depend, in part, on its ability to sell, refinance or otherwise reduce its exposure to such investments after initially agreeing to consummate them. However, for reasons not always in Genstar's control, such financings may remain outstanding if, for example, refinancings or syndications do not occur as planned. Moreover, there can be no assurance in such instances that the terms of any such transaction will be attractive, including because there may not be sufficient interest in or for the assets or investors or third parties may not accept all or a portion of the amount offered for co-investment. Any such Bridge Financing made by a Fund involves the risk of loss of the entire amount of such Bridge Financing. If a Fund is unable to complete such an anticipated transaction, its investments will be less diversified than they otherwise may have been and the Fund may have greater exposure to certain investments, regions and sectors than intended or desired, including to assets that a General Partner would not have acquired on a stand-alone basis or to investments that exceed the amount that is permitted to be invested in a single investment that does not involve Bridge Financing. To the extent that the Fund is unable to complete an anticipated transaction, it may also incur broken deal and related costs associated with the pursuit of such transaction.

Generally, in the case of a Fund reducing an investment involving Bridge Financing (including through disposition or co-investment), such transaction will be completed at a price

negotiated by the applicable General Partner and the purchaser taking into account the then-relevant facts and circumstances, which may include the Fund's cost of such investment (and an allocable portion of costs and expenses) and other market events and forces. There can be no assurance that such transaction price will be equal to or more than a Fund's cost of such investment or that it necessarily or accurately reflect the then-market value of such investment, all costs and expenses associated therewith, or any interest or other carrying cost that would typically be associated with a loan. In addition, a Fund may face increased risk of inability to complete the transaction under certain market conditions, including when the investment has decreased in value while held by the Fund. Each Fund will be required to bear the losses of such investment if such a transaction is not consummated or if required to sell the co-investment at a reduced price in order to reduce a Fund's exposure to such investment.

In addition, by making such Bridge Financing, a Fund may be subject to various laws and regulations applicable to lenders and the holding of such Bridge Financing could potentially subject a Fund to various "lender liability" risks. In such event, the interest rate, if any, on such Bridge Financing or the terms thereof may not adequately reflect the risk associated with the position taken by the Fund. Amounts distributed to investors in respect of a Bridge Financing will be made on a *pro rata* basis, outside of a Fund's distributions attributable to portfolio investments. As a result, any capital contributions made by a limited partner in respect of a Bridge Financing will not be taken into account for the purposes of determining amounts to be distributed to such limited partner from distributable cash attributable to portfolio investments in respect of the preferred return, realized or any unrealized loss or otherwise.

Valuation Risk. Given the nature of the Funds proposed investments, the Funds will rely upon the General Partner and Genstar for valuation of certain Fund assets, including, without limitation, in connection with any distribution of illiquid securities upon the liquidation of the Funds. The General Partner and Genstar may engage qualified valuation professionals to assist in this determination; however, it is not always required to do so. Given the nature of the proposed investment entities, valuation may be difficult. There may be a relative scarcity of market comparables on which to base the value of the Funds assets. As such, any such valuations may be speculative. See also "*Valuations*," below.

Investments Longer than Term. A Fund may make investments that, due to various reasons, may not be capable of an advantageous disposition prior to the date it is required to be dissolved, either by the expiration of such Fund's term or otherwise. As a result, the Funds may have to sell, distribute or otherwise dispose of investments at a disadvantageous time or retain or hold such investment during dissolution for an extended period of time, which will result in management fees being payable during such period. Further, investments distributed in-kind may be illiquid and there can be no assurance that any limited partner will be able to dispose of them at the value determined in accordance with the Fund Documents of the applicable Fund. Additionally, if a limited partner elects for the General Partner to sell investments on such limited partner's behalf that would have otherwise been distributed in-kind in accordance with the Fund Documents of the applicable Fund, there is no guarantee that the General Partner will be able to sell such investments or be able to sell such investments at a price that is not significantly discounted.

Contingency Reserves. Under certain circumstances, a General Partner may find it necessary in connection with a distribution to establish one or more reserves for contingent liabilities by holding back a portion of amounts otherwise distributable to the investors until resolution of such contingency or contingencies. As such, investors may be delayed in receiving certain distributions or unable to liquidate their entire investment in a Fund until such time as the General Partner has determined that the need for such reserves has ceased. For example, such reserves might be established if a Fund were subject to an audit by the IRS or involved in litigation, or the General Partner determines it is necessary to reserve capital for ongoing expenses of a Fund.

Recycling. Each General Partner has the right to recall or retain certain distributions as specified in the Fund Documents. Accordingly, an investor may be required to make aggregate capital contributions in excess of its commitment and, to the extent such recalled or retained amounts are reinvested in investments, an investor will remain subject to investment and other risks associated with such investments.

Excuse and Exclusion from Investments. Under certain limited circumstances, an investor may be excused from participating in an investment (including, without limitation, to avoid violations of law and violations of an investor's written policies disclosed to and accepted by the General Partner prior to making a commitment to a Fund) or a General Partner may exclude or limit the participation of an investor in an investment (including, without limitation, if an investor's participation is reasonably likely to have a "material adverse effect" on the applicable Fund or portfolio company or result in a violation of law). In any such circumstance, each other investor may be required to make an additional capital contribution to the Fund in respect of such investment, subject to certain limitations, thereby resulting in such other investor having an increased investment exposure in such portfolio company than such investor would otherwise have had but for such excuse or exclusion event.

Side Letters. The General Partner, on behalf of the Funds, will enter into letter agreements or other similar agreements (collectively, "Side Letters") with investors which provide such investors with additional or different rights (including with respect to information and reporting, excuse or exclusion, waiver of certain confidentiality obligations, co-investment, certain rights or terms necessary in light of particular legal, regulatory or policy requirements, additional obligations and restrictions with respect to structuring particular investments, and liquidity and transfer) than such investors have pursuant to the Fund Documents. As a result of such Side Letters, certain investors will receive additional benefits that other investors will not receive. Although any rights or terms established in a Side Letter with an investor is intended to govern solely with respect to such investor, such rights or benefits may, by altering the terms of the Fund Documents or requiring the consent of an investor for certain investments and other actions, materially impact a Fund and the other investors. For example, if the General Partner enters into a Side Letter entitling an investor to opt out of a particular investment or withdraw from a particular Fund, any opt out or withdrawal by such investor may increase the *pro rata* interest of the investors in that particular investment or all future investments, which may have an adverse effect on the investment results of such other investors. The General Partner, on behalf of the Funds, may enter into such Side Letters with any party as the General Partner may determine in its sole and absolute discretion at any time

and any rights of terms so established in a Side Letter with a Limited Partner will not require the approval of any other investor. The Funds will generally bear the expenses of administering Side Letters and other investor -specific requests.

Advisory Board. The General Partner may, in accordance with Fund Documents of the applicable Fund, seek the approval of the members of the applicable Fund's limited partner advisory board using established guidelines with respect to potential conflict of interest situations and limited partner advisory board approval may be required to resolve certain conflicts and other matters. Any such approval by a limited partner advisory board will be binding upon the applicable Fund and all of the limited partners of such Fund, including certain matters that are required to be approved by a client under the Advisers Act. Although limited partner advisory boards are intended to act as representatives of the limited partners, a limited partner advisory board may not have the same interests as all investors and members of a limited partner advisory board may prioritize their own interests over the applicable Fund's interests. Furthermore, the limited partner advisory boards cannot be expected to be expert in private equity investing, and certain of their determinations may, in fact, adversely affect the performance of the Funds. In the event that a matter is approved by the limited partner advisory board of a Fund or otherwise by the limited partners of a Fund, none of the General Partners, Genstar or any of their respective affiliates will be liable to such Fund or any of the limited partners of such Fund or be in breach of the applicable limited partnership agreement or any other agreement contemplated therein or applicable provisions of law or equity.

Electronic Disclosure. The Funds, the General Partner and Genstar expect to provide investors: (i) statements, reports and other communications relating to the Funds, annual and other updates of Fund's consumer privacy policies and procedures; (ii) all notices and communications required or contemplated to be delivered to such investor by the Fund, the General Partner, Genstar or any of their respective affiliates; (iii) all notices and communications relating to the General Partner and Genstar (including this brochure, privacy policy and any other communication required under the Advisers Act or otherwise); and (iv) funding notices, distribution notices, and any other requests, demands or other communications and any financial statements, reports, schedules, certificates or opinions required to be provided to such investor pursuant to the Fund Documents or any Side Letter with such investor in electronic form, such as e-mail or posting on a web-based reporting site or other Internet service, in lieu of or in addition to sending such communications as hard copies via fax or mail.

