

Item 1. Cover Page

Part 2A of Form ADV: Firm Brochure



DW MANAGEMENT SERVICES, L.L.C.

1413 Center Drive, Suite 220
Park City, Utah 84098

Contact: John Benear
Phone: (435) 645-4050
Email: contact@dwhp.com

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This brochure (“Brochure”) provides information about the qualifications and business practices of DW Management Services, L.L.C. d/b/a DW Healthcare Partners (“DWHP”). If you have any questions about the contents of this Brochure, please contact us at 435-645-4050. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Additional information about DWHP also is available on the SEC’s website at www.adviserinfo.sec.gov. An investment adviser’s registration with the SEC does not imply a certain level of skill or training.

Item 2. Material Changes

While there have been no material changes to DWHP's business practices or other areas discussed in this Form ADV since DWHP's last annual update to the Form ADV Part 2A filed on March 30, 2020, this Brochure represents a revision in enhanced clarity of DWHP's business practices and compliance policies and procedures.

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Item 4. Advisory Business

DW Management Services, L.L.C. d/b/a DW Healthcare Partners, together with its fund general partners (unless otherwise specified) (together “DWHP” or the “Adviser”), is a Delaware limited liability company based in Park City, Utah with offices in Toronto, Canada. A private equity fund manager founded in 2003, the Adviser focuses on healthcare related investments in the middle market including product and device manufacturers, healthcare services and consumer healthcare in North America. The Adviser is typically the first institutional capital for its portfolio companies.

The Adviser serves as the investment adviser for, and provides discretionary investment advisory services to (i) private funds (each, a “Fund”), (ii) a co-investment special purpose Fund established to invest alongside a fund in a single portfolio company (the “Co-Investment Fund”) and (iii) affiliate investment vehicles (“Affiliate Funds”) through which certain current and former employees, members, officers, advisors, portfolio company executives or persons close to the Adviser invest alongside a main Fund in an investment opportunity. The Co-Investment Funds and the Affiliate Funds are generally contractually required, as a condition of investment, to purchase and exit their investment in each investment opportunity at substantially the same time and on substantially the same terms as the applicable main Fund that is invested in that investment opportunity.

In addition, in circumstances as more fully described in Item 7 below, the Adviser permits certain investors and third parties to co-invest alongside a Fund directly into a portfolio company. Unlike the Co-Investment Fund, such direct co-investments are not considered Funds or clients of the Adviser. More information regarding about the Funds is available in the Adviser’s Form ADV Part 1, Schedule D, Section 7.B.(1).

Each Fund is affiliated with a general partner (“General Partner”) with authority to make investment decisions on behalf of such Fund. The General Partners are deemed registered under the Investment Advisers Act of 1940, as amended, and the rules and regulations promulgated thereunder (“Advisers Act”), pursuant to the Adviser’s registration in accordance with SEC guidance. While the General Partners maintain ultimate authority over the respective Funds, the Adviser has been designated the role of investment adviser. For more information about the General Partners, please see the Adviser’s Form ADV Part 1, Schedule D, Section 7.A. and Schedule R.

The Adviser provides investment advisory services as a private equity fund manager to its Funds. The Funds invest through privately negotiated transactions in operating companies, generally referred to as “portfolio companies.” The Funds typically take control or near-control investment positions in portfolio companies that require capital for consolidation, growth or expansion. “Near-control” positions describe those investments in which a Fund has less than a majority of the voting power, but has certain other rights, which can include, but are not necessarily limited to: negative control rights, governance rights and the ability to force a sale of the portfolio company at some point in the future. Each portfolio company has its own independent management team responsible for managing its day-to-day operations, although (i) members of the Adviser or in some cases, representatives appointed by the Adviser, serve on the boards of such portfolio companies and will therefore have a

significant impact on the long-term direction of the company, including the selection of management team members and (ii) in some cases, the Adviser will more directly influence the day-to-day management of the company by recruiting and installing certain individuals in various leadership roles, such as chief executive officer, chief operating officer, chief financial officer or in other roles. The Adviser's advisory services to the Funds consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Funds, managing and monitoring the performance of such investments and achieving dispositions of such investments. Investments are made predominantly in non-public companies, although investments in public companies are permitted in certain instances. Specifically, on occasion, the Adviser has invested in a public company, a DWHP portfolio company has been purchased by a public company or a DWHP portfolio company has gone public through a special purpose acquisition merger.

The Adviser's investment advice and authority is provided directly to the Funds, subject to the discretion and control of the applicable General Partner, and not individually to the investors in the Funds. Services are provided to the Funds in accordance with the private placement memorandum, limited partnership agreement, subscription agreement, investment advisory agreements, side letter agreements and other governing documents of the relevant Fund (collectively, the "Governing Documents").

Fund investors generally cannot impose restrictions on investing in certain securities or types of securities, other than through side letter agreements. Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances can be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the Governing Documents. The Funds have entered into side letters or similar agreements with certain investors including those who make substantial commitments of capital or were early-stage investors in the Funds, or for other reasons in the sole discretion of the Adviser in each case that have the effect of establishing rights under, or altering or supplementing, a Fund's Governing Documents. Examples of side letter rights include governance provisions, investment sector restrictions, co-investment preferences, notification provisions, reporting requirements and "most favored nations" provisions, among others. These rights, benefits or privileges are not always made available to all investors nor in some cases are they required to be disclosed to all investors. Side letters are negotiated at the time of the relevant investor's capital commitment, and once invested in a Fund, investors generally cannot impose additional investment guidelines or restrictions on such Fund.

The Adviser is majority owned by John B. Benear and Andrew C. Carragher directly and through entities under their control.

As of December 31, 2020, the Adviser had regulatory assets under management of \$1,301,057,555, all of which is managed on a discretionary basis. The calculation of regulatory assets under management includes the duplication of assets to the extent that certain Funds are invested in other Funds. Without such duplication of assets, the Adviser's regulatory assets under management is \$1,246,850,724.

