

Harvest Partners, LP

Part 2A of Form ADV

The Brochure

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This brochure provides information about the qualifications and business practices of Harvest Partners, LP. Harvest Partners, LP and other closely affiliated advisory entities are herein collectively referred to as “Harvest” or the “Firm”. If you have any questions about the contents of this brochure, please contact us at 212-599-6300. 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. Any reference to Harvest as a “registered investment adviser” or as being “registered,” does not imply a certain level of skill or training.

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

Material Changes

This annual amendment does not include material changes; however, it reflects updates to the descriptions of potential conflicts of interest and the business practices of the registrant and supplements existing disclosures relating to the Firm’s practices and related potential conflicts of interest under “Advisory Business”, “Fees and Compensation”, “Co-Investments”, “Types of Clients”, “Methods of Analysis, Investment Strategies and Risk of Loss” and “Code of Ethics, Participation or Interest in Client Transactions and Personal Trading”.

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Advisory Business

Harvest is principally owned by Thomas W. Arenz, Michael B. DeFlorio, Stephen Eisenstein, Ira D. Kleinman and John C. Wilkins, Jr. (collectively, the “Principals”). A predecessor entity to Harvest was formed in 1981 and, today, Harvest consists of a group of entities formed for the purpose of providing investment advice to pooled investment vehicles.

Harvest currently provides investment advisory services to a group of private pooled investment funds, namely:

- Harvest Partners V, L.P. and its related investment vehicles (collectively, “HP V”);
- Harvest Partners VI, L.P. and its related investment vehicles (collectively, “HP VI”);
- Harvest Partners VII, L.P. and its related investment vehicles (collectively, “HP VII”);
- Harvest Partners VIII, L.P. and its related investment vehicles (collectively, “HP VIII” and, together with HP HP V, HP VI, and HP VII, the “HP PE Funds”);

- Harvest Partners Structured Capital Fund, L.P. and its related investment vehicles (collectively, the “HP SCF I Fund”);
- Harvest Partners Structured Capital Fund II, L.P. and its related investment vehicles (collectively, the “HP SCF II Fund”); and
- Harvest Partners Structured Capital Fund III, L.P. and its related investment vehicles (collectively, the “HP SCF III Fund” and, together with the HP SCF I Fund and the HP SCF II Fund, the “HP SCF Funds”. Collectively the HP SCF Funds and the HP PE Funds, the “Funds” and, each individually, a “Fund”).

The HP PE Funds’ investments are generally focused on private equity and control investments between \$200 million and \$600 million in middle market buyouts and recapitalizations of companies based in North America with (i) annual revenues between \$100 million and \$3 billion and (ii) enterprise values between \$300 million and \$5 billion within the following industries (the “Target Industries”):

- Business & Industrial Services
- Consumer
- Healthcare
- Industrials
- Software

For the avoidance of doubt, and notwithstanding anything to the contrary in the applicable limited partnership agreement or similar organizational documents, confidential memoranda and other governing documents (together, the “Governing Documents”) of the HP PE Funds, the HP PE Funds are permitted to invest in public or private loans, debt securities and/or other similar instruments (collectively, “Debt Instruments”), provided that any such investment satisfies certain conditions specifically provided for in the applicable Governing Documents of the HP PE Funds, including expected returns comparable to those of equity or equity-related securities.

The HP SCF Funds’ investments are generally focused on senior equity or junior debt investments between \$50 million and \$125 million in middle market companies primarily based in North America with (i) annual revenues between \$100 million and \$1 billion and (ii) enterprise values between \$100 million and \$1.5 billion within the Target Industries.

As the investment adviser to the Funds, Harvest is responsible for evaluating and monitoring Fund investments and providing day-to-day managerial and administrative services to the Funds. Harvest sources, structures and negotiates potential investments, monitors the performance of portfolio companies and advises the Funds as to the disposition of investment holdings. The individual needs of the investors in the Funds are not the basis of investment decisions by Harvest. Investment advice is provided directly to the Funds by Harvest and not individually to the Funds’ investors.

As of December 31, 2020, Harvest had regulatory assets under management of approximately \$12 billion on a discretionary basis. Harvest does not manage assets on a non-discretionary basis.

Fees and Compensation

Management Fee

Harvest or an affiliated entity earns a management fee from certain Funds in accordance with their respective offering documents and limited partnership agreements. In general, the HP PE Funds will pay the Firm a per annum fee ranging from 0.875% to 2.0%, tri-annually in advance, based on the aggregate capital commitments during a defined commitment period. Thereafter, the management fee may be reduced (a) as the basis for such fees shifts from aggregate capital commitments to invested capital and (b) as the rate for such fees decreases for certain Funds by 25 basis points (usually for two years from the end of the commitment period) and then by another 25 basis points. The reductions of the management fee may also vary with respect to certain series of limited partnership interests issued by a Fund.¹ Such management fees are payable on a pro rata basis for any period that is less than a full four-month period.

The HP SCF Funds, generally, will pay the Firm an annual management fee equal to the greater of (i) a defined minimum fee or (ii) a fee equal to 1.5% per annum based on cumulative capital contributions (without giving effect to any return or reinvestment of capital). Such management fee will be paid tri-annually in advance during the defined commitment period. Thereafter, the management fee paid by the HP SCF Funds will be reduced to a management fee equal to 1.5% per annum of invested capital. Such management fees are payable on a pro rata basis for any period that is less than a full four-month period.

The amount of management fees generally will not be reduced based on reductions in investment value, other than for investments that are written off or permanently written down. As a general matter, management fees will be payable during term extensions unless otherwise agreed with investors.

Management fees may be subject to certain offsets as defined in each of the Funds' respective offering documents and limited partnership agreements. All management fees were negotiated with the Funds' investors prior to their investment in the applicable Fund. Harvest may elect to waive all or a portion of any future management fees payable by certain Funds; any amounts so waived by such Funds will be applied against the capital commitments of the applicable general partner and other related persons of Harvest to the Funds. In addition, employees and certain other individuals that invest in the Funds may not pay fees or carry or vote their interest, as permitted by the terms of the applicable Fund's respective offering documents and limited partnership agreements.

As discussed further below under "Co-Investments", the general partner of a Fund reserves the right to negotiate with potential co-investors the management fees applicable to such co-investment, if any, on a case-by-case basis in its respective sole and absolute discretion. Such co-investments might not be subject to management fees or could be subject to different or differently calculated

¹ For instance, the management fee for HP VIII is generally calculated as follows: (i) 1.75% per annum of aggregate commitments (or 0.875% per annum for Series B Interests, which bear a higher carried interest) during the commitment period, (ii) thereafter and until the second anniversary of the end of the commitment period, 1.75% per annum of invested capital (or 0.875% per annum for Series B Interests), and (iii) after the second anniversary of the end of the commitment period, 1.5% per annum of invested capital (or 0.75% per annum for Series B Interests).

management fees in the sole discretion of the Fund's general partner for the benefit of the general partner, Harvest or either of their respective affiliates, in any event, as compared to what investors are subject to under the Governing Documents of the relevant Fund. The management fees borne by co-investors, if any, are described in the Governing Documents of the relevant co-investment vehicles.

Detailed information regarding the management fees borne by investors of the Funds is contained in the relevant Fund's offering documents and limited partnership agreements. Investors should not consider an investment in a Fund without fully understanding the Fund's management fee structure.

Portfolio Company Related Fees

Harvest, the general partner of any Fund and their respective affiliates expect to earn certain fees in connection with portfolio investments and from such Fund's unconsummated transactions, including, but not limited to, break-up and topping fees, monitoring and directors' fees, organization fees, set-up fees, advisory fees, upfront fees, consulting fees, management fees (other than the management fees described above), closing and transaction fees (including with respect to financings and refinancings) and other similar fees (collectively, "Other Fees"). As noted above, management fees payable to Harvest by a Fund are generally subject to offset by certain expenses of such Fund, including placement fees, organizational expenses above certain caps and unreimbursed transaction expenses. In addition, to the extent Harvest, the general partner of any Fund or any of their respective affiliates receives Other Fees in connection with portfolio investments of a particular Fund, a percentage (*e.g.*, 50%-100%) of such Other Fees are applied as an offset to the management fee payable by such Fund. Other Fees relating to a co-investor or other third party's portion of any investment generally will not be applied as an offset to the management fee payable to any Fund and will be for the benefit of the general partner of such Fund, the investment manager and their affiliates and not, for the avoidance of doubt, for the benefit of any limited partner. If offsets resulting from certain net Other Fees received prior to any tri-annual payment date exceed the amount of the management fee due on such triannual payment date, then the amount of such excess will be carried over and applied to reduce the management fees due on subsequent tri-annual payment dates. If such excess is greater than the amount of management fees due for all tri-annual payment dates, then such excess will, upon the liquidation of the relevant Fund, be for the benefit of the general partner of such Fund, the investment manager and their affiliates and not, for the avoidance of doubt, for the benefit of any limited partner. For the avoidance of doubt, Harvest also will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Fund portfolio companies.

Monitoring fees received by Harvest typically consist of recurring fees received for certain monitoring services provided by Harvest to a portfolio investment of a Fund. The payment of any such monitoring fees to Harvest will cease from and after the termination of the related monitoring services, which typically occurs upon the complete (as opposed to upon a partial) disposition of a Fund's investment in the applicable portfolio company.

In addition to the foregoing, none of the following constitute "Other Fees" for purposes of a Fund: (i) amounts paid or received by the investment manager, the general partner or any of their respective affiliates as a reimbursement for out-of-pocket fees, costs or expense incurred in connection with providing services in respect of which any Other Fees were paid or received; (ii)

Co-Investment Economics (as defined in the relevant partnership agreement); (iii) Operating Executive Compensation (as defined below); and (iv) fees received by a person or entity other than the investment manager, the general partner or any of their respective affiliates, including fees received, directly or indirectly, by a participating co-investor or other investor participating in the equity or other interests of any portfolio company who is not otherwise an affiliate of any of the foregoing, irrespective of whether (A) such person or entity participates directly or indirectly through a Fund, including any co-investment fund, (B) such person or entity is also a limited partner, Operating Executive (as defined below) or other third party or an affiliate of any of the foregoing, (C) such person or entity is providing (or is not providing) services in consideration of its receipt of such fees to, for or otherwise with respect to such portfolio company and (D) the payment of such fees to (or the receipt of such fees by) such person or entity was arranged, organized, sponsored, negotiated by or for, permitted, consented to, approved or otherwise facilitated by the investment manager, the general partner or their respective affiliates. Accordingly, none of the foregoing will reduce the management fee and will not be for the benefit of any limited partner.