There are certain costs (*e.g.*, software; on-line time) and possible risks (*e.g.*, slow downloading time and system outages) associated with electronic delivery. Moreover, the General Partner cannot provide any assurance that these communication methods are secure and will not be responsible for any computer viruses, problems or malfunctions resulting from any computer viruses or related problems that may be associated with the use of an Internet-based system. E-mail messages may not be secure and may contain computer viruses or other defects, may not be accurately replicated on other systems, or may be intercepted, deleted or interfered with without the knowledge of the sender or the intended recipient. The Funds, the General Partner and Genstar will make no assurances, representations, or warranties in relation to these matters. The General Partner and Genstar reserve the right to intercept,

monitor and retain e-mail messages to and from its systems as permitted by applicable law. See also “*Cybersecurity Risk*,” above. Similar types of operational and technology risks are also present for portfolio companies, which could have material adverse consequences for such portfolio companies and may cause Fund investments to lose value.

General Data Protection Regulation. In Europe, the General Data Protection Regulation (“GDPR”) became effective on May 25, 2018, introducing substantial changes to European privacy laws. It supersedes the Data protection Directive, which was the key European legislation governing the use of personal data relating to living individuals. The GDPR provides enhanced rights to individuals with respect to the privacy of their personal data and applies not only to organizations with a presence in the EU which use or hold data relating to living individuals, but also to those organizations that offer services to individual investors. In addition, although regulatory behavior and penalties under the GDPR remain an area of considerable scrutiny, it does increase the sanctions for serious breaches to the greater of €20 million and 4% of worldwide revenue, the impact of which could be significant. Compliance with the GDPR may require additional measures, including updating policies and procedures and reviewing relevant IT systems, which may create additional costs and expenses for Funds and therefore its limited partners. Investors other than living individuals in the EU may not be afforded the protections of GDPR. Further legislative evolution in the field of privacy is expected. The current ePrivacy Directive 2002/58/EC will also be replaced by the European Union Commission’s Regulation on Privacy and Electronic Communications (the “ePrivacy Regulation”), which aims to reinforce trust and security in the digital single market by updating the legal framework on ePrivacy. The ePrivacy Regulation is in the process of being finalized and is expected to come into force in the near future. Compliance with current and future privacy, data protection and information security laws could significantly impact ongoing and planned privacy and information security related practices. A failure to comply with such laws could result in fines, sanctions or other penalties, which could materially and adversely affect the operating results and overall business, as well as have an impact on reputation.

Potential Implications of Brexit. The United Kingdom (the “UK”) left the European Union (the “EU”) on 31 January 31, 2020 under the terms of a withdrawal agreement (which established an implementation period within which aspects of EU law would continue to apply in the UK until December 31, 2020). The terms of the withdrawal agreement did not include a deal regarding the trade of goods and services between the UK and the EU and as at November 17, 2020, the UK has not yet reached an agreement with the EU. As such, these items remaining open for renegotiation and there is also a possibility of no deal being made between the EU and the UK regarding such matters by the end of the implementation period.

The future application of EU-based legislation to the private fund industry in the UK and the EU will ultimately depend on whether, and if so how, the UK renegotiates its relationship with the EU. It is difficult to predict how any renegotiated terms (if at all) will be implemented and what the economic, tax, fiscal, legal, regulatory and other implications will be for the asset management industry, the broader European and global financial markets generally and for private funds such as Funds and its investments. There can be no assurance that any renegotiated terms or regulations will not have an adverse impact on Funds and its

investments, including the ability of Funds to achieve its investment objectives. Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management due in part to redenomination of financial assets and liabilities, and increased legal, regulatory or compliance burden for investors, the AIFM and/or Funds, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Funds.

The referendum and the subsequent exit of the UK from the EU has led to political and economic instability, volatility in the financial markets of the UK and more broadly across the EU. The uncertainty as to future arrangements between the UK and the EU may have an adverse effect on the economy generally and on the ability of the Funds and its investments to execute their respective strategies and to receive attractive returns. In particular, currency volatility may mean that the returns of Funds and its investments are adversely affected by market movements and may make it more difficult, or more expensive, for Funds to execute prudent currency hedging policies. Potential decline in the value of the British Pound and/or the Euro against other currencies, along with the potential downgrading of the UK's sovereign credit rating, may also have an impact on the performance of Fund's portfolio companies or investments located in the UK or Europe. In addition to broader economic and market concerns, the exit by the UK of the EU will have implications on the UK and European legal, tax and regulatory regimes. For example: (a) most UK financial services legislation is derived from EU law and certain aspects may be replaced with less or more restrictive provisions; and (b) certain EU directives and rules applying in the field of taxation may cease to apply which may lead to higher tax and/or tax compliance costs being incurred by Funds when making investments in the UK than would otherwise have been the case. In light of the above, no definitive assessment can currently be made regarding the impact that Brexit will have on Funds, its investments or its organization more generally.

As a result of the above, the longer term economic, legal, political and social framework is unclear at this stage and is likely to lead to ongoing political and economic uncertainty and periods of exacerbated volatility in both the UK and in wider European markets for some time. In particular, the decision made in the UK referendum may lead to a call for similar referendums in other European jurisdictions, which may cause increased economic volatility in the European and global markets. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by the applicable Fund.

Item 9. Disciplinary Information

None.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

An affiliate of Genstar acts as the General Partner of each Fund. Various limited partnerships

serve as General Partners of the Funds. For a description of material conflicts of interest created by the relationship among Genstar and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

The General Partners of certain Funds have filed for an exemption from registration as commodity pool operators in accordance with CFTC Rule 4.13(a)(3) and Genstar has filed for an exemption from registration as a commodity trading advisor in accordance with CFTC Rule 4.14(a)(8).

Broker-Dealers

Neither Genstar nor any of its management persons is registered, nor does any such person have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

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

Code of Ethics

Genstar has adopted a Code of Ethics (the “**Code of Ethics**”) which applies to Genstar and its affiliates and sets forth standards of business conduct that Genstar requires of its supervised persons. The Code of Ethics is intended to assist Genstar and its supervised persons in complying with the requirements of Rule 204A-1 under the Advisers Act, as well as provisions of the federal securities laws pertaining to insider trading.

The Code of Ethics contains a section entitled Procedures and Policy Statement on Insider Trading to inform employees and covered persons of what constitutes material, nonpublic information and the laws and requirements relating to insider trading and confidentiality and Genstar’s policies in that area.

The Code of Ethics also sets forth personal trading policies applicable to employees and certain family members and affiliates that are designed to address actual or potential conflicts of interest (or appearances of conflicts) with the Funds (the “**Policies**”).

Employees may not trade for themselves or recommend trading in the securities of a public company while in possession of material, nonpublic information concerning such company, or disclose such information to any person not entitled to receive it. Each employee is required to inform the Firm’s Chief Compliance Officer whenever such employee believes that he or she may have obtained material, nonpublic information regarding a public company. In accordance with the Policies, employees are not permitted to effect transactions individually in public companies that are portfolio investments of any of the Funds without the approval of the Chief Compliance Officer. Every employee who serves on the board of directors of a portfolio company or in another capacity (such as an officer) of a portfolio company may have access to material, nonpublic information about the portfolio company.

As such, employees who serve on the board of directors for a portfolio company are required to follow the individual company's insider trading policy.

The Policies require all employees of Genstar, as well as employees and associated persons of affiliates of Genstar, to report brokerage transactions to the Chief Compliance Officer. Transactions in certain financial products, including certain mutual fund shares, U.S. government securities, and certain money market instruments may be excluded from such reporting requirements.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: Genstar Capital, Chief Compliance Officer, Four Embarcadero Center, Suite 1900, San Francisco, CA 94111-4191.