Item 5. Fees and Compensation

The Adviser receives a management fee and its affiliated General Partners are allocated carried interest as compensation for providing investment advisory services to the Funds. The following is a general description of fees and compensation of the Funds. Differences exist from Fund to Fund, and certain Funds do not charge certain fees, compensation or expenses that other Funds charge or charge them in different amounts. The Adviser entities or affiliates also receive additional compensation in connection with management and other services performed for portfolio companies of the Funds, as described more fully below. Such additional compensation generally reduces in whole or in part the management fees otherwise payable to the Adviser. Investors in the Funds also bear certain expenses, as described below. Finally, the portfolio companies reimburse the Adviser and the Funds for certain expenses advanced on their behalf. Investors should refer to the Governing Documents of the applicable Fund for a complete understanding of how the Adviser is compensated for its advisory services; the information contained herein is a summary only and is qualified in its entirety by such documents.

Management Fees

The Adviser charges each Fund a management fee (the “Management Fee”), generally 2% per annum of capital (either committed or cost basis, depending on the life-stage of the applicable Fund). Assessed quarterly in advance, the Management Fee charged to each Fund is described (i) in full detail in the relevant Fund’s Governing Documents and (ii) more briefly below. All Management Fees were negotiated with the Fund’s investors during the fundraising period of the applicable Fund and are not subject to negotiation thereafter. Management Fees are initially calculated based upon each investor’s committed capital for the period of time during which each Fund is making investments; thereafter, the Management Fee will be equal to a percentage of each investor’s invested capital, subject to various other factors. Generally, investors participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund, plus interest, as applicable.

The General Partners are permitted, in their sole discretion, to reduce or waive all or a portion of the Management Fee. Specifically, investors in the Affiliate Funds and Co-Investment Fund do not pay Management Fees (but such investors generally pay their pro rata share of certain expenses).

For certain Funds, the Governing Documents permit the Adviser to waive or reduce all or a portion of the Management Fee paid by such Fund in full or partial satisfaction of any obligation of the Adviser and certain of its employees and affiliates to invest in or alongside such Fund. Such waived portions of the Management Fee are treated by the Governing Documents as a deemed capital contribution by the Adviser or its employees or affiliates, as applicable, which is effectively invested in the relevant Fund on such person’s behalf. The investors of a Fund would, in such circumstances, be required to make a pro rata contribution according to their respective commitments to fund any contribution that would otherwise be required of the Adviser or its employees or affiliates in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver has the potential

to result in an acceleration (or delay) of investor capital contributions. The amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by the Adviser and/or timing of receipt of compensation leading to offsets (as described above), it is possible that Management Fee offsets will be delayed.

Management Fees will generally be reduced by, if applicable: (i) the amount of fees paid by such Fund to entities or persons acting as a placement agent in connection with the offer and sale of interests in such Fund; (ii) costs incurred by the Adviser in connection with the organization of such Fund that exceed a limit as specified in such Fund's Governing Documents; and (iii) certain supplemental fees and compensation with respect to portfolio companies, including closing fees, investment banking fees, placement fees, commitment fees, breakup fees, litigation proceeds from transactions not consummated, monitoring fees, consulting fees, directors' fees and other similar fees (whether in the form of cash, securities or otherwise), the amount of which are paid by the Funds (directly, or indirectly by the portfolio companies) and are determined by the Adviser on a transaction-by-transaction basis, subject to a pre-established sharing percentage and terms as set forth in each Fund's Governing Documents. All such supplemental fees received are offset in whole or in part (depending on the Fund) against the Management Fee net of any expenses incurred in connection with such portfolio company and any Management Fee waivers (described above); however, any such fees received by third parties are not subject to an offset against Management Fees. Any such reduction of a Fund's Management Fee is limited to the extent of such Fund's proportionate interest in any portfolio company or prospective portfolio company and only to the extent a Management Fee is payable by a Fund currently or in the future. Thus, in the event a Fund does not pay a Management Fee or does not have an offset provision requiring the reduction of Management Fees, the Adviser will retain the portion of supplemental fees allocable to these Funds without reduction.

On occasion, in certain circumstances (such as a portfolio company's liquidity needs or otherwise) the Adviser determines in its discretion to waive, defer or renegotiate, in whole or in part, the amount of supplemental fees received from a portfolio company. The Adviser endeavors to require the payment of such fees only to the extent permitted by the earnings or cash position of the applicable portfolio company, and the Adviser will defer or forego the payment of such fees if the portfolio company's earnings or cash position render the payment of such fees too burdensome for the portfolio company or if the senior lender has imposed restrictions on payment of such supplemental fees. The Adviser makes such determinations on a case-by-case basis and reserves the right to take different actions (or no action) with respect to similarly-situated portfolio companies.

To the extent that such an offset credit would reduce a Fund's Management Fee for a given quarter below zero, the credit will be carried forward for future application against payable Management Fees, and if a credit remains upon dissolution, a payment will be made to investors that have not elected to waive such amount for tax or other reasons. The amount and manner of such reduction is set forth in the relevant Governing Documents of the applicable Fund.

Carried Interest

Each Fund's General Partner is entitled to receive carried interest ("Carried Interest") with respect to the Funds as further described (i) in full detail in the relevant Fund's Governing Documents and (ii) more briefly in Item 6, below.