Other Fees charged to Fund portfolio companies are determined, in part, by the Principals and/or other investment professionals and are likely to create a short-term incentive to complete transactions. Also, such Other Fees are not always based on an exit or sale of a Fund investment. Accordingly, from time to time, Harvest is expected to receive Other Fees when a Fund does not ultimately profit from an investment, or a Fund is expected to pay more to purchase an investment or receive less in selling an investment due to payment of Other Fees. In many cases, Other Fees are based on metrics relating to a portfolio company, and there can be no assurance that the amount of Other Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, Harvest reserves the right to accrue, defer or forego payments of Other Fees. In such cases, in accordance with the Funds' Governing Documents, investors will not receive the benefit of management fee offsets with respect to such amounts until and unless they are actually received.

Detailed information regarding Other Fees and such management fee offsets for each Fund is contained in the relevant Fund's Governing Documents. Investors should not consider an investment in a Fund without fully understanding the Fund's Other Fee and management fee offset structure.

Fund Expenses

Detailed information regarding all the fees to be paid by each Fund is contained in the relevant Fund's offering documents and limited partnership agreements. In addition to management fees and Carried Interest (as defined below), limited partners will bear indirectly the fees, costs and expenses charged to the Funds. Such fees, costs and expenses will vary but will generally include (among others): (i) fees, costs and expenses associated with the organization of the Fund; (ii) fees, costs and expenses resulting from the sale of interests (including private placement fees, which are then generally offset against management fees described below) or the negotiation of terms and conditions of investments from limited partners; (iii) fees, costs and expenses for tax advisors,

accountants, attorneys, consultants, auditors, administrators and other professionals (including Operating Executive Compensation (as defined below)); (iv) fees, costs and expenses incurred in connection with the preparation and distribution of the Fund's financial statements, reports, tax returns and Schedule K-1s (or additional or similar tax-related schedules), including expenses incurred in connection with purchasing, implementing, maintaining and upgrading computer software and hardware for use in preparing and distributing the Fund's financial statements, reports, tax returns and Schedule K-1s (or additional or similar tax-related schedules) and expenses incurred in connection with providing the limited partners on-line or electronic access to information and reporting relating to the Fund (including any upgrades and customizations related thereto); (v) fees, costs and expenses incurred in connection with discovering, developing, negotiating, evaluating, acquiring, structuring and disposing of the Fund's investments, and the holding, carrying, monitoring and managing of the Fund's investments, including, any financing, legal, accounting, advisory, consulting, administration and other professional fees (including Operating Executive Compensation); fees associated with portfolio accounting system licenses and support; custodial, trustee, and record keeping fees; investment banking, private placement, brokerage and appraisal fees; sales and underwriting commissions and discounts; fees, costs and expenses associated with attending conferences in connection with the evaluation of a Fund's investments or business sector opportunities (including the evaluation of potential investments of the Fund); travel and travel related expenses (including any and all transportation, meal, entertainment and lodging fees, costs and expenses, which will include travel by way of private or non-commercial aircraft); mobile device and conference call service expenses; and taxes, in each case, to the extent the general partner or investment manager of the relevant Fund is not reimbursed for such fees, costs and expenses by portfolio companies or other third parties; fees, costs and expenses incurred in connection with any market data, relevant news or third-party research services (including the cost and expense of any related terminals for the delivery of such services) and fees paid to sector or industry-specific business intelligence and information service providers and any fees, costs or expenses of the type described herein incurred by or on behalf of a Fund in connection with a prospective or potential portfolio investment that is not ultimately made, including any fees (including commitment, termination and break fees, as well as "reverse" termination and break fees), deposits or working capital payments, that are payable or forfeited by a Fund in connection with any prospective or potential portfolio investment that is not ultimately made ("Broken Deal Expenses") and fees, costs and expenses of the types described herein incurred in connection with the formation, organization, operation and administration of an aggregator or similar vehicle formed to facilitate a co-investment by a Fund along-side one or more participating co-investors, including the fees, costs and expenses thereof that a Fund would otherwise not have borne but for the participation of such participating co-investor(s) (by way of example only and without limitation, the incremental aggregator-level auditing and reporting, accounting and other administrative expenses); (vi) fees, costs and expenses incurred in connection with distributions to the limited partners; (vii) fees, costs and expenses incurred in connection with any valuation of the assets of the Fund; (viii) principal, interest on and fees, costs and expenses arising out of all borrowings, guarantees and other extensions of credit made by the relevant Fund, including the arranging thereof; (ix) all premiums and fees, costs and expenses, including broker fees, associated with any litigation, D&O liability or other insurance coverage (including in respect of errors or omissions of each Fund's general partner or investment manager, the Principals and each of their respective affiliates and related entities, and for any other persons acting on behalf of the Fund) and indemnification or extraordinary expense or liability relating to the affairs of a Fund; (x) fees, costs and expenses incurred in connection with the

maintenance, operation and administration of each Fund (including for purposes of maintaining the Fund in good standing with respect to state and similar registrations); (x) fees, costs and expenses incurred in connection with dissolving, winding-up, liquidating and terminating a Fund; (xi) any taxes or fees, costs, expenses or other governmental charges levied against or payable by a Fund and all expenses incurred in connection with any tax audit, investigation, settlement or review of a Fund or any of its tax returns and Schedule K-1s or additional or similar tax-related schedules) and fees, costs and expenses with respect to the representation by the tax matters partner or partnership representative or designated representative, as applicable, of the Fund and the limited partners; (xi) fees, costs and expenses (including legal fees and expenses) incurred to comply with any law or regulation related directly to the activities of a Fund including (A) regulatory expenses incurred in connection with the operation of a Fund, (B) expenses related to the preparation and filing of Form PF and similar U.S. and non-U.S. regulatory filings, (C) expenses related to the compliance with or filings under Foreign Account Tax Compliance Act, (D) expenses advisable or required to be incurred in order to cause or permit the Fund comply with terms and conditions of Alternative Investment Fund Managers Directive and/or the law, rules or regulations implemented or promulgated in any applicable jurisdiction in relation thereto (including the fees, costs or expenses of any depositary required in connection therewith), (E) expenses related to compliance with anti-money laundering rules and regulations applicable to the operation or activities of the Fund, (F) expenses related to compliance with privacy laws, rules or regulations of any applicable jurisdiction, including the General Data Protection Regulation and (G) expenses incurred in connection with any litigation or governmental inquiry, investigation or proceeding involving a Fund, including the amount of any judgments, settlements or fines paid in connection therewith; (xii) fees, costs and expenses incurred in connection with any meeting of the board of advisors and meetings of or with one or more of the limited partners (which fees, costs and expenses will include transportation, meal, entertainment and lodging fees, costs and expenses, which will include travel by way of private or non-commercial aircraft, incurred by representatives of Harvest and/or the portfolio companies and other attendants of any such meetings), including the annual limited partners' meeting or other meeting of the limited partners called by the Fund's general partner and the reasonable out-of-pocket expenses incurred by the members of the board of advisors in connection with the fulfillment of their duties (including certain fees, costs and expenses of any independent legal counsel appointed to assist the board of advisors); (xiii) fees, costs and expenses incurred in connection with any communication with the limited partners, including fees, costs and expenses incurred in connection with responding to investor inquiries, investor-specific reporting requests or due diligence requests or questionnaires (including expenses incurred in obtaining industry or market data for purposes of benchmarking the investment performance history of each Fund's investment manager or one or more of its affiliates) (xiv) fees, costs and expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of each Fund and related entities; (xv) fees, costs and expenses incurred in connection with negotiating and entering into, and compliance with, side letter provisions and any "most favored nations" provision election process, including expenses associated with compliance with environmental, social and governance standards imposed by any such side letter, investor-specific reporting requirements and other investor-specific requirements set forth in side letters; (xvi) fees, costs and expenses incurred in connection with transfers of interests by the limited partners (including, for the avoidance of doubt, any proposed assignment or transfer of an interest that is not ultimately consummated) that are not otherwise borne by the applicable transferor or transferee; and

(xvii) fees, costs and expenses relating to defaults by limited partners in the payment of any capital contribution, direct payment or other payment required to be made by such limited partner.

To the extent holding or intermediate entities include one or more special purpose acquisition companies (“SPACs”), the relevant Fund(s) will bear the costs of organizing and offering such SPACs, as well as the amount and dilutive effect of any founders’ equity or similar interests issued thereby regardless of whether such interests are held by the Fund (directly or indirectly), and except where prohibited by the Funds’ Governing Documents, such interests are permitted to be issued to Harvest and its personnel.

Additionally, subject to the Funds’ Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests.

In addition to the foregoing, the fees, costs and expenses incurred in connection with the organization of a Fund and expenses related to the sale of its interests (other than placement fees), or the negotiation of terms and conditions of investments from limited partners, will generally reduce the management fees otherwise borne by the limited partners to the extent such costs and expenses exceed a certain dollar amount. Furthermore, placement fees will generally offset such management fees on a dollar-for-dollar basis, as described in the offering documents and limited partnership agreements for each Fund.

Detailed information regarding all of the fees, costs and expenses to be paid by each Fund is contained in the relevant Fund’s offering documents and limited partnership agreements. Investors should not consider an investment in a Fund without fully understanding the Fund’s fees, cost and expense structure.

Performance Based Fees and Side-by-Side Management

Harvest or an affiliate of Harvest is also entitled to receive a distribution of up to 20% or, in the case of HP VII and HP VIII, up to 30% of the profits on distributions derived from the disposition of investments or securities (after taking into account certain expenses of the Fund, including management fees) (“Carried Interest”). Investors in each such entity are entitled to receive an 8% preferred return prior to the imposition of the Carried Interest, after which, the Carried Interest “catches up” to the applicable rate (*i.e.*, up to 20% or, in the case of HP VII and HP VIII, up to 30%). As discussed further below under “Co-Investments”, Harvest reserves the right to negotiate different carried interest terms with co-investors (including none), and such co-investments could be subject to different or differently calculated carried interest for the benefit of the relevant general partner, Harvest or either of their respective affiliates, in any event, as compared to what investors are subject to under the Governing Documents of the relevant Fund.