Participation or Interest in Client Transactions

As described in the responses to Items 5 and 6, Genstar and the General Partners are generally entitled to receive management fees and Carried Interest from the Funds. The General Partners also make capital commitments to the Funds. Further, certain employees and affiliates of Genstar may invest in and alongside the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, may reduce all or a portion of the management fee and Carried Interest related to investments held by such persons. For further details regarding these arrangements, as well as conflicts of interest presented by them, please see "Conflicts of Interest" immediately below. In addition, Genstar and its affiliates may receive fees from a Fund's portfolio companies for performing consulting and other services for, or serving as directors (or similar positions) of, such companies and may also receive securities of a Fund's portfolio company that were granted or paid in the recipient's capacity as a director of such portfolio company or an affiliate thereof. Each of the foregoing may represent a material financial interest in the securities that Genstar recommends to the Funds.

Due in part to the fact that potential investors in a Fund (including purchasers of a limited partner's interests in a secondary transaction) or a co-investment opportunity (see below) may ask different questions and request different information, Genstar may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Conflicts of Interest

Genstar and its related entities engage in a broad range of activities, including investment activities for their own account and for the account of other investment funds, and providing transaction-related, investment advisory, management and other services to funds and operating companies. In the ordinary course of conducting its activities, the interests of a Fund likely will conflict with the interests of Genstar, other Funds or their respective affiliates. Potential Conflicts of interest exist in the structure and operation of the Funds' business. If any matter arises that any of the General Partners or Genstar determines in its good faith judgment constitutes an actual conflict of interest, such General Partner or Genstar, as applicable, will take such actions as it determines in good faith may be, or which

pursuant to the applicable Fund's limited partnership agreement are, necessary or appropriate to ameliorate the conflict. There can be no assurance that the General Partners and Genstar, as applicable, will ameliorate or resolve all conflicts of interest in a manner that is favorable to the Funds or any particular limited partner. In addition, the Fund Documents contain provisions that, subject to applicable law, (a) reduce or eliminate the duties, including fiduciary and other duties, to the Funds and the limited partners to which the General Partners would otherwise be subject, (b) waive duties or consent to the conduct of the General Partners that might not otherwise be permitted pursuant to such duties and (c) limit the remedies of limited partners with respect to breaches of such duties. Additionally, the Fund Documents contains exculpation and indemnification provisions that, subject to the specific exception enumerated therein, provide that the General Partner and its affiliates (including Genstar) will be held harmless and indemnified, respectively, for matters relating to the operation of the Funds, including matters that may involve one or more potential or actual conflicts of interest. Certain of these conflicts of interest, as well as a description of how Genstar addresses such conflicts of interest, can be found below.

Genstar expects, from time to time, to establish certain investment vehicles through which certain employees of Genstar or its affiliates, certain business associates, other "friends of the firm," or other persons are permitted to invest alongside one or more Funds in one or more investment opportunities. Such vehicles, referred to herein as "co-investment vehicles," generally are contractually required, as a condition of investment, to purchase and sell each investment opportunity at substantially the same time and substantially the same terms as the applicable Fund that is invested in that investment opportunity. Each co-investment by a co-investment vehicle is required to be, subject to legal, tax, regulatory or other such considerations, on terms that are no more favorable to such co-investment vehicle than those received by the respective Fund. Third-party and limited partner co-investors may not always co-invest through a co-investment vehicle, and, therefore, are not subject to the "no more favorable" requirement found in the Funds' Fund Documents. Further, a co-investment vehicle's terms could still be considered not more favorable than the Fund's terms even if such vehicle is not required to pay Carried Interest or a management fee.

Resolution of Conflicts Generally. In the event that any matter arises that the General Partner determines in its good faith judgment to constitute an actual conflict of interest between the Fund, on one hand, and Genstar or any existing or future vehicle or account or clients, on the other hand, the General Partner may, subject to internal policies and Fund Documents, take such actions as it deems necessary or appropriate, including such actions as described elsewhere herein, taking into consideration the interests of the relevant parties, the circumstances giving rise to the conflict and applicable law. Genstar's internal policies and protocols may be amended from time to time by Genstar in its discretion without notice to or the consent of limited partners or any other person. Any such resolutions will take into consideration the interests of the relevant parties and the circumstances giving rise to the conflict.

Conflicts. The material conflicts of interest encountered by Genstar and the Funds include those discussed below, although the discussion below does not purport to be a complete list or explanation of all conflicts of interests that may be faced by Genstar or a Fund. Other

potential conflicts are disclosed throughout this brochure and the brochure should be read in its entirety for other conflicts.

Investments with Related Parties. In certain circumstances, subject to the limitations set forth in Fund Documents, Funds could participate in investments that involve the General Partner or its affiliates in equity or debt positions within a transaction via the ownership of Passive Securities (as defined in Fund Documents). See “Other Investments,” above. As a result of the various conflicts and related issues described herein, Funds could sustain losses during periods in which the General Partner or its affiliates achieve profits generally or with respect to particular investments, or could achieve lower profits or higher losses than would have been the case had the conflicts described herein not existed.

In situations where a portfolio company is experiencing distress or bankruptcy and the General Partner or its affiliates hold Passive Securities (as defined in Fund Documents), such conflicts of interest will be exacerbated. In such scenarios, the General Partner’s or its affiliates’ interests will likely be senior in priority to those of the applicable Fund and they may take over a portion of such portfolio company. In such circumstances, the General Partner or its affiliates may take actions that are adverse to the interests of the applicable Fund. In this case, the General Partner or its affiliates could, for a relatively small investment, obtain a stake in such portfolio company or be part of a group that takes over the management of (and risk relating to) such portfolio company to the detriment of the applicable Fund.

The interests of the General Partner or its affiliates in such investments would differ from those of applicable Funds and would have been acquired at different times, at different prices, with a different view and subject to different terms and conditions. In addition, the General Partner or its affiliates would likely dispose of their interests at different times and on different terms than the applicable Fund.

If Funds and the General Partner or its affiliates invest in different classes or types of securities of the same portfolio company (or other assets, instruments or obligations issued by such company) or otherwise on different terms, it would thereby create divergent interests, including the possibility that in a bankruptcy proceeding Fund’s interest may be subordinated or otherwise adversely affected by virtue of such the General Partner or its affiliates’ involvement and actions relating to its investment. As a result of differing investment strategies and the facts and circumstances at the times of acquisition and disposition, it is likely that the General Partner or its affiliates will have different returns (including possibly superior returns) on these investments than Funds will. If a portfolio company in which Funds has an investment and in which the General Partner or its affiliates also have an investment, but at a different level of the capital structure, becomes distressed or defaults on its obligations, the General Partner will have conflicting loyalties between its duties to Funds and to itself and, in this regard, there could be certain actions and remedies in view of these interests and contractual obligations that the General Partner will determine not to undertake on behalf of the Funds, sometimes relying instead upon the actions and remedies undertaken by other lenders and/or investors. Applicable Funds or such investment could be negatively affected by these activities, and the applicable Fund’s transactions may be executed at prices or terms that may be less favorable than would otherwise have been the case. The General Partner does not expect it or its affiliates to be a majority holder of any

tranche of debt in a portfolio company in which an applicable Fund holds equity and the General Partner and its affiliates do not intend to exercise any right to vote with respect to such securities (other than through a proxy granted to an unaffiliated third party which exercises its independent discretion in connection with such vote or on the same basis as the owners of a majority of the applicable securities). The General Partner believes that limiting the amount of such “passive securities” it acquires in connection with any particular portfolio company together with the limits on voting described immediately above significant mitigate the conflicts of interest otherwise inherent in such circumstances.

In addition to the ability of the General Partner and its affiliates to invest in Passive Securities (as defined in Fund Documents), the General Partner may extend such right to the Managing Directors or other employees of Genstar as well as limited partners, prospective limited partners or other third parties, each of whom may pay fees or carried interest to the General Partner or an affiliate thereof, which such fees and carried interest would not be for the benefit of applicable Funds or the limited partners.

Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities. Genstar serves as the investment manager to a number of private equity funds and may in the future serve as the investment manager to certain other funds or other entities. As such, certain conflicts could arise in the allocation of investment opportunities and in connection with the acquisition and/or disposition of investments by the Funds.