Fund Expenses

Each Fund is governed by its own Governing Documents, which detail a complete description of expenses for such Fund. While differences exist among Funds, the following is a description of expenses generally charged to each Fund. As set forth more fully in, and subject to any restrictions in, the applicable Governing Documents of the Funds, each Fund generally will bear all fees, costs, expenses, liabilities and obligations relating to such Fund (and its subsidiaries and intermediate entities) and/or its activities, business, portfolio companies or actual or potential investments, including with respect to any entity formed to effect the acquisition and/or holding of a portfolio company (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, or otherwise disposing of, as applicable, portfolio companies and a Fund's actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and expenses of relationship-building events associated therewith (such as closing dinners) and any fees and expenses related to transactions that have been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) indebtedness of, or guarantees made by, a Fund, its General Partner or certain other partners related to the Adviser on behalf of a Fund (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker and similar services; (v) brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; (vi) legal, accounting, research, auditing, administration (including fees and expenses associated with a Fund's third-party administrator and administration or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to consultants performing investment initiatives and other similar consultants), tax and other professional services; (vii) reverse breakup, termination and other similar fees; (viii) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses; (ix) filing, title, transfer, registration and other similar fees and expenses; (x) printing,

communications, marketing and publicity (including costs of conferences (including related travel, lodging or meals) at which either industry trends or specific investment opportunities are discussed); (xi) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or any other administrative, compliance or regulatory filings or reports (including Form PF, any filings or reports contemplated by the European Union Alternative Investment Fund Managers Directive or any similar law, rule or regulation and Cayman anti-money laundering regulations), or other information, including fees and costs of any third-party service providers and professionals related to the foregoing; (xii) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of a Fund or its investors; (xiii) any activities with respect to protecting the confidential or non-public nature of any information or data; (xiv) to the extent provided in the applicable Governing Documents, or otherwise approved by a General Partner in its sole discretion, activities or proceedings of the advisory committee of a Fund (including any reasonable out-of-pocket costs and expenses incurred by representatives of a Fund's General Partner, the advisory committee members, permitted observers and other persons in attending or otherwise participating in meetings of the advisory committee); (xv) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any Fund partner or other person or entity in accordance with the Governing Documents and advancing fees, costs and expenses incurred by any such person or entity in defense or settlement of any claim that are subject to a right of indemnification pursuant to the Governing Documents of a Fund), except as otherwise set forth in the Fund's Governing Documents; (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution processes, including any judgment, other award or settlement entered into in connection therewith; (xvii) any annual investor meeting or other periodic, if any, meetings of a Fund's investors and any other conference or meeting with any Fund investor(s), in each case to the extent incurred by a Fund, its General Partner or any other affiliate of such General Partner; (xviii) the Management Fee of such Fund; (xix) except as otherwise determined by a Fund's General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense if it were incurred in connection with the Fund, and any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any vehicles related to a Fund to the extent not paid by the investors investing in such entities; (xx) the termination, liquidation, winding up or dissolution of a Fund; (xxi) defaults by a Fund's investors in the payment of any capital contributions; (xxii) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Fund, a parallel fund, and any alternative investment vehicle of a Fund or a parallel fund, including the preparation, distribution and implementation thereof; (xxiii) complying with any law or regulation related to the activities of a Fund (including regulatory expenses of a Fund's General Partner incurred in connection with the operation of the Fund and legal fees and expenses) and, subject to any caps included in a Fund's Governing Documents, any costs, fees and expense of any third-party service providers and professionals related to the foregoing, including expenses related to maintaining a

Fund's General Partner's and its advisory affiliates' status as SEC-registered investment advisers, any related examination, and complying with the Advisers Act, and any similar U.S. federal or state or non-U.S. government or self-regulatory organization laws, rules or regulations that require a Fund's General Partner or its affiliates to obtain or maintain a license, apply for, or otherwise rely upon, an exemption or otherwise be regulated in order to control or manage the affairs of a Fund (including expenses of any audit or exam, and expenses of any legal or other service providers maintained by a Fund's General Partner or its affiliates to advise it or perform services on behalf of it or the Fund and the costs of any compliance software, services or programs implemented by a Fund's General Partner or its affiliates in connection with such matters) and expenses related to complying with any applicable anti-money laundering regulations; (xxiv) any litigation or governmental inquiry, investigation or proceeding involving a Fund, including the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such expenses or amounts have been determined to be excluded from the indemnification provided for in a Fund's Governing Documents; (xxv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer contemplated by a Fund's Governing Documents; (xxvi) any taxes, fees and other governmental charges levied against a Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of a Fund (except to the extent that a Fund is reimbursed therefor or such tax, fee or charge is treated as having been distributed to the partners, in each case, in accordance with such Fund's Governing Documents); (xxvii) distributions to a Fund's investors and other expenses associated with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxviii) compliance or regulatory matters related to a Fund, except as otherwise set forth in each Fund's Governing Documents; (xxix) unreimbursed expenses and unpaid fees of the operations group or its members (if applicable); (xxx) any travel (including car service), lodging or meals relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxi) any expenses (including travel, printing, legal, capital raising, accounting, regulatory compliance (including the initial compliance contemplated by the European Union Alternative Investment Fund Managers Directive or any similar law, rule or regulation and applicable Cayman anti-money laundering regulations), and any administrative or other filings) incurred in connection with the organization, funding and start up of a Fund, its General Partner, parallel fund(s), general partner to such parallel fund(s) and ultimate general partner and any affiliated management company, including the preparation of, and negotiations with respect to, the Governing Documents of a Fund and any side letters or similar agreements (but potentially subject to offset to the extent described in the Governing Documents of the applicable Fund); (xxxii) any placement agents' fees and expenses (subject to the offset discussed above); and (xxxiii) any other fees, costs, expenses, liabilities or obligations approved by the advisory committee of a Fund. Excluded from Fund expenses are ordinary overhead and administrative expenses of a Fund incurred by the Fund's General Partner, ultimate general partner or management company that are payable in connection with maintaining and operating their respective offices (including salaries, rent and equipment expenses) to the extent not borne or reimbursed by a portfolio company.

Out-of-pocket expenses associated with completed transactions are either billed directly to a Fund, reimbursed by portfolio companies or capitalized as part of the acquisition price of a consummated transaction. Out-of-pocket expenses associated with unconsummated transactions (i.e., broken deal expenses) are paid by the relevant Fund(s) selected as proposed investors in such transaction.

For additional information regarding brokerage practices, please see Item 12 below.