Although Carried Interest is a method of compensation that is generally used to align Harvest’s interests with those of its Funds’ limited partners, it has the potential to create an incentive for Harvest to make more speculative investments. In addition, as a result of changes to U.S. federal income tax law in 2017, gain that is allocated to the general partner of a Fund with respect to Carried Interest will generally be treated as short-term capital gain (and subject to tax at substantially higher rates) unless the relevant investment is held for more than three years. In addition, the limited

partnership agreements of certain Funds permit the relevant general partner to defer Carried Interest distributions. Compensation in the form of Carried Interest is therefore expected to incentivize Harvest to make different decisions regarding the timing and manner of the realization of its Funds' portfolio investments than would be the case if such Carried Interest were not part of its overall compensation structure. Harvest seeks to address these conflicts through careful vetting of investment opportunities by its investment professionals and disclosure of investments to limited partners through capital call notices and periodic reports. Additionally, the Principals and certain investment professionals will often invest in the Funds indirectly (*e.g.*, through general partner commitments) intended to align the interests of Harvest and those of the Funds. In addition, the limited partnership agreements of certain Funds provide "claw back" provisions that require the Principals and certain of its investment professionals to return to such Funds distributions of Carried Interest if and to the extent that, in the aggregate, such Principals and professionals have received such distributions in excess of 20% (or, in the case of certain HP VII and HP VIII investors, 30%) of the total profits of investors in such Fund (or, if greater, any such excess distributions of Carried Interest to the extent the 8% preferred return described above has not been achieved).

Carried Interest or the payment of Carried Interest at varying rates (including varying effective rates based on the past performance of a Fund) may create an incentive to disproportionately allocate services, time, or functions to Funds paying Carried Interest at disproportionate rates. Generally, this conflict is mitigated by procedures established in the Funds' limited partnership agreements which include certain limitations on the ability of Harvest to establish new investment funds, contractual provisions requiring certain Funds to purchase and sell investments contemporaneously and/or contractual provisions and procedures setting forth investment allocation requirements.

Detailed information regarding the Carried Interest to be borne by the investors in each of the Funds is contained in the relevant Fund's offering documents and limited partnership agreements. Investors should not consider an investment in a Fund without fully understanding the Fund's Carried Interest structure. The possibility exists that multiple Funds may have capital available for investment at the same time and that a prospective investment or a follow-on investment may fit within the investment mandate of more than one Fund. In such case, Harvest will allocate the opportunity, including any related co-investment opportunities, in accordance with methodology set forth in the applicable Funds' limited partnership agreements. In cases where the Funds' Governing Documents do not specifically address allocations, Harvest may (but is not necessarily required to) discuss the allocation with the applicable Funds' board of advisors.

Co-Investments

When the general partner of a Fund deems it appropriate and consistent with the interests of the Fund, it is permitted, but will not be obligated, to provide the Fund's limited partners, prospective limited partners, Operating Executives (as defined below), third parties, or any of their respective affiliates, with co-investment opportunities. Except with respect to investments by the HP SCF Funds in the securities of (or other investments in) portfolio companies owned by one or more of the HP PE Funds, which would be subject to the satisfaction of certain conditions set forth in the limited partnership agreement of the HP SCF Funds, the general partner can allocate the available investments among the Fund, such person or entity, including any limited partners, Operating Executives and any third party as the general partner may, in its sole discretion, determine. The

general partner of a Fund will consider any factors it deems relevant in determining such allocations, including, without limitation, the potential co-investor's size, sophistication, tenure as an investor with Harvest generally; commitment to making co-investment funds available; ability to consummate co-investments within a specified time frame and with the same diligence as Harvest; interest in pursuing co-investment opportunities; potential co-investor's strategic expertise or other benefits; whether the potential co-investor has previously been offered opportunities to co-invest and whether the potential co-investor has taken up those opportunities (or conversely has passed on opportunities); the potential co-investor's financial and operational resources and other relevant wherewithal to evaluate and participate in the co-investment opportunity; the aggregate size of the co-investment opportunity; the size of a potential co-investor's commitment to a Fund (if any); the expertise, knowledge and sophistication of the potential co-investor with respect to the issuer, segment, industry, geographic region or other characteristics that are relevant to the investment; whether potential co-investor has an interest in investing in the industry in which the proposed portfolio company participates; whether the participation of a potential co-investor in the acquisition group might improve Harvest's chances to win the deal in a competitive auction situation; geographic nexus between the potential co-investor and the potential portfolio company; whether the proposed investment is of a financial nature attractive to a particular proposed co-investor; whether the participation of a potential co-investor in the proposed investment could add value to the proposed portfolio company; existence of a formal or informal strategic relationship with the potential co-investor; and other factors that Harvest considers important in connection with the specific transaction or investment, including, without limitation, expected holding investment period, services provided by the potential co-investor to the issuer of the investment (or otherwise provided by the potential co-investor with respect to the investment). Although Harvest reserves the right to consider a prospective co-investor's willingness to invest in future Funds.

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

The terms of any such co-investment opportunity, including the management fees, the carried interest and the reimbursements for expenses applicable to such co-investment, if any, will be negotiated by the general partner and the potential co-investor on a case-by-case basis in their respective sole and absolute discretion. Such co-investments might not be subject to management fees, carried interest or the reimbursement of expenses for the benefit of the relevant general partner, Harvest or either of their respective affiliates, or could be subject to different or differently calculated management fees, carried interest or reimbursements for expenses for the benefit of the relevant general partner, Harvest or either of their respective affiliates, in any event, as compared to what investors are subject to under the partnership agreement of the relevant Fund, and could be subject to commitment fees, transaction fees and other similar fees in the sole discretion of the Fund general partner for the benefit of general partner, Harvest or either of their respective affiliates.

Such co-investment economics will be for the benefit of the relevant general partner, Harvest or such affiliate and not, for the avoidance of doubt, the benefit of any investor.

Harvest will in certain circumstances be incentivized to offer certain potential co-investors opportunities to co-invest on more favorable economic terms than other potential co-investors due to the co-investor's relationship with Harvest. The management fees, carried interest and other fees received by Harvest from Funds and the amount of expenses charged to the Funds will likely be different than such amounts paid by or charged to co-investment vehicles pursuant to the terms of such vehicles' Governing Documents and other agreements with co-investors, and such variation in the amount of fees and expenses will create an economic incentive for Harvest to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles or co-investors, as the case may be. In addition, other terms of existing and future co-investment vehicles could differ materially, and in some instances will be more favorable to Harvest, than the terms of the Funds, and such different terms can be expected to create an incentive for Harvest to allocate a greater or lesser percentage of an investment opportunity to the Funds or such co-investment vehicles, as the case may be. Such incentives will give rise to conflicts of interest, and there can be no assurance that any investment opportunities that would have otherwise been offered to the Funds or Fund investors through a co-investment will be made available.

Except as expressly set forth in the partnership agreement or advisory agreement of the relevant Fund, the economic terms of such co-investment at the investment level will be on terms substantially similar to (and, in the case of co-investment by Fund limited partners, no more favorable than) those of the underlying portfolio investment made by the Fund.

The Fund's general partner is permitted to form a vehicle to facilitate participation of one or more co-investors in one or more co-investment opportunities on a discretionary or non-discretionary basis, and the general partner or one of its affiliates is permitted to make a nominal investment in any such co-investment vehicle.

From time to time, the general partner of a Fund will elect to facilitate co-investment opportunities with respect to a particular investment within a certain period of time after such investment is consummated by the Fund through subsequent sales or dispositions of portions of such investment to co-investors. Proceeds received by the Fund in connection with any such sale or disposition are generally distributed on a pro rata basis to all partners of the Fund in proportion to their respective interests therein. In addition, the general partner reserves the ability to charge any co-investor participating in such co-investment opportunity a cost of carry based on the cost basis of the interest in the investment being acquired by such co-investor. Any cost of carry paid to the Fund by a co-investor is also generally distributed on a pro rata basis to all partners of the Fund and may be treated as part of cumulative distributions to such partners under the Partnership Agreement for purposes of computing the preferred return. If a Fund elects to facilitate a co-investment opportunity in this manner, it will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms and that, as a consequence, among other things, such Fund may hold a larger than expected interest in such portfolio investment, may bear a greater amount of fees, costs and expenses associated with such portfolio investment, or may realize lower than expected returns from such portfolio investment. For the avoidance of doubt, subject to the

applicable provisions in the Funds' or vehicle's Governing Documents, the general partner of the Fund, in its sole discretion, reserves the right to waive the cost of carry applicable to a co-investor.

To the extent a particular co-investor (including a prospective co-investor) does not pay (or does not agree to pay) its pro rata share of fees, costs and expenses related to its co-investments (or prospective co-investments), or a particular co-investor does not otherwise bear (or does not agree to bear) its pro rata share of any liability, obligation or other economic burden arising after its co-investment was originally consummated, then such fees, costs, expenses, liability, obligation or other economic burden will be borne entirely by the relevant Fund. The foregoing could also result if a Fund seeks but is unable to sell or dispose of a portion of its interest in a particular investment to co-investors. In addition, in the context of co-investments that are not consummated, the relevant Fund will bear any unreimbursed Broken Deal Expenses in their entirety.

Types of Clients

Harvest provides investment advisory services to privately-offered pooled investment vehicles. For information on minimum commitment amounts, please see the related Fund's offering documents.

Investment in the Funds is limited to investors that meet certain financial sophistication requirements. Investors in the Funds must be (i) "accredited investors" within the meaning of Regulation D under the Securities Act of 1933, as amended, and (ii) "qualified purchasers" within the meaning of the Investment Company Act of 1940, as amended (the "1940 Act"). Certain Harvest employees who qualify as "knowledgeable employees" under Rule 3c-5 of the 1940 Act are also permitted to invest directly or indirectly in the Funds. Investors considering an investment in the Funds should consult with their own investment, tax and/or legal consultants prior to investing.

The partners of the Fund enter into separate agreements, commonly referred to as "side letters", or other similar agreements with a particular investor in connection with its admission to a Fund without the approval of any other investor or advisory board. Certain side letter provisions have the effect of establishing rights, benefits or privileges under, or altering or supplementing, the terms of the relevant Fund's partnership agreement that are more favorable than the terms given to other limited partners (including with respect to carried interest and management fees). As a result of such side letters, certain limited partners will receive additional benefits that other limited partners will not receive (or terms that are more favorable than the terms given to other limited partners), including, without limitation, (i) "most favored nations" treatment with respect to terms granted in other side letters, (ii) the right to appoint a voting or non-voting member to the board of advisors, (iii) terms that relate to the tax, legal or regulatory situation, internal policies, structural attributes, operational or contractual requirements, principal place of business, jurisdiction of formation or domicile or organizational form of the applicable limited partner, (iv) waivers of the confidentiality obligation under the relevant Fund's partnership agreement, (v) the right to be excused from the obligation to make a capital contribution with respect to a portfolio investment as a result of a legal, regulatory, policy-based or other similar restriction or limitation applicable to the limited partner, (vi) representations and covenants from the general partner or Fund addressing the payment of placement fees or similar payments made with respect to the admission (or continued investment) of the applicable limited partner, including provisions intended to address the requirements of anti-"pay-to-play" or similar regulations, (vii) consents to or rights with respect to the sale, exchange,

assignment, mortgage, hypothecation, pledge or other transfer of the applicable limited partner's interest in a Fund, (viii) rights with respect to reporting or notice of or access to information not otherwise contemplated by the relevant Fund's partnership agreement, (ix) terms clarifying or limiting the scope of any power of attorney set forth in the relevant Fund's partnership agreement or any subscription agreement, and (x) waivers, discounts or other reductions to the management fee, carried interest or other economic benefits, including limitations on the applicable limited partner's pro rata share of any general or specific category of fees, costs or expenses of a Fund. Any rights established, or any terms of the relevant Fund's partnership agreement altered or supplemented, in such side letters or other writings with a limited partner will govern with respect to such limited partner notwithstanding any other provision of the relevant Fund's offering documents or partnership agreement. Such side letters will result in differential treatment among the limited partners.