Until the expiration of the investment period, except for investment opportunities (i) related to current portfolio holdings either of the General Partner or its affiliates, (ii) that are allocated to any strategic co-investors (see “Co-Investment Policy,” below) or (iii) that meet the investment objectives of a successor Fund in respect of which Genstar or an affiliate thereof is entitled to collect management fees, any investment opportunity that is presented to the General Partner or any of its affiliates and that the General Partner believes in good faith is suitable and appropriate for the applicable Fund and consistent with the applicable Fund’s investment objectives, and where the applicable Fund has available remaining Commitments sufficient to enable the applicable Fund effectively to participate in such investment opportunity, will be made available to the applicable Fund before being offered to any other person. Notwithstanding the foregoing, Funds may, with the consent of the advisory board in the applicable Fund, co-invest with another existing Fund in any investment opportunity offered to the applicable Fund, and the General Partner may allocate such portion of such investment opportunity to such existing Fund as the General Partner determines to be appropriate, provided that any such co-investment and dispositions related thereto will, subject to legal, tax, regulatory or other such considerations, be made at the same time and on terms that are no more favorable to the existing Fund, as applicable, than those received by the applicable Fund.

Insurance. The General Partner intends to cause Funds to purchase, and/or bear premiums, fees, costs and expenses with respect to, insurance for the benefit of such Funds, the General Partner and any indemnified party with respect to Fund-related matters. Genstar, other vehicles or accounts affiliated with Genstar and their respective portfolio companies and other investments may leverage the scale of Genstar by participating in shared, or umbrella,

insurance policies as part of a broader group of entities affiliated with Genstar. Any insurance policy purchased by or on behalf of the Funds (including policies covering Funds, the General Partner, Genstar and other funds and accounts) may provide coverage for situations where Funds would not provide indemnification, including situations involving culpable conduct by the General Partner or Genstar. Nonetheless, such Fund's share of the fees and expenses in respect of insurance coverage will not be reduced to account for these types of situations.

To the extent an insurance policy provides coverage with respect to Fund-related or investment-related matters, all or a portion of the fees and expenses (including premiums) of such insurance policy will be allocated to such Fund.

While shared insurance policies may be cost effective, claims made by any entities affiliated with Genstar may result in increased costs to a Fund and such policies may have an overall cap on coverage. To the extent an insurable event results in claims in excess of such cap, applicable Funds may not receive as much in insurance proceeds as it would have received if separate insurance policies had been purchased for each party and Genstar may face a conflict in interest in properly allocating insurance proceeds across all claimants, which could result in certain Funds receiving less in insurance proceeds than if separate insurance policies had been purchased for each insured party individually. Similarly, insurable events may occur sequentially in time while subject to a single overall cap. To the extent insurance proceeds for one such event are applied towards a cap and a Fund experiences an insurable loss after such event, such Fund's receipts from such insurance policy may be diminished or the applicable Fund may not receive any insurance proceeds. A shared insurance policy may also make it less likely that Genstar will make a claim against such policy on behalf of such Fund.

In addition, certain Funds may need to determine whether or not to initiate litigation to collect from an insurance provider, which may be lengthy and expensive, and which ultimately may not result in a financial award. The potential for Genstar to be a counterparty in any litigation or other proceedings regarding insurance claims creates a further potential conflict of interest. Genstar will seek to allocate the costs of such insurance and proceeds from claims in respect of such insurance policies and resolve any conflicts of interest, as applicable, in a manner it determines to be fair.

Co-Investment Opportunities. Prior to offering any available co-investment opportunity to investors, the General Partner generally expects to offer such co-investment opportunity to those whom the General Partner believes will add value to the Funds or the applicable portfolio company's activities ("Strategic Co-Investors"), including, without limitation, management of the applicable portfolio company, members of the Strategic Advisory Board, operating executives, introducers, lenders (or other capital providers) and other service providers (including consultants), persons serving as outside directors and other persons (which could include one or more investors, as applicable) with industry, geographic or other relevant expertise applicable to such investment. Following any allocation to Strategic Co-Investors, in the event that an investment opportunity available to such Fund exceeds aggregate commitments (inclusive of any reasonably anticipated follow-on investments related thereto) per Fund Documents, such investment opportunity is intended to be allocated

to a select group of investors (“Priority Co-Investors”), solely to the extent of the excess above such threshold. As a result, subject to the diversification limitations in the Fund Documents applicable to such Priority Co-Investors and the remaining capital commitment of such Priority Co-Investors, any such excess will not be allocated per Fund Documents to the applicable Fund and will therefore not receive any benefits associated with such portion of such investment opportunity. Conversely, in the event that the diversification limitation in the Fund Documents applicable to such Priority Co-Investors is met, or there are no remaining capital commitments of such Priority Co-Investors, the applicable Fund may make the portion of such opportunity that otherwise would have been allocable to the Priority Co-Investors and Fund investments may be less diversified as a result than it would have been had such Priority Co-Investors acquired the full amount of such excess. To the extent that the General Partner believes that it would receive more Carried Interest if a particular investment were made by the Priority Co-Investors instead of the applicable Fund, it may incentivize the General Partner to allocate a greater portion of such investment to the Priority Co-Investors than it otherwise would have, and vice versa. While the foregoing is mitigated by the largely formulaic approach to allocating investment opportunities as between applicable Funds and the Priority Co-Investors, whether or not an investment opportunity will be deemed to exceed aggregate commitments limitations per Fund Documents and allocated to the Priority Co-Investors will be influenced, in part, by the General Partner’s determination of any reasonably anticipated follow-on investments related to such investment. Similarly, to the extent that the General Partner believes that it would receive more Carried Interest if a particular follow-on investment were made by the Priority Co-Investors instead of the applicable Fund, it may incentivize the General Partner to allocate a greater portion of such follow-on investment to the Priority Co-Investors than it otherwise would have. While the foregoing is mitigated by the requirement for the General Partner to obtain a third party determination or confirmation of the valuation of the applicable portfolio company in respect of which the follow-on investment is being made by the Priority Co-Investors rather than the applicable Fund, whether or not a follow-on investment opportunity will be allocated to the Priority Co-Investors will be influenced, in part, by the General Partner’s determination of the reserves reasonably required for the applicable Fund. Following any such allocation to the Priority Co-Investors and where appropriate, the General Partner intends, but will be under no obligation, to provide co-investment opportunities to investors before making such opportunities available to third parties. Decisions regarding whether and to whom to offer co-investment opportunities are made is at the sole discretion of the General Partner and may be offered to some and not other investors with allocations that may differ from their proportionate investments in the applicable Fund and may be based on a number of factors, including, without limitation, an investor’s expressed interest in co-investments, the General Partner’s assessment of such investor’s ability to both fund and timely execute the co-investment, the General Partner’s perception of past experiences and relationships with such investor, the size of such investor’s commitment, legal, regulatory, reporting, public relations, media or other considerations that may impact the viability of, or affect such investor’s ability to participate in, the co-investment, confidentiality concerns relating to the disclosure of information in order to permit such investor to evaluate the opportunity and the potential for establishing or strengthening relationships that may provide indirectly longer-term benefits to the applicable Fund or successor Funds. In light of the foregoing, no investor should have any expectation of receiving co-investment opportunities.

In addition, the General Partner may form one or more additional co-investment vehicles to provide employees of Genstar (other than the Managing Directors) and its affiliates with the opportunity to co-invest with a Fund in an amount not to exceed limitations per Fund Documents per portfolio company.

For the avoidance of doubt, any co-investments made alongside Funds and dispositions related thereto will, subject to legal, tax, regulatory or other such considerations, be made at the same time and on terms that are no more favorable to the applicable co-investor than those received by the Funds.

Co-investors will typically bear their *pro rata* share of fees, costs and expenses related to the discovery, investigation, development, acquisition or consummation, ownership, maintenance, monitoring, hedging and disposition of their co-investments and may be required to pay their *pro rata* share of fees, costs and expenses related to potential investments that are not consummated, such as breakup fees or broken deal expenses. Although Genstar endeavors to allocate such fees, costs and expenses on a fair and equitable basis, co-investors may not bear their share as they may not agree to pay or otherwise bear fees, costs and expenses related to unconsummated co-investments (and in certain circumstances, co-investors may not bear such fees, costs and expenses because they have not been identified as of the time such potential investment ceases to be pursued). In such event, such fees, costs and expenses will be considered operating expenses of, and be borne by, the applicable Fund.