Expense Reimbursement

Each portfolio company typically pays for or reimburses the Adviser or a Fund for certain expenses incurred in connection with the Adviser's performance of services for such portfolio company. Such expenses generally include, without limitation: (i) travel expenses, which can include expenses for chartered or first-class travel and meals and entertainment expenses (such expenses including, as applicable, those relating to (a) the usage of premium black car and other car services, which from time to time include waiting time and (b) premium meals (including outside normal business hours), and (c) social and entertainment events, including closing dinners (which as noted above, can also be billed to a Fund) and mementos, with portfolio company management, customers, clients, borrowers, brokers and service providers); (ii) expenses relating to training programs, meetings, conferences or other events (to the extent such programs, meetings or events are attended by portfolio company personnel or by DWHP personnel assisting the portfolio company); (iii) expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses); (iv) indemnification expenses; (v) insurance; (vi) consulting; (vii) certain legal expenses; (viii) similar out-of-pocket expenses; (ix) consulting fees; and (x) other cash and non-cash compensation and expenses. In addition, to the extent a Fund or the Adviser initially bears the cost of certain fees or expenses but the benefit of the related services or expense is also received by another Fund, portfolio company or future fund or portfolio company, the Adviser will generally, subject to its ultimate discretion, cause such other Fund or portfolio company to reimburse the initial Fund or the Adviser for such fees or expenses. Reimbursement by a portfolio company of out-of-pocket expenses incurred by the Adviser, a General Partner or their respective affiliates will not be offset against the Management Fee payable by the Funds.

Offering and Organizational Expenses

Each investor will bear its pro rata share of a Fund's organizational expenses, including legal, accounting, filing, capital raising, travel and other organizational expenses ("Organizational Expenses"). The amount of Organizational Expenses varies by Fund and is further detailed in the Governing Documents of such Fund. Any amounts in excess of such permitted limit are offset dollar for dollar against Management Fees or expenses by the Adviser.

Fee Receipt Allocation

From time to time, the Adviser, a Fund or a portfolio company pays a transaction fee, equity grant or other fee to a third party, such as a consultant, advisor, finder, placement agent, joint venture

partner, broker and/or investment banker. Similarly, on occasion certain members of a portfolio company management team receive additional compensation, including bonus payments based on the applicable portfolio company meeting certain success hurdles. Such compensation indirectly reduces the revenue available for distribution to the relevant Fund at the time of such portfolio company's sale. None of these fees or compensation offset Management Fees payable by a Fund.

Co-Investment and Affiliate Fund Fees and Expenses

As described above, in certain circumstances, the Adviser permits certain investors to co-invest in investments alongside one or more Funds, subject to the Adviser's related policies and procedures, the relevant Governing Documents and/or side letter(s) or similar arrangements. Since co-investments will not be made through a main Fund, any compensation received in connection with a co-investment does not arise out of the investment activities of a main Fund or actions taken directly or indirectly by the Adviser on behalf of such Fund and, therefore, none of such fees and other co-investor-related compensation reduces the Management Fee paid by such Fund. Where a Co-Investment Fund is formed, such entity will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds.

In the event a proposed transaction is not consummated, no such Co-Investment Fund generally will have been formed, and the full amount of any fees and expenses generated in the course of evaluating such investments, including out-of-pocket fees associated with due diligence, attorney fees, fees of other professionals and various other fees relating to such proposed but not consummated transaction ("broken deal expenses") therefore would generally be borne by the Fund(s) selected as proposed investors for such proposed transaction and not by any prospective co-investors that were to have participated in such transaction. However, to the extent that such co-investors (i) have already invested in a Co-Investment Fund or other special purpose vehicle in connection with such transaction (such as for a follow-on investment for the portfolio company for which the Co-Investment Fund was originally created) or (ii) are contractually committed to invest in such Co-Investment Fund, such Co-Investment Fund and/or co-investor is expected to bear its share of such broken deal expenses (which for follow-on investments will generally be capitalized at such portfolio company).

Allocation of Fees and Expenses

In good faith and in its fair and reasonable discretion, the Adviser determines on a case-by-case basis whether an expense should be borne by the Adviser, a Fund, multiple Funds or a portfolio company. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, the Adviser will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its policies and procedures on expense allocation, unless another method is more equitable. Where one or more Funds to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable Governing Documents, the portion of the expense attributable to such Fund(s) will be borne by the Adviser.

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

A Carried Interest allocation represents an adviser's compensation based on a percentage of the profits of the funds it manages. While differences exist among the Funds, the relevant General Partner is entitled to receive 20% of the profits (as defined in the relevant Governing Documents) after (i) investors have received (A) a return of capital and (B) the payment of an 8% annually compounded preferred return (or hurdle) and (ii) the General Partner catch up provision is met. Each Fund's Carried Interest calculation is further described in the relevant Fund's Governing Documents.

These performance fee arrangements have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. The General Partner of each Fund, in its sole discretion, is permitted to waive or reduce the amount of Carried Interest for certain Fund investors. Specifically, investors in Affiliate Funds and Co-Investment Fund do not pay Carried Interest.

The fact that a General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for the Adviser to make investments that are more speculative than would be the case in the absence of such distributions. The Adviser believes this incentive is sufficiently mitigated, however, due to the fact that: (i) the applicable Governing Documents create limitations on the ability of the Adviser to establish new investment funds; (ii) the Funds are subject to certain contractual provisions requiring certain parallel Funds to purchase and sell investments contemporaneously; (iii) any losses the Funds sustain will reduce the General Partner's Carried Interest distribution; (iv) Carried Interest is generally calculated only after investors have received as distribution 100% of their capital contributions plus a preferred return; (v) a General Partner often makes a substantial commitment to a Fund to invest its own capital alongside the investors; and (vi) the Adviser's ability to attract future investors is tied to the performance of its investments.