Methods of Analysis, Investment Strategies, and Risk of Loss

Harvest's investment process involves a structured approach to the entire value chain of investing, from idea generation through exit. The investment process is designed to seek consistent returns while preserving capital. Having originally commenced investing in 1981, the main tenets of Harvest's investment strategy have been consistent since Harvest Partners IV, L.P. and its related investment vehicles.

The critical elements of Harvest's investment approach to achieve its mission for the HP PE funds are: (i) careful asset selection driven by a comprehensive and disciplined due diligence process; (ii) proactive targeting of industries; (iii) risk control and capital preservation; (iv) engagement of all professionals in Firm-wide discussion and review at appropriate stages of the investment cycle; (v) approval of the Fund's Investment Committee on all investment transactions; and (vi) active portfolio company oversight and guidance of management to achieve a company's full potential.

With respect to the HP PE Funds, Harvest employs a balanced risk-return approach that emphasizes capital preservation over "higher beta" transactions. The Firm employs a risk management framework that is grounded in its due diligence process, investment approval requirements and approach to the capital structures employed in portfolio companies.

Similarly, the HP SCF Funds utilize Harvest's investment approach, as well as its extensive network of contacts to identify, evaluate and execute potential investments in senior equity and junior debt securities. The main components of the HP SCF Funds' investment strategy are to (i) leverage the resources and investment opportunities within Harvest, (ii) offer a compelling value proposition to private equity investment and entrepreneurial business owners, and (iii) focus on middle market companies that fit Harvest's investment criteria applied to the HP PE Funds.

The HP SCF Funds also employ an investment approach that emphasizes capital preservation and will endeavor to achieve safety of principal by investing in the same type of North American-based high quality companies that meet the investment criteria applied by Harvest with respect to the HP PE Funds. The HP SCF Funds structure investments to be senior in liquidation preference to a significant amount of underlying enterprise value. Any diminution in enterprise value will be borne first by the common equity securities and should not meaningfully impact the HP SCF Funds' investment in senior equity and junior debt securities until the common equity is fully impaired. In

addition to having a substantial common equity “cushion,” HP SCF Funds’ investments are structured with rights, controls and protective covenants that the Harvest believes will further enhance the safety of the principal invested.

Harvest adheres to an investment process that includes: (i) proactive sourcing; (ii) a stringent due diligence and approval process; and (iii) active oversight and support. The Firm’s team of investment professionals takes an active role in all phases of Harvest’s investment process.

Acquiring an interest in a Fund involves a number of risks. An investment in a Fund may be deemed a speculative investment and is not intended as a complete investment program. It is designed for sophisticated investors who fully understand and are capable of bearing the risk of an investment in the Funds. No guarantee or representation is made that the Funds will achieve the investment objective or that investors will receive a return of their capital.

An investment in the Funds involves a risk of loss. A brief overview of some of the prominent risks related to Harvest’s investment strategy is outlined below:

Reliance on the General Partner and the Harvest Team

The Funds are dependent on their respective general partners. Control over the operation of the Funds will be vested with the general partners, and the Funds’ profitability will depend largely upon the availability and business and investment acumen of Harvest’s investment and senior professionals (the “Harvest Team”). The loss or reduction of service of one or more of the Harvest Team’s members could have an adverse effect on the Funds’ ability to realize their investment objectives. In addition, the Harvest Team currently manages, and expects in the future to manage, multiple Funds and investment strategies, and at times certain members of the Harvest Team will need to devote substantial amounts of time across such investment activities of multiple Funds and investment strategies, which could pose conflicts of interest in the allocation of time of the Harvest Team. Limited partners generally have no right or power to take part in the management of the Funds, and as a result, the investment performance of the Funds will depend on the actions of their respective general partners and the Harvest Team. In addition, certain changes in the general partners of the Funds or circumstances relating to the general partners have the potential to have an adverse effect on the Funds or one or more of their portfolio companies.

Portfolio Concentration

Although generally no more than 20% of the aggregate commitments to a Fund will be invested in any single portfolio company (excluding any bridge financings), diversification is not a requirement of any Fund. Accordingly, a Fund’s portfolio investments will include a small number of large positions. While this portfolio concentration can enhance total returns to the limited partners, if any large position has a material loss, then returns to the limited partners will be lower than if they had invested in a more diversified portfolio.

Unspecified Investments

A Fund may be unable to find a sufficient number of attractive opportunities to meet its investment objectives. The success of a Fund will depend on the ability of its general partner and Harvest to identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of such investments. Furthermore, to the extent the investment

strategy of a Fund relies upon the recovery, stabilization or improvement of market and economic conditions and such events do not occur for an extended period of time, a Fund may not be able to invest a significant portion of its committed capital during its commitment period.

Financial Leverage

The Funds expect that certain of their portfolio companies will maintain financial leverage, and the Funds could re-leverage a portfolio investment in order to achieve this goal. Such leverage could be substantial. Utilization of leverage will result in fees, costs and expenses, including interest expense, to a Fund or its portfolio companies. If the portfolio company is unable to refinance in order to maintain the desired amount of financial leverage, a Fund could realize lower than expected returns from the relevant portfolio investment and hold a larger than expected investment therein. Financial leverage significantly increases exposure to adverse economic factors, such as rising interest rates, downturns in the economy or deterioration in the condition of such portfolio companies or portfolio investments or their respective industries. If a portfolio company cannot generate adequate cash flow to meet debt obligations, for example, a Fund could suffer a partial or total loss of capital invested in the portfolio company.

Use of Credit Facilities

Subject to certain restrictions set forth in the relevant partnership agreement, each general partner has the ability to cause a Fund to borrow money from any person, or to guarantee loans or other financings or enter into (as borrower, issuer or similar capacity) other extensions of credit, including causing such Fund to engage in any of the foregoing on a joint and several or cross-collateralized basis with any parallel partnership, alternative investment vehicle (“AIV”), special purpose vehicle or portfolio company, (i) for purposes of facilitating loans, other financings or other extensions of credit made to any current or prospective portfolio company (or to any subsidiary thereof) or any vehicle formed to effect the acquisition thereof; (ii) for the purpose of covering organization expenses, partnership expenses or the management fee; or (iii) to provide financing to the extent necessary or desirable to consummate the purchase of portfolio investments or any financing or refinancing of the purchase price thereof or investment therein (including any “back-leverage”, asset-based or similar financing of or with respect to one or more portfolio investments) (as applicable). Each general partner will have the right at its option to pledge, grant a lien on, secure an interest in or make a collateral assignment of the obligations of the partners to make capital contributions or direct payments to a lender or other credit party of a Fund or any portfolio investment or other asset or property of such Fund (including equity interests of any entity that holds one or more portfolio investments, including a subsidiary vehicle). This will limit the limited partners’ ability to use their interests in a Fund as collateral for other indebtedness (which in any case would be subject to the consent of the general partner in its sole discretion). In addition, the inability of a Fund to repay such borrowings could enable a lender to take action against any limited partner to the extent of its then unfunded commitment in a Fund.

If a Fund borrows money or obtains financings, then it is possible that such Fund’s interim and longer term capital needs will be satisfied through such borrowings or financings, and drawdowns of capital contributions by such Fund, including those used to pay interest on borrowings or financings, could be “batched” together into larger, less frequent capital calls (although actual timing and amounts can vary). Furthermore, because a Fund intends to use such borrowings or financings to fund portfolio investments or organization expenses, partnership expenses or the

management fee in advance of calling capital from limited partners, (i) net internal rate of return (“Net IRR”) will differ from what it would have been had such borrowings or financings not been used and (ii) since Net IRR is calculated based on the actual dates of capital contributions from, and distributions to, the limited partners, the use of borrowing and financings in lieu of calling capital will cause the date of contribution to be later in time, resulting in a higher Net IRR than if such borrowings or financings had not been used. Accordingly, each general partner will have an incentive to fund the acquisition of portfolio investments and the ongoing capital needs of a Fund with the proceeds of borrowings or other financings in lieu of drawing down unfunded commitments.

Illiquid and Long-Term Investments

It is anticipated that there will be a significant period of time before a Fund will have completed its investments in portfolio companies. Such investments are likely to take several years from the date of initial portfolio investment to reach a state of maturity when realization of the investment can be achieved. Although portfolio investments of a Fund occasionally generate some current income, private investment transaction structures typically will not provide for liquidity of a Fund’s investment prior to that time. The return of capital and the realization of gains, if any, from a portfolio investment will generally occur only upon the partial or complete disposition or refinancing of such portfolio investment. In light of the foregoing, it is likely that no significant return from the disposition of a Fund’s portfolio investments will occur for a substantial period of time from the effective date of such Fund. It is unlikely that there will be a public market for the securities held by a Fund at the time of their acquisition. A Fund generally will not be able to sell securities held by it publicly unless the issuer has consummated a public offering of its securities and such offered securities are registered under applicable securities laws, unless an exemption from such registration requirements is available. In addition, in some cases, a Fund will be prohibited by contract from selling certain securities held by it for a period of time and, as a result, will not be permitted to sell a portfolio investment at a time it might otherwise desire to do so. Further, disposition of such portfolio investments are likely to require a lengthy time period or could result in distributions in kind to investors.

Investments in Restructurings or Underperforming Companies

A Fund could acquire portfolio investments in portfolio companies that are experiencing or are expected to experience financial difficulties, from which such companies may never recover. Such portfolio investments could subject a Fund to additional potential liabilities exceeding the value of a Fund’s original investment therein. Such portfolio investments of a Fund could also be subject to U.S. federal bankruptcy law and U.S. state fraudulent transfer laws, which vary from state to state.

Failure to Make Capital Contributions

If limited partners fail to pay when installments of their commitments to a Fund are due, a Fund may be unable to pay its obligations when such obligations are due. As a result, a Fund may be subjected to significant penalties that could limit opportunities, investment diversification and materially adversely affect the returns to all limited partners.