Conflicts Related to Purchases and Sales. Potential conflicts may arise when a Fund makes investments in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment. Investment opportunities may be appropriate for Funds at the same, different or overlapping levels of a portfolio company's capital structure. Potential conflicts arise in determining the terms of investments, particularly where the Funds may invest in different types of securities in a single portfolio company. Questions may arise as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly in Funds that have invested in different securities within the same portfolio company. Certain clients of Genstar may invest in bank debt and securities of companies in which other clients hold securities, including equity securities. In the event that such investments are made by a Fund, the interests of such Fund may be in conflict with the interest of such other Fund, particularly in circumstances where the underlying company is facing financial distress. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Funds may be prohibited from exercising voting or other rights, and may be subject to claims by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, the Funds may or may not provide such additional capital, and if provided, each Fund will supply such additional capital in such amounts, if any, as determined by Genstar. In addition, a conflict may arise in allocating an investment

opportunity if the potential investment target could be acquired by either a Fund or a portfolio company of another Fund. Investments by more than one client of Genstar in a portfolio company may also raise the risk of using assets of a client of Genstar to support positions taken by other clients of Genstar. Employees and related persons of Genstar have made or may make capital investments in or alongside certain Funds, and therefore may have additional conflicting interests in connection with these investments. There can be no assurance that the return of a Fund participating in a transaction would be equal to and not less than another Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

A Fund may invest in opportunities that other Funds or clients of Genstar's affiliate have declined, and likewise, a Fund may decline to invest in opportunities in which other Funds or clients of Genstar's affiliate have invested.

From time to time Genstar may, in its discretion, enter into transactions with investors in one or more Funds to dispose of all or a portion of certain investments held by one or more Funds. In exercising its discretion to select the purchaser(s) of such investments, Genstar may consider some or all of the factors listed above under "*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*". The sales price for such transactions will be mutually agreed to by Genstar and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by Genstar. Although Genstar is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, it will first determine that such transaction is in the best interests of the applicable Fund(s), taking into account the sales price and the other terms and conditions of the transaction. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Fund(s). Any such transactions will comply with the Fund Documents of the applicable Fund(s).

Cross Trades. When permitted by applicable law and subject to and in accordance with the terms of the applicable Fund Documents, the General Partner may (but is under no obligation to) cause a Fund to acquire or dispose of investments in cross trades between one Fund and other Funds or clients advised by Genstar or an affiliate thereof. There may be potential conflicts of interest or regulatory issues relating to these transactions, which could limit the General Partner's decision to engage in these transactions for the applicable Fund. In connection with a cross trade, the General Partner and its affiliates may have a potentially conflicting division of loyalties and responsibilities regarding a Fund and the other parties to trade and have developed policies and procedures in relation to such transactions and conflicts. However, there can be no assurance that such transactions will be effected, or that such transactions will be effected in the manner that is most favorable to the applicable Fund as a party to any such transaction.

Principal Transactions. In connection with Genstar's management of the Funds, Genstar and its affiliates may engage in principal transactions. Although Genstar does not anticipate entering into principal transactions, Genstar has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions,

including (i) obtaining any required approvals, including that of the applicable Fund's limited partner advisory board (as may be required) and (ii) making any disclosures to the applicable Fund(s) required by Section 206 of the Advisers Act.

Management of the Funds. Genstar manages a number of Funds that may have investment objectives similar to one another. Genstar may in the future establish one or more additional investment funds with investment objectives that are substantially similar to, or different from, those of the current Funds. Allocation of available investment opportunities between the Funds and any such investment fund could give rise to conflicts of interest. See "*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*" above. In addition, it is expected that employees of Genstar responsible for managing a particular Fund will also have responsibilities with respect to other Funds managed by Genstar, including Funds that may be raised in the future. Conflicts of interest may arise in allocating time, services or functions of these officers and employees.

The Funds may enter into borrowing arrangements that require the Funds to be jointly and severally liable for obligations. If one Fund defaults on such arrangement, the other Funds may be held responsible for the defaulted amount. The Funds will only enter into such joint and several borrowing arrangements when Genstar determines it is in the best interests of the Funds.

Follow-on Investments. Investments to finance follow-on acquisitions present potential conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one Fund in a portfolio company in which another Fund has previously invested. In addition, a Fund may participate in releveraging and recapitalization transactions involving portfolio companies in which another Fund has already invested or will invest. Conflicts of interest may arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Conflicts Relating to the General Partners and Genstar. Genstar is authorized, in its discretion, to contract with any related person of Genstar (including but not limited to a portfolio company of a Fund) to perform services for Genstar in connection with its provision of services to the Funds. When engaging a related person to provide such services, Genstar may have an incentive to recommend the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

Genstar generally may, in its discretion, recommend to a Fund or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with certain services providers, and from time to time such service providers are expected to include: (i) Genstar or a related person of Genstar (including but not limited to a portfolio company of a Fund) or (ii) an entity with which Genstar or its affiliates or a member of their personnel has a relationship or from which Genstar or its affiliates or their personnel otherwise derives financial or other benefit; or (iii) certain limited partners or their affiliates. This discretion subjects Genstar to conflicts of interest, because although Genstar selects

service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly returns of the relevant Fund, Genstar 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 Genstar, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Genstar), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Genstar will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although Genstar generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not Genstar 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.

Genstar expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Genstar information about markets and industries in which Genstar operates (or is contemplating operations) or will provide other services that are beneficial to Genstar or one or more other Funds. Genstar expects to be subject to a potential conflict of interest in making such recommendations, in that Genstar has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

Genstar Capital Partners X, L.P. and its related investment vehicles, Genstar X Opportunities Fund I, L.P. and its related investment vehicles, Genstar Capital Partners IX, L.P. and its related investment vehicles, Genstar IX Opportunities Fund I, L.P. and its related investment vehicles, Genstar Capital Partners VIII, L.P. and its related investment vehicles, and Genstar VIII Opportunities Fund I, L.P. and its related investment vehicles, have hired Apex Fund Services, a Fund portfolio company, to provide fund administration services. With respect to Genstar Capital Partners VIII, L.P. and its related investment vehicles, prior to engaging Apex Fund Services, the General Partner of Genstar Capital Partners VIII, L.P. and its related investment vehicles obtained limited partner advisory board consent to this arrangement.

Genstar, its affiliates, and members, officers, principals and employees of Genstar and its affiliates are permitted to buy or sell securities or other instruments that Genstar has recommended to Funds. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by Funds. Such transactions are subject to the policies and procedures set forth in Genstar's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Funds. If officers, principals and employees of Genstar have made large capital investments

in or alongside the Funds, such persons may have conflicting interests with respect to the applicable investments.

Fee Structure. Because there is a fixed investment period after which capital from investors in the Funds will only be drawn down in limited circumstances and because management fees are, at certain times during the life of the Funds, based upon capital invested by the Funds, this fee structure creates an incentive to deploy capital when Genstar may not otherwise have done so.

Carried Interest of the General Partner. Additionally, as discussed above in Item 6, the existence of the General Partners entitlement to Carried Interest under the terms of the Fund Documents may create an incentive for the General Partner or Genstar (which is an affiliate of the General Partner) to make riskier or more speculative investments on behalf of the Funds than it would otherwise make in the absence of such performance-based arrangement.

In addition, under the Tax Cuts and Jobs Act (the “TCJA”), in order for the Carried Interest income received by the General Partner to be taxed at rates applicable to long-term capital gain, Funds will generally have to hold the applicable investment for more than three years before disposing of it. The increase in the required holding period, or other laws (including non-U.S. tax laws) applicable to Carried Interest, may create an incentive for the General Partners to make different decisions regarding the timing and manner of the realization of investments than would be made if long-term capital gain from the sale or disposition of capital assets did not require a three-year holding period (as it relates to the General Partner’s receipt of Carried Interest).

The General Partner could be incentivized to continue to hold investments that have poor prospects for improvement in order for Genstar to receive ongoing Management Fees in the interim and, potentially, a more likely or larger Carried Interest distribution to the General Partner if such investment’s value appreciates in the future. This incentive could be increased by the presence of the clawback obligation of the General Partner, which could incentivize the General Partner to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to such Fund or would otherwise result in a clawback.