The Adviser manages multiple Funds with similar investment strategies on a side-by-side basis. Management of multiple vehicles on a side-by-side basis has the potential to create conflicts of interest with regard to the Adviser's: allocation of investment opportunities, expenses, time and attention of advisory personnel and consideration for certain transactions. Although the Adviser generally makes new investments for one Fund only after a predecessor Fund is substantially invested or committed, as more fully described in the applicable Fund's Governing Documents, management of side-by-side Funds can create an incentive for the Adviser or its personnel to favor a Fund or other investment vehicle in which the Adviser or an affiliate has a greater financial interest (such as the Affiliate Funds). To help minimize such conflicts of interest, the Adviser allocates investment opportunities which satisfy the investment parameters of more than one Fund in accordance with the Adviser's policies and procedures regarding investment allocation, applicable Governing Documents and taking into consideration certain factors, as determined in the Adviser's sole discretion, which can include, but are not limited to: the amount of available capital commitments of the applicable Fund(s); anticipated future capital requirements of an investment opportunity; life-cycle of the applicable Fund(s); expected time to obtain liquidity; legal, tax and regulatory considerations; and any other factors deemed relevant

by the Adviser. The Adviser's procedures are designed to ensure that all investment decisions are made in accordance with the Adviser's fiduciary duties to its Funds and without consideration of the Adviser's (or its affiliates' or employees') pecuniary interest. The Adviser will not allocate investment opportunities based in whole or in part on (i) the relative fee structure or amount of fees paid by any Fund or (ii) the profitability of any Fund. The Adviser's policies for the allocation of investments are determined by the investment committee.

Item 7. Types of Clients

The Adviser currently provides investment supervisory services to the Funds. Investment advice is provided directly to the Funds (subject to the direction and control of the General Partner of each such Fund, if applicable) and not individually to investors in such Fund. The Funds limit their respective investors to: (i) "accredited investors" as defined in the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder ("Securities Act"), and (ii) "qualified purchasers" or "knowledgeable employees," each as defined in the Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder ("Investment Company Act"), or (iii) if applicable, "qualified clients," as defined in the Advisers Act. Investors in the Funds must also meet certain other suitability qualifications prior to making an investment in the Funds. The Funds are not registered or required to be registered under the Investment Company Act, are not made available to the general public, their securities are not registered or required to be registered under the Securities Act and Fund interests are privately placed to qualified investors. Qualified investors include individuals or entities to which Fund interests are allowed to be sold, which generally includes (i) in the United States, people or organizations who meet certain net worth, income and/or financial sophistication requirements as described above or (ii) in other countries as permitted by the relevant securities laws in such jurisdiction and in compliance with any foreign offering provisions applicable to the Adviser and/or the Funds. The Funds typically require capital commitments from each investor of at least \$5 million, depending on the Fund, although the applicable Fund's General Partner has, in its sole discretion, accepted lesser amounts. Investors in the Funds generally include, among others, high net worth individuals, financial institutions, pension and profit sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

As referenced in Item 4 above, co-investments have been structured either as (i) a separate Fund or (ii) a direct investment by certain investors into a portfolio company or its holding or operating company. When structured as a Co-Investment Fund, the Adviser considers the investment to be a Fund client, identifies the Fund in its Form ADV Part 1, Schedule D, Section 7.B.(1), obtains an audit for the Fund, reserves the option to assess a Management Fee and Carried Interest on such Fund and includes the amount of assets of such Fund in the Adviser's regulatory assets under management. In the case of direct co-investments, the Adviser does not consider the investment to be a Fund or a client, does not act as the investment manager to the co-investment portion of the investment, does not charge Management Fees or Carried Interest to the investment, does not have custody of the investment or include the amount of assets of the co-investment in the Adviser's regulatory assets

under management. In such direct co-investment opportunities, the Adviser will perform management, advisory and other services for the portfolio companies in which these co-investment vehicles invest alongside the Funds, generally at no cost to such vehicles except expenses.

Opportunities to participate in co-investment transactions arise when the Adviser has the opportunity for an investment in an existing or prospective portfolio company and the Adviser determines that (i) an investment requires additional capital, (ii) all or a portion of the applicable opportunity is not required to be offered to a Fund or (iii) the full investment opportunity is not appropriate for a Fund, whether due to concentration restrictions contained in the Fund's Governing Documents or otherwise. Such determinations are based on the provisions of the applicable Governing Documents, side letter agreements and such other factors as the Adviser will consider in its sole discretion, including those specified in its policies on investment allocation and co-investments. Subject to any restrictions contained in the Governing Documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general no investor has a right to participate in any co-investment opportunity. The Adviser's exercise of discretion in allocating co-investment opportunities often will not result in proportional allocations among such co-investors and such allocations can be more or less advantageous to some co-investors relative to other co-investors. When co-investment opportunities are permitted, it is possible that the size of the investment opportunity otherwise available to the Adviser's Fund(s) will be less than it would otherwise have been without the inclusion of such co-investors.

Opportunities to invest in a portfolio company are made available to select persons or entities, both Fund investors and third parties, including, without limitation, co-sponsors, strategic investors, lenders, investment bankers, deal sources (including finders and consultants), other sponsors (including other private equity or venture capital firms), Fund investors, service providers, portfolio company employees, sector experts, strategic advisors, other persons or entities affiliated, associated or otherwise known to the Adviser or its personnel. Certain service providers, including lenders and individuals who source transactions, have in the past and are expected in the future to negotiate co-investment rights or co-investment priority rights as a component of their compensation in connection with the services provided.

Some co-investors may be provided the opportunity to sit, or have a representative sit, on the board of directors or board of advisers of a DWHP portfolio company. Positions on boards of directors or advisers of such portfolio companies provide such persons with voting rights, access to information and potentially the ability to influence the operations and decision-making of the portfolio company that are not necessarily available to other investors.

Co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as a Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or Co-Investment Fund purchases a portion of an investment from one or more Funds after such Fund(s) have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from

a Fund by a co-investor or Co-Investment Fund generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in the Adviser's sole discretion, the Adviser is authorized to charge interest on the purchase to the co-investor or Co-Investment Fund, and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

In the event the Adviser is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, it is possible that a Fund will consequently hold a greater concentration and have greater exposure in the related investment opportunity than was originally intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto and would result in a greater concentration of risk as a result. Thus, an investment that is not syndicated to co-investors as originally anticipated could result in a significant impact to a Fund's overall investment returns.