No Right to Control a Fund’s Operations

Limited partners will have no opportunity to control the operations of a Fund, including, without limitation, its investment and disposition decisions and decisions regarding the selection of service providers and the operation of a portfolio company. The limited partners will also have no

opportunity to evaluate any economic, financial, and other information that will be utilized by Harvest in its selection of portfolio investments. In addition, to the extent that a limited partner is not represented on the board of advisors, such limited partner will have no influence over matters submitted to the board of advisors for review or approval.

Middle Market Companies

A significant component of the Funds' investment objectives is to invest in middle market companies. Although investments in middle market companies can present greater opportunities for growth, such investments also entail larger risks than are customarily associated with investments in larger companies. Middle market companies tend to have relatively limited product lines, markets, and financial and other resources. As a result, such companies tend to be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which tends to make realizations of investments in such companies more difficult. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in middle market companies, could make it difficult for a Fund to react quickly to negative economic or political developments.

Investments in Less Established Companies

A Fund is not restricted from investing a portion of its assets in the securities of less established companies or early stage companies. Investments in such early stage companies involve greater risks than those generally associated with investments in more established companies. Such companies also have shorter operating histories on which to judge future performance and, in many cases, if operating, will have negative cash flow. In the case of start-up enterprises, such companies typically do not have significant or any operating revenues. In addition, less mature companies are more susceptible to irregular accounting or other fraudulent practices. Furthermore, to the extent there is any public market for the securities held by a Fund, securities of less established companies tend to be subject to more abrupt and erratic market price movements than those of larger, more established companies.

Investment Expenses and Broken Deal Expenses

Investments of the Funds will require extensive due diligence, legal, and other costs prior to their consummation and will result in a Fund bearing Broken Deal Expenses if they are not consummated. A Fund will pay any fees, costs, and expenses incurred in discovering, developing, negotiating, evaluating, acquiring and structuring any investment opportunities it pursues, whether or not such investments are ultimately consummated, including investments pursued by Harvest prior to the initial closing of a Fund that are intended to become portfolio investments of such Fund. Additionally, a Fund is permitted to enter into agreements that involve payments, such as "reverse termination" or "reverse" break-up fees, by such Fund if it does not consummate the transaction. These expenses can be significant and are likely to be material to a Fund. A Fund could incur, either directly or pursuant to its obligation to reimburse Harvest for any such expenses advanced by it, significant expenses in connection with proposed investments that are not consummated without the opportunity for gain or recoupment of such expenses. As a general matter, Broken Deal Expenses are allocated among Fund investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from

participating in the investment. See also “Co-Investments” under “Performance Based Fees and Side-by-Side Management” above.

Nature of Structured Capital Securities

The HP SCF Funds expect to invest in senior equity, junior debt securities or other similar instruments. Although senior equity, junior debt securities and other similar instruments are typically senior to common stock or other equity securities, the senior equity, junior debt securities and other similar instruments in which the HP SCF Funds will invest will generally be unsecured and subordinated to substantial amounts of senior debt, all or a significant portion of which could be secured. In addition, these securities are unlikely to be protected by all of the financial covenants, such as limitations upon additional indebtedness, typically protecting such senior debt. Holders of subordinated debt generally are not entitled to receive any payments in bankruptcy or liquidation until senior creditors are paid in full. Holders of senior equity and junior debt securities are not entitled to payments until all creditors are paid. In addition, the remedies available to holders of subordinated debt are normally limited by restrictions benefitting senior creditors. In the event any portfolio company in which the HP SCF Funds invest cannot generate adequate cash flow to meet senior debt service, the HP SCF Funds could suffer a partial or total loss of capital invested.

Nature of Preferred Securities

The HP SCF Funds will invest in preferred securities that are rated in the lower rating categories by the various credit rating agencies or, more commonly, in comparable non-rated securities. Securities in the lower rating categories and comparable non-rated securities are subject to greater risk of loss of principal and interest than higher rated and comparable non-rated securities and are generally considered to be predominantly speculative with respect to the issuer’s capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings and comparable non-rated securities in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower rated and comparable non-rated securities, the yields and prices of such securities are likely more volatile than those for higher rated and comparable non-rated securities. The market for lower rated and comparable non-rated securities is thinner, often less liquid and less active than that for higher rated and comparable non-rated securities, which can adversely affect the prices at which these securities can be sold and could even make it impracticable to sell such securities.

Subordination of Investments

The senior equity, junior debt securities or other similar investments of the HP SCF Funds will typically be subordinated to the senior obligations of an issuer, either contractually, in the case of debt securities, or because of the nature of the security, in the case of preferred stock, or structurally, in the case of an investment at the holding company level. Such subordinated investments may be characterized by greater credit risks than those associated with the senior obligations of the same issuer. Adverse changes in the financial condition of an issuer, general economic conditions, or both may impair the ability of such issuer to make payments on the subordinated securities and result in defaults on such securities more quickly than in the case of the senior obligations of such issuer.

Control Position Risk

Harvest intends to make certain investments that allow one or more of the HP PE Funds to acquire control or exercise influence over management and the strategic direction of a portfolio investment. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension liabilities, failure to supervise management and other types of liability in which the limited liability characteristic of business operations may be ignored. The exercise of control over a portfolio investment could expose the assets of a Fund to claims by portfolio companies underlying such investments, its security holders and its creditors. While Harvest intends to manage the HP PE Funds to minimize exposure to these risks, the possibility of successful claims cannot be precluded.

Non-Control Position Risk

The HP SCF Funds will generally hold, and the HP PE Funds may hold, non-controlling interests in its portfolio investments. Although Harvest will negotiate negative covenants and other contractual restrictions applicable to the companies underlying such investments, it will primarily be the responsibility of the management teams and boards of directors of such companies to operate such companies on a day-to-day basis. Under such circumstances, there is the possibility that the entity in which a Fund's investments are made could have economic or business interests or goals that are inconsistent with those of a Fund, and such Fund may not be in a position to limit or otherwise protect the value of its investment in the entity. Although a Fund will generally seek board representation in connection with its investments, there is no assurance that such representation, if sought, will be obtained. Accordingly, Harvest will have a limited ability to protect a Fund's investments in such companies. Further, a Fund may have no right to appoint a director and a limited ability to influence such companies' management.

Debt Investments

Certain Funds are permitted to invest in Debt Investments), subject to certain conditions set forth in their limited partnership agreements.

Such Debt Investments could be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or a significant portion of which could be secured. Moreover, such Debt Investments may not be protected by financial covenants or limitations upon additional indebtedness and there is no minimum credit rating for Debt Investments. Other factors could materially and adversely affect the market price and yield of such Debt Investments, including investor demand, changes in the financial condition of the applicable issuer or borrower, government fiscal policy and domestic or worldwide economic conditions. Debt Investments will also entail normal credit risks (*i.e.*, the risk of non-payment of interest and principal). Moreover, a Debt Investment bearing a "paid-in-kind" interest feature will generally have a higher risk of non-payment of interest since there will be no cash payments of interest from the borrower prior to maturity or refinancing. In addition, a Debt Investment could be subject to redemption or repayment at the option of the issuer or borrower. If a Debt Investment is called for redemption or repayment, the relevant Fund will be required to permit the issuer or borrower to redeem or repay such Debt Investment, which could have an adverse effect on the Fund's ability to achieve its investment objective.

Leveraged Portfolio Companies

The portfolio companies and/or holding entities in which a Fund makes a Debt Investment are likely to be leveraged, thereby increasing the degree of credit risk inherent in each Debt Investment. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service and could impair its ability to finance future operations and capital needs or to pay principal and interest on Debt Investments when due. The leveraged capital structure of portfolio companies will increase the exposure of any Debt Investments therein to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates. Furthermore, and as noted above, Debt Investments could be unsecured and subordinated to substantial amounts of senior indebtedness, all or a significant portion of which could be secured and bear floating interest rates. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Fund could suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund.

Unsecured Debt Investments and Collateral Impairment

In the event of a default by an issuer or borrower underlying a Debt Investment, a Fund might not receive payments to which it is entitled and thereby could experience a decline in the value of its Debt Investments in the issuer or borrower. If a Fund invests in debt that is not secured by collateral, in the event of such default, such Fund will have only an unsecured claim against the issuer or borrower. In the case of loans or other debt instruments that are secured by collateral, while a Fund generally expects the value of the collateral to be greater than the value of such loans or other instruments, the value of the collateral could actually be equal to or less than the value of such loans or other instruments or could decline below the outstanding amount of such loans or other instruments subsequent to the Fund's investment. The ability of a Fund to have access to the collateral could be limited by bankruptcy and other insolvency laws. Under certain circumstances, the collateral could be released with the consent of the lenders or other financing providers or pursuant to the terms of the underlying loan or other financing agreement with the borrower. There is no assurance that the liquidation of the collateral securing a loan or other instrument would satisfy the borrower's or issuer's obligation in the event of non-payment of scheduled interest or principal, or that the collateral could be readily liquidated. As a result, a Fund might not receive full payment on a secured Debt Investment to which it is entitled and thereby could experience a decline in the value of, or a loss on, the applicable Debt Investments.

Non-United States Investments

The Funds can invest in companies domiciled outside of the United States or United States companies with significant non-U.S. subsidiaries or operations. Non-U.S. securities involve certain risks including risks relating to: (i) currency exchange matters; (ii) differences between U.S. and non-U.S. 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 government supervision and regulation in some countries; (iv) certain economic, social and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic, or social instability and the possibility of confiscatory taxation or expropriation; (v) the possible imposition of non-U.S. taxes on income and gains recognized with respect to such securities; and (vi) less developed corporate laws regarding, among other things, fiduciary duties and the protection of investors. To the extent a Fund invests in companies

domiciled outside of the United States, Harvest will analyze risks in applicable countries before acquiring such portfolio investments, but no assurance can be given that a political or economic climate, or that particular legal or regulatory risks might not adversely affect a portfolio investment by a Fund.