The General Partner is permitted to cause Funds to distribute its share of certain securities in respect of its Carried Interest resulting from an investment disposition to the General Partner or its affiliates (and, in turn, to Managing Directors and employees) in-kind, while disposing of investors’ share of such securities and distributing the net cash proceeds of such sale of securities to the investors. This ability, if utilized, could create a misalignment of interest as between the General Partner and the investors. The General Partner is particularly incentivized to receive distributions in-kind of securities in respect of its Carried Interest that it expects to increase in value, and in cases where the increase occurs the investors will not receive the benefits of that increase. Any such distribution in-kind may also result in tax advantages or efficiencies for the General Partner and in turn for the Managing Directors and employees that would not benefit the investors. However, any such misalignment of interest is partially mitigated by the General Partner’s entitlement to Carried Interest, which is determined based upon the investment results of the investors. Furthermore, the General

Partner, or its affiliates, may receive distributions in-kind from an investment disposition alongside the investors. In the event the General Partner, or its affiliates, receives such a distribution, the General Partner will generally act in its own interest with respect to its share of securities and may determine to sell the distributed securities (which may include selling its securities prior to the time at which an investor sells its distributed securities), or hold on to the distributed securities for such time as the General Partner shall determine. The ability of the General Partner to act in its own interest with respect to such distributed shares creates a potential lack of alignment between the General Partner and the investors.

Related Services. As described in Item 5 above, Genstar and its affiliates may perform Related Services for, and will receive fees from, actual or prospective portfolio companies or other investment vehicles of the Funds. Such fees will be in addition to any management fees or Carried Interest paid by the Funds to Genstar. Consistent with the Fund Documents, Genstar may incur expenses, and a portfolio company or other third person may reimburse Genstar for such expenses, including, without limitation, variable travel expenses incurred in accordance with Genstar's travel policy as in effect from time to time, which may include expenses for chartered or first-class travel; expenses associated with the structuring, negotiating, making, sourcing (including any retainers, success and finder's fees and other compensation paid to contractors), researching, acquiring, monitoring, restructuring, holding, selling and otherwise disposing of, or otherwise related to, such Fund's proposed or actual investments; all third party expenses relating to unconsummated transactions (i.e., broken deal expenses, break-up fees and costs that would have been allocable to co-investors had such proposed transaction or investment been consummated, if the amount allocable to such co-investors is not paid by such parties) and temporary investments, variable administrative expenses (such as research), lodging, meals and entertainment, due diligence expenses (including fees for attending conferences the primary purpose of which is sourcing investments), brokerage commissions and fees, underwriting commissions and discounts; expenses related to recruitment of executive staff; legal, accounting, investment banking, consulting and professional fees and other fees, costs and expenses, including those relating to any co-investment vehicles formed in connection therewith) incurred by Genstar in connection with its performance of services for such portfolio company. Such reimbursements are not subject to the sharing arrangements described in Item 5. Additionally, since the term of the management agreements with portfolio companies may exceed ten years (and may be subject to automatic extensions and renewals), there are also certain circumstances (such as the occurrence of an initial public offering or strategic exit) which may accelerate the payment of such fees. These fees may be substantial, particularly in the event such circumstances occur early in the life of the Fund's investment in such portfolio company. This creates a conflict of interest between Genstar and its affiliates and the Funds and their investors because the amounts of these fees and reimbursements may be substantial and the Funds and their investors generally do not have an interest in these fees and reimbursements. Genstar determines the amount of these fees for Related Services and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements may not (except in connection with the reductions described below) be disclosed to investors in the Funds. Genstar and its affiliates will, in some circumstances, reduce the amount of

management fees paid by the applicable Fund in connection with the receipt of the applicable Fund's share of such fees. The amount and nature of this reduction varies from Fund to Fund and is set forth in the Fund Documents of the applicable Fund. Entities other than Funds that participate in investments alongside the Funds (such as entities through which Genstar and certain employees and affiliates of Genstar invest alongside the Funds) may have a right to share in such fees, and management fees will generally not be reduced in connection with the receipt of such entities' share of such fees.

In many cases with respect to the implementation of the arrangements described above, there is not an independent third party involved on behalf of the relevant portfolio company. Therefore, a conflict of interest may exist in the determination of any such fees and other related terms in the applicable agreement with the portfolio company.

Diverse Membership. The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors may have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among particular investors may relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest may relate to or arise from, among other things, the nature of the investments made by a Fund, the residency or domicile of the investors, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the General Partner, including with respect to the nature or structuring of investments, that may be more beneficial for one investor than for another, including with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, the General Partner and Genstar will consider the investment and tax objectives of the applicable Fund as a whole, not the investment, tax or other objectives of any specific investor. However, conflicts may arise if certain limited partners have objectives that conflict with each other or those of the Funds.

Transactions with Potential and Actual Limited Partners. Prospective investors should note that the General Partner, Genstar and their affiliates (including Funds) from time to time engage in transactions with prospective and actual limited partners and prospective and actual limited partners of other vehicles or accounts that entail business benefits to such investors. Such transactions may be entered into prior to or coincident with an investor's admission to a Fund or during the term of their investment. The nature of such transactions can be diverse and may include benefits relating to a Fund, other vehicles or accounts and their respective issuers or portfolio companies.

Allocation of Time. During a Funds investment period, the General Partner and Genstar will cause the Managing Directors, for so long as they are employed by Genstar or any of its affiliates, to devote substantially all of their business time and efforts to the investment and other activities of a Fund (including any other parallel fund, any co-investment vehicle, any alternative investment fund and any entity formed in connection with an investment of the applicable Fund). Notwithstanding the foregoing, each of the Managing Directors may (i) devote such time and efforts as they deem reasonably necessary to the affairs of the existing

Funds and any successor Funds, (ii) engage in such civic and charitable activities as such Managing Director will choose and (iii) conduct and manage such Managing Director's personal and family investment activities. However, pursuant to the terms of the Fund Documents, the General Partner and Genstar will, and will cause each of the Managing Directors for so long as such Managing Director is employed by Genstar or any of its affiliates to, devote such time to the applicable Fund as is reasonably required to conduct the investment and other activities of the applicable Fund. Subject to the foregoing and any other limitations contained in the Fund Documents, the General Partner, Genstar, the Managing Directors and their respective affiliates may engage independently or with others in other investments or business ventures of any kind.

Other Investments. During the term of an applicable Fund, neither the General Partner nor any of its affiliates may acquire, invest in or hold securities of any existing portfolio company without the consent of the applicable Fund limited partner advisory board, provided that the foregoing restriction will not apply to:

- (i) Passive Securities (as defined in Fund Documents) held by the General Partner and its affiliates;
- (ii) securities held by the General Partner and its affiliates through the General Partner (in respect of the General Partner's interest in an applicable Fund), any other parallel fund, any co-investment vehicle, any Alternative Investment Fund, any entity formed in connection with an investment of such Fund, any existing Fund, any successor Fund; or
- (iii) securities of a portfolio company that were granted or paid to the General Partner, Genstar or any of their respective affiliates in such person's capacity as a director of such portfolio company or an affiliate thereof.

In addition, Fund Documents does not prohibit any affiliate of the General Partner from acquiring, investing in, reinvesting in, holding or disposing of securities of a person or an affiliate of a person in which such affiliate of the General Partner holds an investment prior to the effective date as described in Fund Documents (or, in the case of any person that becomes an affiliate of the General Partner, after the Effective Date), prior to the date on which such person becomes such an affiliate.

See also "Investments with Related Parties," below.

Business with Portfolio Companies and Investors. Given the collaborative nature of Genstar's business and the portfolio companies in which the Funds have invested, there are often situations where Genstar is in the position of recommending portfolio company services to other portfolio companies. Genstar may have a conflict of interest in making such recommendations, in that Genstar has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for the Funds, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Funds.

Genstar may have an incentive to recommend the products or services of certain investors in

the Funds, certain Third Parties or their related businesses to the Funds or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Funds or the portfolio companies.

Portfolio companies controlled by a Fund may provide services to certain Fund investors. Genstar may have an incentive to cause the portfolio company to favor those investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Fund. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Fund.

Genstar may engage in business opportunities arising from a Fund's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company).

Genstar has service providers, including for example, investment bankers, outside legal counsel and pension consultants, who are investors in Funds and/or who provide services to businesses that are competitors of Genstar. Genstar may have a conflict of interest with the Funds in recommending the retention or continuation of a service provider to the Funds or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Funds or will provide Genstar information about markets and industries in which Genstar operates or is interested or will provide other services that are beneficial to Genstar. There is a possibility that Genstar, because of such belief or for other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. In addition, Genstar and the Funds' portfolio companies may engage common service providers. In such circumstances, there may be a conflict of interest between Genstar, on the one hand, and a Fund and its portfolio companies, on the other hand, in determining whether to engage such service providers.