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

Methods of Analysis and Investment Strategies

The Adviser's investment strategy is to focus on investments primarily in the specialty medical device manufacturers, product manufacturers, distributors, and services businesses within the North American healthcare industry. The Funds typically take control or near-control investment positions in companies that require capital for consolidation, growth, or expansion. "Near-control" positions describe those investments in which a Fund has less than a majority of the voting power, but has certain other rights, which can include, but are not necessarily limited to: negative control rights, governance rights, and the ability to force a sale of the portfolio company at some point in the future. Generally, a Fund will seek investment opportunities in subsectors that meet the following general criteria:

- Fragmented markets;
- High gross margins and strong free cash flows;
- Organic sector growth of approximately five to fifteen percent;
- Differentiated technologies with barriers to entry; and
- Highly recurring revenue streams.

The following are certain core components of the Adviser's investment strategy for the Funds:

- Identify investment candidates using the Adviser's proprietary deal mining approach;

- Invest \$35 to \$45 million into approximately 10 companies for each Fund;
- Obtain control or near-control ownership positions;
- Utilize two to three and a half times average debt to EBITDA multiples;
- Build and scale the business; and
- Seek an exit strategy.

Risks

Investing in securities involves a substantial degree of risk. A Fund can lose all or a substantial portion of its investments, and investors in the Funds must be prepared to bear the risk of a complete loss of their investments. An investment in the Funds is speculative, illiquid and long-term in nature, and is suitable only for those investors who have the financial sophistication and expertise to evaluate the merits and risks of an investment in the Funds. Investors should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Different or new risks not addressed below will likely arise in the future and, therefore, the following list is not intended to be exhaustive.

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

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

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

General Risks of Investments in Healthcare Companies. While investments in healthcare companies offer the opportunity for significant gains, such investments also involve a high degree of business and financial risk and can result in substantial losses. Healthcare companies typically face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which a Fund invests could deteriorate as a result of, among other factors, an adverse development in their business, a change in the competitive environment, or an economic downturn.

Healthcare Reform. Healthcare reform continues to be a significant factor in the profitability of companies in which the Funds invest. The efforts to reform the healthcare delivery system in the

United States, Canada and Europe have resulted in increased pressure on healthcare providers and other participants in the healthcare industry to reduce costs. These competitive forces place constraints on the levels of overall pricing, and thus could have a material adverse effect on profit margins for the companies in which a Fund invests.

Healthcare Regulation and Reimbursement. Various segments of the healthcare industry are (or are at increased risk of becoming) (i) highly regulated at both the federal and state levels in the United States, and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While the Funds intend to make investments in companies that comply with relevant laws and regulations, it is possible that certain aspects of their operations will not have been subject to judicial or regulatory interpretation. An adverse review or determination by any one of such authorities, or an adverse change in the regulatory requirements or reimbursement programs, could have a material adverse effect on the operations of the companies in which a Fund invests. The U.S. healthcare industry continues to undergo significant changes designed to increase access to medical care, improve safety and contain costs. Generally, Medicare and Medicaid reimbursement levels have declined; the use of managed care has increased; distributors, manufacturers, healthcare providers and pharmacy chains have consolidated; and large purchasing groups are more prevalent.

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

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

Government Regulation; Risk of Drug Withdrawals. Pharmaceutical products are subject to extensive and rigorous regulation by U.S. local, state and federal regulatory authorities and by comparable foreign regulatory bodies. Regulatory clearance of a product is limited to those disease states and conditions for which the product is useful, as demonstrated through clinical studies. Marketing or promoting a drug for an unapproved indication is prohibited. Furthermore, clearance of a pharmaceutical product for marketing for a specific indication often entails ongoing requirements or post-marketing studies. Prior to the grant of such marketing approvals by the U.S. Food and Drug Administration (“FDA”) or corresponding regulatory authorities outside of the U.S., most pharmaceutical products must undergo extensive investigation and clinical trials to meet stringent safety and efficacy requirements. Also, the manufacturer of a pharmaceutical product and its manufacturing facilities are subject to approval, continual review and periodic inspections by the regulatory authorities. As a result, the frequency of product withdrawals is low. Nevertheless, there have been instances when discovery of previously unknown problems with a product, manufacturer or facility have resulted in temporary restrictions on the use or the manufacture of such product, including costly recalls or even withdrawal of the product from the market. Such events, whether voluntarily or mandated by a regulatory authority, typically result in an immediate reduction or discontinuation of revenues from the product worldwide. There can be no guarantee that the incidence of regulatory product removals will not occur, and if such an event were to occur, it would likely have a significant and adverse effect on the performance of a particular portfolio company and could have a material adverse effect on the aggregate performance of a Fund.

Cybersecurity Risks. Cyber-attacks and other malicious Internet-based activity continue to increase in frequency and magnitude. Recent events have illustrated such ongoing cybersecurity risks to which operating companies are subject. Techniques used to sabotage, or to obtain unauthorized access to, systems or networks change frequently and generally are not recognized until launched against a target. Therefore, there can be no guarantee that the Adviser, any portfolio company, as well as their third-party partners (including vendors), will be able to anticipate these techniques, react in a timely manner, or implement adequate preventive measures. The Adviser’s and the Funds’ portfolio companies’ information and technology systems can be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, denial-of-service attacks, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes.

Although the Adviser has implemented 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 Adviser, the Funds and/or a portfolio company will likely incur significant time and/or expense to fix or replace them and to seek to remedy the effects of such issues. To the extent that the Adviser or a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company’s systems, it can be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio

company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks can be the subject of civil litigation or regulatory or other action. Additionally, there exists the possibility that the Adviser's, a Fund's and/or a portfolio company's insurance coverage will be insufficient to compensate any such entity and its respective affiliates for incurred liabilities. Any of such circumstances could subject a portfolio company, or a Fund, to substantial losses. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the Adviser or one of its service providers holding its financial or investor data, the Adviser, its affiliates and/or a Fund would likely also be at risk of loss, despite efforts to prevent and mitigate such risks.