Cybersecurity

Cybersecurity risks for investment funds have increased significantly in recent years because of, among other things: the proliferation of the Internet and telecommunications technologies to conduct financial transactions; the ability and degree to which investment managers collect and maintain proprietary and other nonpublic data, as well as publicly available data that may be organized in a manner that is not publicly available; and the increased sophistication and activities of organized crime, hackers, terrorists, and other external parties, including foreign state actors. Harvest, the Funds and the portfolio companies will face cybersecurity threats to gain unauthorized access to sensitive information, including, without limitation, information regarding the limited partners and the Fund's investment activities, or to render data or systems unusable, which could result in significant losses. Harvest and its Funds', investors' and portfolio companies' information and technology systems could be vulnerable to actual or perceived damage or interruption from computer viruses; infiltration by unauthorized persons and security breaches; and other disruptive behavior including denial-of-service attacks. Such activities could also create liabilities in respect of Harvest and/or its portfolio companies to third parties. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks. Furthermore, Harvest and its portfolio companies could be vulnerable to actual or perceived usage errors by their respective professionals, network failures, computer and telecommunication failures, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

Although Harvest and the Funds seek to implement various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, the Funds and/or their portfolio companies could incur specific time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could result in losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Losses of sensitive information or capabilities essential to the operations of Harvest, the Funds and the portfolio companies could have a material adverse effect on their reputations, financial positions, results of operations, or cash flows, and could lead to financial losses from remedial actions, loss of business, regulatory penalties or potential liability, or the disclosure of limited partners' personal information. Remediation costs could also include incentives offered to portfolio company customers or other business partners in an effort to maintain the business relationships after a security breach. Similarly, the public perception that Harvest, the Funds or portfolio companies have been the target of a cybersecurity threat, whether successful or not, could have a material adverse effect on their reputations and could lead to financial losses from loss of business, depending on the nature and severity of the threat. In addition, Harvest's, any Fund's and/or a portfolio company's insurance coverage may be insufficient to compensate any such entity and its respective affiliates or counterparties for incurred liabilities.

Cybersecurity attacks are evolving and include, but are not limited to, computer viruses, malicious or destructive code, phishing attacks, ransomware, denial of service or information, attempts to gain unauthorized access to data, improper access by employees or vendors or other electronic security breaches that could lead to: disruptions in network access or business operations; unauthorized collection, monitoring, use or release of confidential or otherwise protected information including personal information relating to the limited partners of the Funds (and the beneficial owners of such limited partners); or loss, destruction or corruption of data. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. Harvest or a portfolio company's controls and procedures, business continuity systems, and data security systems could prove to be inadequate. These problems could arise in both Harvest's or a portfolio company's internally developed systems and the systems of third-party service providers, upon which Harvest or a portfolio company rely. Given the variety and potential severity of cybersecurity threats, Harvest, the portfolio companies and the third-party service providers upon which they rely may not have adequate insurance coverage to compensate against all losses.

Additionally, the adoption, interpretation and application of consumer and data protection laws or regulations in various jurisdictions are often uncertain and in flux, and in some cases, laws or regulations in one country may be inconsistent with, or contrary to, those of another country. Certain government bodies or agencies have in the past adopted, and may in the future adopt, laws and regulations affecting data privacy. Industry organizations also regularly adopt and advocate for new standards in this area.

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 Harvest, 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 Harvest, 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 Harvest, the general partners, the Funds and/or their portfolio companies.

Joint Venture Partners

The general partner or investment manager of a Fund could cause such Fund to enter into joint ventures with third-party operators, joint venture partners, managers or other persons with respect to the management of specified portfolio investments or categories of portfolio investments and, in connection therewith, such third-party managers or other persons could receive management fees and/or performance-based compensation such as a carried interest in vehicles through which such joint ventures invest. A Fund could also hold certain portfolio investments through investment vehicles managed in whole or in part by such third-party operators, joint venture partners, managers or other persons where the general partner or investment manager of such Fund has determined this is necessary or appropriate due to regulatory or other comparable reasons.

To the extent such joint ventures represent bona fide investment arrangements with third-party operators, joint venture partners, managers or other persons with respect to the management of specified portfolio investments or categories of portfolio investments, such ventures will not constitute “blind pool” investment funds for purposes of the partnership agreement. As such, any compensation of such third-party operators, joint venture partners, managers or other persons, which will reduce a Fund’s returns from the relevant portfolio investments, will not offset carried interest or management fees paid to the general partner or the investment manager of such Fund and will increase the cost of the investors’ investment in such Fund. In addition, to the extent a dispute arises between the general partner or investment manager of a Fund and third-party operators, joint venture partners, managers or other persons, such Fund’s portfolio investments relating thereto would be affected adversely.

Co-Investments

See under “Performance Based Fees and Side-by-Side Management” and “Co-Investments” above.

SPAC Transactions

Except to the extent prohibited by the Funds’ Governing Documents, Harvest and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles, accounts or SPACs and to receive compensation (including in the form of management fees, performance-based compensation, founders’ equity or similar interests) relating thereto.

Service Providers

Service providers or affiliates of service providers (including lenders, brokers, accountants, administrators, bankers, consultants, attorneys, and investment banking firms) of the Funds or one or more of their portfolio companies will be in a position to provide certain services to the general partner or investment manager of such Funds, Harvest, or Harvest’s personnel with respect to non-Fund matters. Harvest may recommend to a Fund or portfolio company that it contract for services with such service providers. As such, the receipt of services with respect to non-Fund matters may influence or have the appearance of influencing Harvest’s decision whether to select such service

provider for Harvest or the Funds or whether to recommend such service provider to a portfolio company. Furthermore, to the extent such service provider relies or depends on Harvest for such recommendations or selection, such service provider may be conflicted in the course of work that otherwise requires independence or impartiality. For instance, if such service provider relies or depends on the referrals or direction of the general partner or investment manager of a Fund, Harvest, other Funds or Harvest personnel for work performed for a Fund, such service provider will be inclined to provide better or more resources to the work of Harvest, other Funds or Harvest personnel than to the work of such Fund. Harvest will also permit one or more of its service providers, or affiliates or personnel of its service providers, to invest in a Fund or portfolio company, which would provide further incentive for those service providers to provide better or more resources to the work of the general partner or investment manager of a Fund, Harvest, other Funds or Harvest personnel than to the work of such Fund. Harvest and the general partner or investment manager of the Funds address these conflicts of interest by using reasonable diligence to ascertain whether each service provider provides its service on a “best execution” basis, taking into account factors such as expertise, operational and regulatory controls, availability and quality of service and the competitiveness of compensation rates in comparison with other service providers satisfying Harvest’s service provider selection criteria.

In addition, Harvest will from time to time enter into arrangements with service providers that provide fee discounts for certain services rendered to Harvest or to a Fund. Generally, Harvest will not permit any general partner, investment manager or Harvest to receive discounts with respect to services that are also provided to the Funds or portfolio companies unless such Funds or portfolio companies are charged similar rates. However, a portfolio company is unlikely to benefit from such discounts to the extent it engages such service provider on its own behalf and on independent terms. In certain cases, such arrangements will involve the sharing of risk.

Minority Owner

Subject to any limitations imposed by the Funds’ Governing Documents and anti-“assignment” provisions of the Advisers Act, Harvest and its personnel are permitted to offer, restructure and monetize interests in Harvest. A minority interest in Harvest is owned by certain investment funds managed by the Alternative Investment and Manager Selection Group of Goldman Sachs Asset Management, L.P. (“AIMS GS”). AIMS GS does not have authority over the day-to-day operations of investment decisions of Harvest as they relate to the Funds, although it has negotiated certain minority protection and consent rights in connection with its investment in Harvest. Although it intends to maintain operations, strategy and investment decisions separate from AIMS GS, Harvest generally may have incentives to conduct operations in a manner that benefits AIMS GS.

ESG Matters

Harvest maintains ESG Policies (“ESG Policies”) for certain HP PE Funds and certain HP SCF Funds and intends to apply the relevant policy to such Funds’ investment activities, consistent with and subject to any applicable legal, regulatory, fiduciary or contractual duties. The ESG Policies have the potential to cause the relevant Funds not to make an investment that they would have made or to make a management decision with respect to an investment differently than they would have made it in the absence of the ESG Policies. Additionally, ESG factors are only some of the many factors Harvest considers in making an investment, and there is no guarantee that Harvest will make investments in companies that create positive ESG impact or that consideration of ESG factors will

enhance long-term value and financial returns for limited partners. Similarly, in evaluating a company, Harvest often depends upon information and data provided by the company or obtained via third-party reporting or advisors, which could be incomplete or inaccurate and could cause Harvest to incorrectly assess the company's ESG practices and/or related risks and opportunities. In addition, Harvest's ESG programs and policies likely will change over time.

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

Finally, there is also growing regulatory interest, particularly in the United States, UK and EEA (which may be looked to as models in growth markets), in improving transparency around how asset managers, amongst others, define, measure and disclose impact of ESG factors on the performance of the Fund. The ESG Policies could become subject to additional regulation in the future, Harvest cannot guarantee that its current approach will meet future regulatory requirements.

Outbreaks of Infectious or Contagious Diseases

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

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

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

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

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds and their portfolio investments’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds’ ability to fulfill their investment objectives. They may also impair the ability of portfolio investments or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences, including the potential for defaults by borrowers under debt instruments held by the Funds. With respect to any revolving or delayed draw loans made by a Fund to a portfolio company, a portfolio company may be incentivized for liquidity or other reasons to draw on most, if not all, of the unfunded portion of such loan and the Fund may not have the ability under the applicable credit agreement to refuse to fund such draw without such Fund being in default and suffering financial penalties.

In addition, the operations of the Funds, their portfolio investments and Harvest may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity’s personnel. These measures may also hinder such entities’ ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels

and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Climate Change-Related Risks

Harvest and the Funds may be exposed to potential physical risks from possible future changes in climate. Harvest and the Funds' portfolio companies may be exposed to rare catastrophic weather events, such as severe storms or floods. If the frequency of extreme weather events increases due to climate change, Harvest and Funds' exposure to these events could increase. In addition, the Harvest and the Funds may be adversely impacted by regulatory changes related to climate change as a result of potential impacts of such changes on the supply chain or stricter energy efficiency standards for buildings. Harvest and the Funds cannot provide any assurance that any existing or future regulatory changes will not materially and adversely impact Harvest and the Funds' operations and business in the future.

Uncertain Economic, Social and Political Environment

Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its investments to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon a Fund's investments.

Discontinuation of LIBOR

It is expected that the London Interbank Offered Rate ("LIBOR"), which is quoted in multiple currencies and multiple time frames and commonly used as a reference rate within various financial contracts (any such rate, a "Reference Rate"), will not be published on a representative basis starting in the year 2021 (with publication of certain Reference Rates on a representative basis ceasing in 2021 and others in 2023). In anticipation of the end of LIBOR, working groups in the United States and other countries are currently working to replace LIBOR with alternative Reference Rates. As a general matter, the expected discontinuation of LIBOR may significantly impact financial markets; specifically, discontinuation will impact financial contracts to which Advisory Clients are a party. Generally, the transition to alternative Reference Rates may (i) cause the value of a Reference Rate to be uncertain or to be lower or more volatile than it would otherwise be; (ii) result in uncertainty as to the functioning, liquidity or value of certain financial contracts; (iii) involve actions of regulators or rate administrators that adversely affect certain markets or specific financial contracts; and (iv) impact the strategy, products, processes, legal positions and information systems of market participants, including the Funds and their counterparties. With respect to certain financial contracts to which the Funds are a party, any such contract that has a maturity that extends

beyond 2021 and uses LIBOR as a Reference Rate (other than contracts that include curative fallback language or other curative mechanisms) may need to be renegotiated, the process of which will consume resources of the Funds and may result in disputes among counterparties, the result of which may be adverse to the Funds. Considered in their entirety, the impacts of the discontinuation of LIBOR on financial markets generally and on the specific financial contracts to which the Funds are a party may adversely affect the performance of the Funds.