Certain members of a Fund's advisory board are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in another Fund. The General Partner of a Fund may from time to time utilize the services of investors and their affiliates on an arm's length basis, as it deems appropriate.

Conflicts with Portfolio Companies. Members, officers and employees of Genstar may serve as directors and officers of certain portfolio companies and, in that capacity, will be required to make decisions that consider the best interest of such portfolio companies and their respective 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 such portfolio company may not be in the best interests of the applicable Funds, and vice versa. Accordingly, in these situations, there may be conflicts of interest between such individual's duties as a member, officer or employee of Genstar, as applicable, and such individual's duties as a director or officer of such portfolio company.

Allocation to Co-Investment Vehicles. To the extent that any co-investment vehicle is offered an opportunity to invest in a portfolio company, because the General Partner is not necessarily required to offset fees for such co-investments, it may incentivize a Fund to

allocate a greater portion of the applicable investment to the co-investment vehicle than it would otherwise make in the absence of such an arrangement. Furthermore, there could be circumstances in which the General Partner would receive more Carried Interest if a particular investment were made through a co-investment vehicle instead of the applicable Fund.

Members of the Strategic Advisory Board and Operating Executives. Genstar may engage and retain operating partners, senior advisors, operating executives, strategic advisers, consultants and other similar professionals who are not employees or affiliates of Genstar and who, from time to time, receive payments from, or allocations with respect to, portfolio companies and/or other entities. In such circumstances, such amounts will not be deemed paid to or received by Genstar and such amounts will not offset the management fee payable in respect of the Partnership for purposes of Transaction Fees and third party expenses. Genstar has also created a Strategic Advisory Board comprised of persons employed or retained by Genstar, who will play a key role in sourcing, performing diligence and advising portfolio companies throughout the applicable Fund's ownership. Genstar has created the Strategic Advisory Board, consisting of senior executives with significant industry transaction, investment or operating experience. The Strategic Advisory Board will consult with the General Partner of the applicable Fund on various matters, including issues relating to investments, general market trends, specific transactions and management assessment. Additionally, as part of its strategy, Genstar has entered and may enter into certain strategic relationships with operating executives to provide certain services in connection with sourcing investments, due diligence and/or providing operating management to portfolio companies. Members of the Strategic Advisory Board will, and operating executives may, from time to time, receive compensation, guaranteed payments, cash fees, a share of proceeds upon sale of a portfolio company or other incentive-based compensation. Genstar will pay compensation of members of the Strategic Advisory Board. Members of the Strategic Advisory Board will, and operating partners may, also receive reimbursement from the applicable Fund of certain costs and expenses that are incurred in connection with providing services with respect to the applicable Fund, including their reasonable out-of-pocket expenses and expenses of meetings of the Strategic Advisory Board (including travel expenses). Members of the Strategic Advisory Board will, and operating partners may, also receive other benefits, including the ability to make use of certain of Genstar's resources and the opportunity to invest in an applicable Fund, other private investment funds managed by Genstar and particular investments in portfolio companies.

In connection with services to portfolio companies from time to time, SAB members also (a) receive cash and/or non-cash (e.g., equity) consideration for their services from the applicable portfolio companies and (b) invest directly in one or more portfolio companies. For the avoidance of doubt, members of the Strategic Advisory Board and operating partners will not be deemed to be "Affiliates" of Genstar, the General Partner or the applicable Fund for purposes of Fund Documents and, as such, they will not be subject to the conflicts of interest provisions set forth in the Fund Documents and any cash or non-cash consideration received by such persons from a portfolio company will not be deemed to be Transaction Fees subject to offset pursuant to the applicable limited partnership agreement. In addition, certain consideration payable to members of the Strategic Advisory Board or operating

executives in connection with due diligence on potential investments may be borne by the Funds.

Other Potential Conflicts. Genstar and the Funds will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Funds may be investors in a Fund, and may also represent one or more portfolio companies of or investors in such Fund. In the event of a significant dispute or divergence of interests between Funds, Genstar and/or its affiliates, the parties may engage separate counsel in the sole discretion of Genstar and its affiliates, and in litigation and other circumstances, separate representation may be required.

Service Providers. Genstar, the Funds and the portfolio companies of the Funds, the General Partner's or Genstar's service providers (including, without limitation, deal generators, introducers, lenders, brokers, attorneys, accountants, administrators and outside directors) may be portfolio companies, portfolio companies of existing Funds, limited partners and/or sources of investment opportunities and counterparties therein. This may influence the General Partner in deciding whether to select such a service provider or have other relationships with Genstar. In particular, the General Partner expects that a portfolio company of an existing Fund will provide administration services to the Funds. Notwithstanding the foregoing, service providers will be selected by the General Partner or Genstar on behalf of the Funds with due care and consistent with their obligations under applicable law and the General Partner will only select a service provider to the extent the General Partner determines that doing so is in the best interests of the applicable Fund given all surrounding facts and circumstances and is consistent with the General Partner's responsibilities under applicable law, provided that the General Partner may not necessarily seek out the lowest-cost option when engaging such service providers. In addition, Genstar, the Funds and the portfolio companies of the Funds and portfolio companies of other funds or entities advised by Genstar may engage common service providers. In such circumstances, there may be a conflict of interest between Genstar, on the one hand, and the applicable Fund and its portfolio companies, on the other hand, in determining whether to engage such service providers. There also may be instances where portfolio companies provide services to one another. Moreover, an applicable Fund may bear the risk of any errors or omissions by such service providers. Additionally, subject to certain limitations, the applicable Fund may be required to exculpate and indemnify such service providers for any losses incurred.

Valuations. Valuation of assets acquired in a Fund investment may be difficult, and there generally will be no established market for these assets. The General Partner's determination of the fair value of an investment may impact the calculation of Carried Interest distributions to the extent such valuation would result in a net unrealized loss, which could incentivize the General Partner to refrain from writing down such investments. The foregoing is mitigated by the fact that the valuations of Fund investments are reviewed by the Funds independent public auditors in connection with their annual audit of the Funds. In addition, the General Partner's valuation of securities or other property in connection with a distribution in kind may also impact the calculation of Carried Interest, which could incentivize the General Partner to value the securities or other property above fair value. The foregoing is mitigated by the fact that the General Partner's valuations for purposes of making distributions in kind

are reviewed by the limited partner advisory board and, if necessary, by an independent, nationally-recognized investment banking firm selected by the General Partner and acceptable to the limited partner advisory board (such acceptance not to be unreasonably withheld). In certain circumstances, the General Partner may, pursuant to the applicable governing agreement, rely on a valuation of a portfolio company that is determined or confirmed by an independent, nationally-recognized investment banking firm or other appropriate independent expert rather than consulting with the limited partner advisory board or the investors regarding certain transactions that may have conflicted elements.

Travel Expenses. The Fund will reimburse the General Partner and its affiliates for out-of-pocket travel expenses, including, without limitation, air travel (which may be chartered, first or business class), car services, meals and hotels (which may include luxury class accommodations), incurred in structuring, negotiating, acquiring, monitoring, selling or otherwise disposing of, or otherwise relating to, its proposed or actual investments and unconsummated transactions (including expenses related to attendance of industry conferences, the primary purpose of which is sourcing investments) and otherwise in connection with the business of the Funds.

Moreover, Genstar, the General Partner and their affiliates can be expected to receive certain intangible or other benefits arising or resulting from their activities on behalf of the Funds, which will not be shared with the Funds and/or its investors. For example, airline travel or hotel stays incurred as Fund expenses typically result in “miles” or “points” or credit in loyalty/status programs, and such benefits or amounts will, whether or not *de minimis* or difficult to value, inure exclusively to Genstar, the General Partner or such affiliates (and not the Funds and/or its investors) even though the cost of the underlying service is borne by the Funds.

Possible Future Activities. Genstar and its affiliates may expand the range of services that they provide over time. Except as provided in the Fund Documents, Genstar and its affiliates will not be restricted in the scope of their business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether or not such conflicts are described herein. Genstar and its affiliates have, and will continue to develop, relationships with a significant number of companies, financial sponsors and their senior managers, including relationships with companies who may hold or may have held investments similar to those intended to be made by the Funds. These companies may themselves represent appropriate investment opportunities for Funds or may compete with other Funds for investment opportunities.