Concentration of Investments. Each Fund will participate in a limited number of investments, which are made in a single industry, a single segment of an industry or within a short period of time. As a result, such Fund's investment portfolio is expected to become highly concentrated, and the performance of a few holdings or of a particular industry can substantially affect its aggregate return.

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

Growth Equity Transactions. The Funds' strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments often involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies can operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies generally face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

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

Leveraged Investments. The Funds use leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets can be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, especially in light of the uncertainty in connection with the ongoing COVID-19 pandemic. As a result, at times it can be difficult to obtain or maintain the desired degree of leverage. The availability of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) can restrict or otherwise discourage lending that results in companies carrying large amounts of debt.

The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and can impair its ability to operate its business as desired and/or finance future operations and capital needs. In addition, this leverage could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund can suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, it is possible that such Fund will not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency. The Funds also borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise are liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund also will result in interest expense and other costs to such Fund that are not likely covered by distributions made to such Fund or appreciation of its investments. Each Fund generally incurs leverage on a joint and several basis with one or more other investment funds and entities managed by the Adviser or any of its affiliates and is expected to have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are secured by capital commitments made by such Fund's investors and in the event of a default, such investors' contributions would likely be required to be made directly to the lenders instead of such Fund.

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

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of a Fund's investments will be difficult to value. Certain investments are permitted to be distributed in kind to the investors of a Fund and it can be difficult to liquidate

the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to such investors, there is a risk that a significant number of investors will decide to liquidate such securities (or a portion thereof) within a short period of time, which could have an adverse impact on the price of such securities. It is possible that the price at which such securities are sold by such investors will be lower than the value of such securities determined pursuant to the Governing Documents of such Fund, including the value used to determine the amount of Carried Interest available to the General Partner with respect to such investment.

Reliance on the Adviser and Portfolio Company Management. Control over the operation of the Funds will be vested with the Adviser, and a Fund's future profitability will depend largely upon the business and investment acumen of the principals of the Adviser. The composition of the professionals making up particular industry sector investment teams can change over time, and there can be no guarantee that the professionals included in such teams and who have contributed to the past performance of any prior Funds continue to be members of the particular team or serve in the same or similar roles thereon (and in some cases, are no longer with the Adviser, or will leave such team or the Adviser during the life of the Fund). The loss or reduction of service of one or more of the principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the principals currently, and expect to in the future, manage other investment funds besides the Funds and the principals will devote substantial amounts of their time to the investment activities of such other funds, which can pose conflicts of interest in the allocation of the time of the principals. Investors in a Fund generally have no right or power to take part in the management of such Fund, and as a result, the investment performance of such Fund will depend on the actions of the Adviser. In addition, certain changes in the Adviser or circumstances relating to the Adviser can have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

Although the Adviser will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the management of such companies will be able or willing to successfully operate a company in accordance with the applicable Fund's objectives.

Projections. The Funds use financial projections to help analyze a potential investment or future capital raises and financing for portfolio companies or other transactions. Projected operating results of a company in which a Fund invests normally will be based primarily on financial projections prepared by such company's management, with adjustments to such projections made by the Adviser in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and third parties and assumptions made at the time the projections are developed. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values. There can be no assurance that the results set forth in the projections will be

attained, and actual results can be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.

Conflicting Investor Interests. Investors in a Fund often have conflicting investment, tax, and other interests with respect to their investments in such Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts can arise in connection with decisions made by the Adviser regarding an investment that will be more beneficial to one investor than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the Adviser generally will consider the investment and tax objectives of a Fund and its partners as a whole, not the investment, tax, or other objectives of any investor individually.

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

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

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

Non-U.S. Investments. The Funds are permitted to invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments are subject to certain additional risks due to, among other things,

potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations will potentially be given effect during the term of a Fund), the application of complex U.S. and non U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or its partners with respect to such Fund's income, and possible non-U.S. tax return filing requirements for a Fund and/or its partners.

Additional risks of non-U.S. investments include: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies are not subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Significant Adverse Consequences for Default. The Governing Documents for each Fund provide for significant adverse consequences in the event an investor defaults on its commitment or any other payment obligation. In addition to losing its right to potential distributions from such Fund, a defaulting investor can, in some cases be forced to transfer its interest in the Fund for an amount that is less than the fair market value of such interest and that can be paid over a period of up to ten years, without interest.

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

Litigation. In the ordinary course of its business, a Fund will, in certain instances, be subject to litigation from time to time. The outcome of such proceedings have the potential to materially adversely affect the value of a Fund and continue without resolution for long periods of time. Any litigation is expected to consume substantial amounts of the Adviser's and its principals' time and attention, and that time and the devotion of these resources to litigation can, at times, be disproportionate to the amounts at stake in the litigation.

Advisory Committee. The General Partners will appoint one or more investor representatives to the Fund's advisory committee. The Governing Documents provide that to the fullest extent permitted by applicable law, none of the advisory committee members shall owe any fiduciary duties to the Funds or any other investor. In addition, it is possible that representatives of an advisory committee will have various business and other relationships with the Adviser and its partners, employees and

affiliates. These relationships carry the potential to influence their decisions as members of the advisory committee.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence can be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, viral or disease outbreaks or epidemics or other sources of political, social or economic unrest. Such erosion of confidence can lead to or extend a localized or global economic downturn. A climate of uncertainty can 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 can have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This can slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn can have an adverse effect upon a Fund's portfolio companies.

Public Health Emergencies; COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, ebola and the current outbreak of COVID-19 (as defined below), 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 can result in significant losses to a Fund.