Disciplinary Information

Harvest and its employees have not been involved in any legal or disciplinary events in the past 10 years that would be material to an investor's evaluation of Harvest or its personnel.

Other Financial Industry Activities and Affiliations

Unless restricted by the Funds' Governing Documents, the Principals are permitted to serve on boards or act in other roles unaffiliated with Harvest, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles. Conflicts may arise as a result of such activities and in the allocation of management resources. Investors should be aware that receipt of material non-public information by Principals regarding these companies could preclude the Funds from effecting transactions in the securities of such companies (to the extent permitted under its limited partnership agreement). The possibility exists that the companies with which one or more of the Principals is involved could engage in transactions which would be suitable for the Funds, but in which the Funds might be unable to invest.

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

Harvest has adopted a written code of ethics that is applicable to all employees. Among other things, the code requires Harvest and its employees to act in clients' best interests, abide by all applicable regulations and avoid even the appearance of insider trading. In addition, among other requirements, employees must disclose to Harvest the existence of personal securities accounts, pre-clear personal trades of initial public offerings or limited offerings and report personal securities transactions. Harvest regularly reviews its compliance systems and procedures with outside counsel and compliance consultants. Should potential conflicts of interest arise, Harvest's investment professionals have an ongoing responsibility to report such conflicts to the chief compliance officer, who will address conflicts on a case-by-case basis.

A copy of Harvest's code of ethics is available upon request to any investor or prospective investor.

The investment professionals of Harvest invest in the Funds as indirect partners of the general partners of the Funds or as special limited partners of the Funds. As indirect partners of the Funds, the investment professionals of Harvest invest in transactions made by the Funds. While investments by related persons and investment professionals of Harvest are intended to align interests of Harvest and its related persons with those of the Funds, such investments may create conflicts (for example, in a diverse group of investors, including the investment professionals, with conflicting tax or other interests, decisions may be made that are more beneficial to one type of investor). Generally, investments and divestures are made on the same economic terms at the

investment level for all partners of the Funds, including for Harvest's related persons. Each investment is made pro rata among the partners of each Fund and Harvest's related persons who are indirect partners so that Harvest's related persons may not receive favorable terms or greater exposure to certain investments.

As described below under "Passive Financing Vehicles", from time to time, the Principals and certain Harvest employees participate in an investment vehicle established to provide debt financing to certain of the Funds' portfolio companies. These transactions are carefully reviewed by Harvest's senior management and undertaken only to the extent that they are not otherwise prohibited by the limited partnership agreements of the applicable Funds.

Conflicts due to Investment Activities of Other Harvest Investment Funds

From the perspective of any of the HP PE Funds or the HP SCF Funds (the "Applicable Fund"), the Firm, the general partners of such Funds, the Principals and one or more of their respective affiliates (including, for this purpose, investment professionals and other personnel) currently, and expect in the future to, have ongoing interests, including economic interests, in other Harvest investment vehicles (the "Conflicting Fund") that are invested in one or more of the portfolio companies in which the Applicable Fund invests or in competitors of such portfolio companies. From time to time, such entities and persons are also expected to have interests in competitors of such portfolio companies. The performance and operation of such vehicles and competing businesses will potentially conflict with and adversely affect the performance and operation of the Applicable Fund or the portfolio companies in which either of the Funds invest and have the potential to adversely affect the prices and availability of business opportunities or transactions available to the Applicable Fund or such portfolio companies. Accordingly, such entities and persons are likely to experience a variety of conflicts of interest to the extent that the interests of such Conflicting Funds would be adversely affected by investment decisions that would otherwise be in the best interest of the Applicable Fund. Similarly, if such entities or persons are faced with investment decisions for such Conflicting Fund that would be in the best interest of such Fund but would otherwise adversely impact the Applicable Fund or any of its portfolio companies, they will nevertheless be incentivized to make such decisions for the benefit of such Conflicting Fund to the detriment of the Applicable Fund or such portfolio company if they are economically or otherwise incentivized to do so (e.g., due to the prospect of earning more carried interest, management fee or other fees).

Such conflicts will be exacerbated when Funds invest in different or overlapping levels of the capital structure of the applicable portfolio company. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. Decisions about what action should be taken in circumstances of financial distress, including whether or not to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest (see more on financial distress below). In the event that a Conflicting Fund has a controlling or significantly influential position in a portfolio company, it will have the ability to determine or influence management and operational decisions that could, at times, be in direct conflict with the interest of the Applicable Fund that has invested in the same portfolio company without the same level of control or influence. In addition, the involvement of different Funds at multiple levels of equity and debt could inhibit strategic information exchanges among fellow creditors. Because of the different legal rights associated with debt and equity of the

same portfolio company, the general partner of such Fund, the Firm, the Principals or one or more of their respective affiliates (including, for this purpose, investment professionals and other personnel) will face a conflict of interest in respect of the advice they give to, and the actions they take on behalf of, a Conflicting Fund and the Applicable Fund (e.g., terms of debt instruments, enforcement of covenants, terms of recapitalizations and resolution of workouts or bankruptcies). Such persons or entities also could express inconsistent views on commonly held investments or of market conditions more generally.

In addition, any investment by a Conflicting Fund in an entity in which the Applicable Fund has a pre-existing investment could be viewed, particularly in hindsight, to have been made on the basis of a non-arms'-length valuation or could have an effect on the market price of the Applicable Fund's investments. In addition, one Fund could participate in re-leveraging or recapitalization transactions involving portfolio companies in which other Funds hold a pre-existing investment, raising conflicts of interest as to 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. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of Broken Deal Expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions.

In the event a portfolio company experiences financial distress, it may be in the best interest of the Applicable Fund for it to aggressively pursue the company's assets to fully satisfy the company's obligations or indebtedness to the Applicable Fund. As a result, the Conflicting Fund holding more junior securities of the same company might not have access to sufficient assets of the company to completely satisfy its bankruptcy claim against the company and may suffer a loss. Because of the potential harm to the Conflicting Fund's holdings, however, the general partner of such Fund, the Firm, the Principals or one or more of their respective affiliates (including, for this purpose, investment professionals and other personnel) are expected to be disinclined to pursue the company's assets (or to pursue them as aggressively as might otherwise be the case) as a result of their conflicting interests in such Conflicting Fund. Conversely, the foregoing entities or persons have the potential to be incentivized to make riskier or more speculative investment decisions on behalf of the applicable Conflicting Fund with the hopes of extracting value from junior securities that are otherwise significantly impaired to the detriment of the holdings of the Applicable Fund.

Accordingly, prospective investors should expect that conflicts will arise when one Fund is investing in a portfolio company owned by one or more other Funds. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Harvest and its affiliates have the potential from time to time express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Moreover, in some instances, a Fund has the

potential to invest in a portfolio company with respect to which another Fund has decided not to exercise its tag rights under the applicable Governing Documents in connection with the exit of a third-party co-investor from such portfolio company. In such instance, conflicts of interest exist in that the newly investing Fund would have an incentive to achieve the lowest purchase price, which could impact the mark for the existing Fund, the Funds could have different exit objectives with respect to the portfolio company, and a higher management fee basis could result for the existing Fund as a result of the valuation of the portfolio company increasing following the second Fund's new investment.

Given the nature of the relevant conflicts discussed above, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

With respect to these and any other conflicts of interest, the general partner of the applicable Fund and the Firm will endeavor to resolve them in a manner they determine to be fair and reasonable under the circumstances or in the collective best interests of all the relevant Funds under the circumstances, and over time. Nevertheless, there can be no assurance that any such conflicts will be resolved in a manner that is fair and equitable to the each of the Funds or any of their portfolio companies.

Prospective investors should consult the relevant offering documents and limited partnership agreements for a more detailed understanding of risks and conflicts of interest that may arise in connection with an investment in the Funds.

Passive Financing Vehicles

From time to time, when a Fund has committed or intends to acquire a security of or investment in a portfolio company and one or more third parties have committed or intends to acquire (or has otherwise underwritten) a portion or the entirety of the debt instruments of such portfolio company, then, a partnership or other entity (the partners or other owners of which consist of one more principals or employees of Harvest) (a "Passive Financing Vehicle") will be permitted to also acquire such debt instruments. Moreover, subject to the applicable provisions in the Funds' Governing Documents, a Fund is permitted to invest in a portfolio company whose debt instruments are held by a Passive Fund Vehicle. It is anticipated that such investments will include "equity kickers" and other similar incentives. These transactions create conflicts of interest for the principals and other Harvest employees who participate in any such Passive Financing Vehicle because they could be disinclined to take certain actions that would otherwise be for the benefit of the relevant Fund out of a concern for the adverse impact such decision might have on the Passive Financing Vehicle and its investments. To manage conflicts that are expected to arise, Harvest generally requires (i) the Passive Financing Vehicle's holdings in each portfolio company to be de minimis in value relative to the value of the applicable Fund's investment and (ii) the Passive Financing Vehicle to not be entitled to exercise any voting or similar indicia of control (subject to certain exceptions). Despite the foregoing, the ownership of interests in any such Passive Financing Vehicle could result in the receipt of benefits that could be perceived or construed as having resulted from conflicted behavior. By way of example only, to the extent a portfolio company is in distress, Harvest could agree to restructuring, refinancing or recapitalization transactions that benefit the lenders of the portfolio company (e.g., the satisfaction of all or a portion of outstanding debt

obligations) at the expense of its equity holders. A Passive Financing Vehicle could be a beneficiary and recipient of proceeds from such transactions.

Such Passive Financing Vehicle has the potential to participate in follow-on financing opportunities in connection with the upsizing of the existing financing of, or implementation of additional financing for, the portfolio companies of the Funds. In allocating such follow-on financing opportunities, Harvest will use reasonable efforts to give equal consideration to third-party lenders and the Passive Financing Vehicle but ultimately will determine the allocations in its sole discretion. Should Harvest allocate a follow-on financing opportunity to the Passive Financing Vehicle, Harvest will seek to manage any potential conflicts of interest that arise from the Passive Financing Vehicle's participation by ensuring that the Passive Financing Vehicle participates in the opportunity (i) at the same time and on the same terms as any other third party lender participating in such opportunity; (ii) as a passive lender with restricted voting rights, and (iii) based on a value that is de minimis relative to the total value of the relevant Fund's investment in the portfolio company.