Limited Access to Information. Investors’ rights to information regarding the applicable Fund will be specified in the Fund Documents. However, certain limited partners may receive additional information that is not available to all limited partners generally. For example, it is expected that limited partners who designate representatives to participate on the advisory board may, by virtue of such participation, have more information about Funds and investments in certain circumstances than other limited partners generally, or certain information may be disseminated to them in advance of communication to other limited partners. Similarly, certain limited partners may also be investors in other vehicles or

accounts, or engage in transactions with Genstar or another vehicles or accounts, and may receive additional information through such arrangements.

Please see the discussion above under the sub-heading “Resolution of Conflicts Generally” for a description of the means by which Genstar and its related persons seek to alleviate conflicts of interest among the Funds or other persons.

Debt Provider. Genstar has previously granted particular funds, investors or accounts (the “**Debt Providers**”) exclusive positions as preferred providers of mezzanine debt for investments made by certain Funds. While Genstar does not currently have any such agreements in place in respect of the Funds, it is authorized in the future to grant Debt Providers exclusive positions as preferred providers of mezzanine debt or other debt and debt-like securities for investments made by the Funds. In connection with any such agreements, Genstar is authorized to receive fees and Carried Interest from or in respect of Debt Providers, (i) which fees and Carried Interest would not be for the benefit of the applicable Fund or its limited partners and (ii) the receipt of which creates potential conflicts of interest when Genstar selects the provider of mezzanine debt, other debt and debt-like securities for the Funds’ investments. In any such circumstances, Genstar believes this potential conflict of interest is mitigated by the fact that (i) Genstar would be under no obligation to use Debt Providers and (ii) Genstar will, in all circumstances, select lenders for its investments solely on the basis of the terms offered by such lenders to the applicable portfolio company and in a manner consistent with its fiduciary duties.

Item 12. Brokerage Practices

As the Funds invest primarily in private equity ventures, Genstar anticipates that investments in publicly traded securities (e.g., money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, etc.) will be infrequent occurrences. However, to meet its fiduciary duties to the Funds, Genstar has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

Selection of Brokers and Dealers

From time to time, the Firm may use a broker to effect transactions in public securities resulting from, or in connection with, portfolio investments. For each of the Funds, Genstar has full discretionary authority over the purchase and sale of investments (including the size of such transactions), the broker or dealer, if any, to be used to effect transactions and commissions paid to such broker or dealer. In placing each transaction for a Fund involving a broker-dealer, Genstar will seek “best execution” of the transaction. “Best execution” means obtaining for a Fund account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, the Firm takes into account all factors that it deems relevant to the broker’s or dealer’s execution capability, including, by way of illustration, price, the size of

the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, the range and quality of service rendered by the broker or dealer in other transactions, the broker's or dealer's responsiveness to the Firm, and the value to the Firm of research provided, if any. In addition, Genstar may consider the use of Electronic Communications Networks ("ECNs") when placing trades on behalf of the Funds. When purchasing or selling over-the-counter securities with market makers, Genstar generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

In order to monitor best execution, the Firm will periodically monitor broker-dealers to assess the quality of execution of brokerage transactions effected on behalf of Genstar and each Fund.

Genstar does not currently receive soft dollar benefits or client referrals from broker-dealers in connection with Fund transactions.

Aggregation of Trades

Genstar and its affiliates may aggregate (or bunch) the orders of more than one Fund for the purchase or sale of the same publicly traded security. Portfolio managers and traders often employ this practice because larger transactions are expected to may enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. Genstar and its affiliates may combine orders on behalf of Funds with orders for other Funds for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest.

In such cases, Genstar and its affiliates generally aggregates trade orders for publicly traded securities so that each participating Fund will receive the average price for each execution of a transaction. Genstar will only aggregate orders for multiple Funds, as long as aggregating would be in the best interests of each participating Fund.

If an order for more than one Fund for a publicly traded security cannot be fully executed, allocation shall be made based upon Genstar's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Genstar has an investment committee comprised of senior investment professionals that is responsible for oversight of the investment process and for the Funds' investment decisions (the "**Investment Committee**"). The Investment Committee meets as required by the investment portfolios and its members are Jean-Pierre L. Conte, J. Ryan Clark, Robert S. Rutledge, Anthony Salewski, Eli P. Weiss and David J. Golde. All of Genstar's investment professionals meet weekly to review all potential new and existing portfolio investments, and any issues raised during the weekly meeting requiring the Managing Directors' review will be brought to the Investment Committee.

Limited partners in the Funds are provided with audited annual financial reports and unaudited quarterly reports. Limited partners are also provided with written tax information for the preparation of U.S. federal income tax returns. Genstar and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Item 14. Client Referrals and Other Compensation

Genstar and its affiliates do not directly or indirectly compensate any person who is not a supervised person of the Firm for client referrals. However, Genstar or its affiliates may utilize a placement agent to assist in the placement of investor interests in the Funds. The fees paid to any such placement agent generally would be in the form of a percentage of capital committed by investors. Any placement agent would generally be a broker-dealer registered under the Securities Exchange Act of 1934.

For details regarding economic benefits provided to Genstar by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, Genstar expects, in certain instances, to receive discounts on products and services provided by portfolio companies of Funds and/or the customers or suppliers of such portfolio companies. Because its portfolio companies offer such discounts to customers other than Genstar and such persons as part of their standard commercial practices in an effort to expand their respective customer bases, Genstar 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 Genstar, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

Item 15. Custody

Rule 206(4)-2 of the Advisers Act (the “**Custody Rule**”) defines custody as holding client securities or assets or having any authority to obtain possession of them, including the authority to withdraw funds or securities from a client’s accounts or ownership of or access to client funds or securities. The adviser does not have custody of client funds or securities, however, affiliates of the adviser, specifically the General Partner or managers of the Funds, are deemed to have custody of Fund assets. All assets and securities of the Funds are held by qualified custodians with the exception of assets that are considered to be “privately offered securities” under the Custody Rule. Fund limited partners receive annual financial statements audited by an independent public accounting firm within 120 days. Fund limited partners are urged to carefully review such statements and compare these statements to the quarterly statements provided by the adviser.

Item 16. Investment Discretion

Genstar, including its affiliated investment managers, has entered into an investment management agreement with each Fund. Each such agreement, together with the management authority granted to each Fund’s General Partner pursuant to the Fund’s limited partnership agreement, provides Genstar with full discretion to determine investments to be

purchased and sold on behalf of the Funds and the terms of the related transactions. Limitations on Genstar's investment discretion are set forth in the investment management agreements with, and the limited partnership agreements of, the Funds.

Item 17. Voting Client Securities

While the securities evidencing the private equity investments made by the Funds are not typically the subject of proxies, there could be certain circumstances where Genstar, having discretionary authority over the Funds, may be asked to vote the securities of the Funds on restructuring or other corporate matters. Genstar will ensure that a record of each securities position held by each Fund is maintained and, where any such vote is to occur, the Firm will ensure that it receives all relevant information, disclosure materials and such proxies or consents as are necessary for it to be able to cast votes in a timely manner.

Genstar will also determine whether there is, or appears to be, a material conflict of interest that could influence the voting decision in a manner that would be adverse to the interest of a Fund. If Genstar determines that there is no material conflict of interest, then it will make the voting determination and take the required voting action. If Genstar determines that, due to a conflict of interest, it is not capable of making an independent determination as to the voting decision, then Genstar will seek to resolve such conflict in an appropriate manner, which may include soliciting input from the applicable Fund's limited partner advisory board. Genstar will also determine whether there is, or appears to be, a material conflict of interest that could influence the voting decision in a manner that would be adverse to the interests of a Fund. The Funds cannot direct Genstar's vote in a particular solicitation. Each Fund is controlled by its General Partner (Genstar's affiliate) and, as such, each Fund is aware of how the Firm voted with respect to such Fund's securities.

A copy of the Firm's proxy voting policies and procedures will be provided to any Client and prospective Client upon request. In addition, any investor may obtain specific information as to how certain proxies for securities held in a Fund were voted upon the request of such information.

Item 18. Financial Information

Genstar does not believe that it has any financial condition that is reasonably likely to impair its ability to meet contractual commitments to Clients and has never filed for bankruptcy.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Genstar.