Allocation of Investment Opportunities Between or Among Funds and Other Entities

Harvest will, from time to time, be presented with investment opportunities that fall within the investment objectives of more than one Fund. Investment opportunities which are within such common objectives and guidelines will generally be allocated between or among such Funds on a basis that Harvest believes in good faith to be fair and reasonable (unless the limited partnership agreements for such Funds require otherwise). Such allocation will typically take into account the sourcing of the transaction, the nature of the investment focus of each such other investment fund, the relative amounts of capital available for investment, the nature and extent of involvement in the transaction on the part of the respective teams of investment professionals, any requirements contained in the governing documents of such other funds and other considerations deemed relevant by the general partner of the applicable Funds and Harvest in good faith.

In addition, Harvest seeks to pursue Debt Investment strategies by, including but not limited to, launching credit funds that target investments in Debt Investments or entering into joint ventures with third-party operators, joint venture partners, managers or other persons with respect to the management of Debt Investments. Furthermore, Harvest has joined an alliance with third party credit strategy managers that seeks to present participating members in the alliance with financing opportunities, subject to certain exceptions and Harvest's fiduciary duty to its clients. Such collaboration is intended to facilitate Harvest's access to deal flow related to Debt Investments. In determining which Funds, investment vehicles or third parties should participate in Debt Investment opportunities, subject to the Governing Documents, Harvest and its affiliates, including the general partners, are subject to potential conflicts of interest among the investors in the various Funds, third parties and investment vehicles. Harvest will determine the allocation of investment opportunities among the Funds, investment vehicles and third parties in such manner as Harvest, in its sole discretion, determines in good faith to be fair and equitable, consistent with the relevant Governing Documents.

During the investment period of a Fund, all appropriate investment opportunities will be pursued by the Principals through such Fund, subject to certain limited exceptions set forth in the Fund's Governing Documents. Without limitation, the Principals currently manage, and expect in the future

to manage, several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Harvest personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. The Principals and Harvest's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Principals expect from time to time to control or manage generally have the potential to do business and/or compete with companies acquired by a Fund. Following the investment period of a Fund, the Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

Cross Trades Between Funds and Portfolio Companies

From time to time, in connection with (or subsequent to) a transaction involving the sale of an investment held by a Fund and one or more third-parties acquiring such investment, one or more other Funds managed by Harvest (including a newly-formed Fund or Funds) could acquire a portion of the investment being sold in connection with such transaction. In some instances, the portion acquired by such Fund could be acquired through such third-party; however, in other instances, the portion acquired could be acquired directly from the selling Fund through a cross-trade. Such portion could also represent a material portion of the investment being sold.

Any such acquisition by a Fund would be based on terms, including price, that the general partner of such Fund determines in good faith to be no less favorable than the arms-length terms negotiated between the Fund selling the investment and the acquiring third party or third parties. Similarly, any sale by a Fund in such transaction would be based on terms, including price, that the general partner of such Fund determines in good faith to be no less favorable than the arms'-length terms negotiated between such Fund and the acquiring third-party or third-parties. In addition, all the Funds participating in such transaction, including, for the avoidance of doubt, the Fund selling the investment, could be required to disclose the terms of such transaction to (or in the case of certain Funds, obtain consent from) their respective board of advisors.

Similar to the foregoing, it is possible that one or more portfolio companies of a given Fund could sell or acquire assets, securities or other property to or from other Funds or their portfolio companies (or that such Fund could sell or acquire assets, securities or other property to or from the portfolio companies of other Funds). Harvest expects that any such sales or acquisitions will occur in the ordinary course operations (or otherwise in connection with the good faith and reasonable operations) of such portfolio companies (including, as the case may be, in connection with the strategic or organic growth initiatives of such portfolio companies).

Enhanced Relationships with Certain Limited Partners

In some cases, current, past or prospective limited partners will also directly or indirectly (through an affiliate) provide financing, insurance, advisory or other services to Harvest, the Funds or one or more of their respective portfolio companies. To the extent Harvest, any such Fund or any such portfolio company is seeking a provider of such services, they will be incentivized to procure such services from a current, past or prospective limited partner (or one of its affiliates) on a basis other than best execution, best price or other similar basis. Such limited partners will also be aligned with Harvest, such Fund or one or more of their portfolio companies in manner that could give rise to

conflicts of interest to the extent such limited partners are represented on the respective Fund's board of advisors.

Operating Executives

The general partner of each Fund is permitted, in its sole discretion, to retain (or cause the Fund to retain) the services of one or more business executives or other persons who, in the good faith determination of the general partner, possess substantial, significant or otherwise relevant experience or expertise to serve as consultants to the general partner, Harvest, the applicable Fund or any portfolio company (each, an "Operating Executive"). Operating Executives can consist of former, existing or prospective executives of the portfolio companies of Funds, industry executives, subject matter, industry or regulatory experts or other persons acting in a similar capacity and the scope of their services can include existing or prospective investments. The general partner can also determine the nature, form and amount of compensation of any such Operating Executive, the nature of which can be performance-based or not performance-based, which, for any period, can be fixed or variable, and which forms of compensation can include salary, bonus, securities, options, profits interests or other forms of participation or equity interest in a portfolio company, one-time or periodic fees (including retainer fees, success-based fees or board fees), expense reimbursements, co-investment rights with respect to one or more portfolio investments, employee benefits or other similar forms of compensation, whether paid in cash or in kind (collectively, "Operating Executive Compensation"). Operating Executive Compensation in the form of profits or equity interest in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund's investment. Moreover, to the extent that Operating Executives are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of the Operating Executives' services at a time when fewer portfolio companies or Funds make use of such Operating Executives. Unless determined otherwise by the general partner in its sole discretion, any and all Operating Executive Compensation as well as the fees, costs and expenses of structuring Operating Executive arrangements will be borne or paid by the relevant Fund or the portfolio company (or portfolio companies) to which the applicable Operating Executive's services relate and not the general partner, Harvest or any of their respective affiliates.

Because the fees, costs and expenses associated with the engagement, retainer or employment of an Operating Executive will generally not be borne by the general partner, Harvest or any of their respective affiliates, Harvest will have an incentive to engage a prospective Harvest employee as an Operating Executive, rather than as a Harvest employee. This incentive is heightened by the flexibility afforded to each general partner and Harvest in connection with how to structure any such engagement, retainer or employment, which will include permitting such executive to exhibit indicia similar or comparable to that of a Harvest employee (by way of example, but not limitation, allowing such Operating Executives to possess business cards containing Harvest's name or logo, allowing them to possess and use computer hardware, a mobile telephone, a dedicated telephone number (or extension), or an electronic mail address similar to ones used by other Harvest employees; permitting them access to (and use of) Harvest's office space and office files (including electronic files); and permitting them to attend Harvest's investment committee meetings). Although each general partner and Harvest intend to make all Operating Executive engagement, retainer or employment decisions in good faith and only to the extent that any such Operating Executive possesses substantial, significant or otherwise relevant experience or expertise to serve

as consultants to the applicable general partner, Harvest, the applicable Fund or any portfolio company, it will not always be readily apparent that such decisions were necessarily made in such fashion and reasonable minds will disagree.

Benefit From Services to the Funds and Investments

In connection with its services to the Funds and their investments, Harvest, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Harvest's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Harvest and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "Harvest Information"). In many cases, Harvest Information will include tools, procedures and resources developed by Harvest to organize or systematize Harvest Information for ongoing or future use. Although Harvest expects its Funds and their portfolio companies generally to benefit from Harvest's possession of Harvest Information, it is possible that any benefits will be experienced solely by other or future Funds or portfolio companies and not by the Fund or portfolio company from which Harvest Information was originally received. Harvest Information will be the sole intellectual property of Harvest and solely for the use of Harvest. Harvest reserves the right to use, share, license, sell or monetize Harvest Information, without offset to management fees, and the relevant Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Funds or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program (or the general partner), rather than the portfolio companies, the Funds or their respective investors; no such rewards will offset management fees.

Brokerage Practices

From time to time, the Funds may enter into currency transactions for the purposes of hedging non-U.S. investments. Neither Harvest nor any Fund typically participates in trading through broker-dealers, although Harvest reserves the right to engage broker-dealers in connection with debt trades. To the extent any Fund trades public securities or debt securities, Harvest will cause such Fund to follow applicable SEC guidelines to seek best execution when implementing such transactions.

Harvest does not have formal soft dollar arrangements. However, Harvest may receive access to research made available through brokerage firms or investment banks. Harvest believes this research is available to all managers of similar size. Harvest does not direct transactions in lieu of payments for research or other services that do not benefit the Funds.

Review of Accounts

Harvest maintains continuous and ongoing oversight and review of the Funds' portfolio holdings by its senior investment professionals, including the Principals. Harvest furnishes audited financial statements to the Funds' limited partners annually. In addition, on a quarterly basis the Firm

provides limited partners with unaudited financial statements and descriptive information regarding each portfolio company. The general partner of each Fund will furnish to each limited partner a Schedule K-1 (Internal Revenue Service Form 1065) or an equivalent report annually.

Client Referrals and Other Compensation

The Firm may engage placement agents, pursuant to a written agreement, to solicit investors for the Funds. Harvest generally assumes full economic responsibility (through an offset to its management fees) for all fees payable to any placement agent in connection with the solicitation of new investors.

Custody

The Funds' cash, cash equivalents and, generally, certificated securities are held by unaffiliated, qualified custodians. Harvest is deemed to have custody of the Funds' assets because Harvest's affiliated entities, the general partners of the Funds, can access the Funds' assets. In compliance with the Advisers Act, Harvest has arranged for an annual audit of the Funds which are performed in accordance with U.S. generally accepted accounting principles (GAAP). A copy of the audited financial statements for each Fund is distributed to its limited partners within 120 days of the Fund's fiscal year end.

Investment Discretion

The Funds' offering documents, limited partnership agreements and/or investment advisory agreements signed by each Fund's general partner or investment manager provide Harvest with discretionary investment authority.

Voting Client Securities

The Funds' limited partnership agreements permit the purchase of equity positions which may occasionally solicit shareholder votes. In the event a Fund holds such equity positions or other positions that may solicit proxies, it is Harvest's policy to review the proxies to determine whether a vote is material to shareholder value and in the best interest of the Funds. When a vote is deemed material to shareholder value it is Harvest's policy to vote in a manner which it believes will increase shareholder value the most or decrease shareholder value the least. Harvest may abstain from voting if it deems that abstinence is in the Funds' best interests or when Harvest has determined that the vote is immaterial to the value of the securities held by a Fund.

Current investors may request a copy of Harvest's full proxy voting policies and procedures and record. Please contact Harvest's chief compliance officer at (212) 599-6300.

Financial Information

Harvest has never filed for bankruptcy and is not aware of any financial condition that is expected to affect its ability to manage client accounts.