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus ("COVID-19"), which the World Health Organization formally declared in March 2020 to constitute a global "pandemic." This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including "stay-at-home" and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. 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, 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 several 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 designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and can have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained, it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to a Fund. The extent of the impact on Funds and their portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact can 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 can 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 can 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 can also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies and the Adviser can 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 can also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Market Conditions. The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) can have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally can reduce the availability of attractive investment opportunities for a Fund and can affect a Fund's ability to make investments. Instability

in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) can also increase the risks inherent in a Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. A Fund's performance can be affected by deterioration in the capital markets and by market events, such as the onset of the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates can adversely affect the value of investments in portfolio companies and a Fund's performance. Volatility and illiquidity in the financial sector can have an adverse effect on the ability of a Fund to sell and/or partially dispose of its portfolio company investments. Such adverse effects can include the requirement of a Fund to pay break-up, termination or other fees and expenses in the event such Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of such Fund to dispose of investments at prices that the Adviser believes reflect the fair value of such investments. The impact of market and other economic events can also affect a Fund's ability to raise funding to support its investment objective.

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

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

Material Non-Public Information. As a result of the operations of the Adviser, the Adviser on occasion comes into possession of confidential or material, non-public information. Therefore, it is possible there will be instances in which the Adviser will have access to material, non-public information that is relevant to an investment decision to be made by a Fund. Consequently, a Fund can be restricted from initiating a transaction or selling an investment which, if such information had not been known

to it, was undertaken on account of applicable securities laws or the Adviser's internal policies. Due to these restrictions, it is possible that a Fund will not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Environmental, Social and Governance Matters. The Adviser recognizes that, for many investors, environmental, social or governance ("ESG") concerns and the societal impact of their portfolios is an important consideration which cannot be viewed in isolation from overall investment performance. Therefore, the Adviser will take certain ESG considerations into account in its investment decision process (including the decision to buy, sell or hold an investment) and will, in appropriate circumstances, incorporate similar considerations into the Adviser's ongoing management decisions with respect to each portfolio company. Such considerations will, in the discretion of the Adviser, generally include (but are not limited to) those described by the United Nations Principles for Responsible Investment ("UN PRI") and the American Investment Council Guidelines for Responsible Investing ("AIC Guidelines"). However, ESG is only one of the many factors the Adviser will consider in making investment decisions, and unless otherwise required pursuant to a Fund's Governing Documents, the weight placed on any such ESG considerations will be in the Adviser's sole and absolute discretion. Further, applying ESG goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by the Adviser or any judgment exercised by the Adviser will reflect the beliefs or values of any particular investor or group of investors. Finally, an assessment of ESG factors is not necessarily determinative and the Adviser's investment decisions will always be subject to being made in a manner that is consistent with the Adviser's fiduciary duty to act in the best interests of the Fund's investors.

To the extent that the Adviser engages with companies on ESG-related practices and potential enhancements thereto, there can be no guarantee that (i) such engagements will achieve either or both of the desired financial and social results, and/or (ii) the market or other stakeholders (community members, portfolio company employees, customers, etc.) will view any such changes as desirable (either socially or to a Fund's financial health).

There is a risk that the Funds will underperform other funds that do not take ESG-related factors into account or conversely, could underperform specialized funds that are largely or exclusively focused on sustainable investing principles.

Conflicts of Interest

Co-Investment. From time to time, the Adviser, in its sole discretion, provides or commits to provide co investment opportunities to one or more investors and/or other persons, in each case on terms to be determined by the Adviser in its sole discretion. Conflicts of interest can arise in the allocation of such co-investment opportunities. There can be no guarantee that the allocation of co-investment opportunities will necessarily be in the best interests of the Fund(s) or any individual investor. In exercising its sole discretion in connection with such co-investment opportunities, the Adviser considers some or all of a wide range of factors, which include factors which benefit the Adviser such as the likelihood that an investor will invest in a future fund sponsored by the Adviser.

The Funds on occasion co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments can involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner at any time has economic or business interests or goals that are inconsistent with those of a Fund, or are in a position to take action contrary to the investment objectives of a Fund. In addition, the Funds can in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities are made by the Adviser or its related persons in consultation with other participants in the relevant transactions, such as a co-sponsor. Co-investment opportunities are typically offered to some and not to other investors. When and to the extent that employees and related persons of the Adviser make capital investments in or alongside a Fund, the Adviser is subject to conflicting interests in connection with these investments. The Adviser's allocation of co-investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations can be more or less advantageous to some such persons relative to others.

Allocation of Fees and Expenses. The Adviser is faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to the Funds. The Adviser, in its sole discretion, will allocate fees and expenses in accordance with the Governing Documents and in a manner that it believes in good faith is fair and equitable to the Funds under the circumstances and considering such factors as it deems relevant. The allocations of such expenses are not always proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on number of Funds or co-investors receiving related benefits or proportionately in accordance with asset size.

Reimbursement of Expenses. A portfolio company typically will reimburse the Adviser or service providers retained at the Adviser's discretion for expenses (including, without limitation, travel expenses) incurred by the Adviser or such service providers in connection with the performance of services for such portfolio company. This subjects the Adviser to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Governing Documents and its internal reimbursement policies and practices, the Adviser determines the amount of these reimbursements for such services in its own discretion.

Portfolio Company Board Service. The Funds generally make controlling or "near-control" investments in portfolio companies. As a result of these controlling interests, the Adviser typically has the right to appoint portfolio company board members (including current or former Adviser personnel or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio company board

members approve compensation and other amounts payable to the Adviser in connection with services provided by the Adviser and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the Governing Documents' offset provisions, are in addition to the Management Fee or Carried Interest discussed herein. The Adviser's authority to appoint or influence the appointment of portfolio company board members who are involved in approving compensation payable to the Adviser subjects the Adviser and any such portfolio company board appointees to potential conflicts of interest.

Relationship with Third Parties. From time to time, the Adviser employs personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by the Funds or investment vehicles advised by the Adviser; conversely, former personnel or executives of the Adviser on occasion serve in significant management roles at portfolio companies or service providers recommended by the Adviser. Similarly, the Adviser and/or its personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, including managers of private funds, banks and brokers. Certain of these persons or entities invest in (or are affiliated with an investor), engage in transactions with and/or provide services (including services at reduced rates) to, the Adviser, and/or the Funds. The Adviser has a conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to a Fund or a portfolio company owned by a Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide the Adviser information about markets and industries in which the Adviser operates (or is contemplating operations) or will provide other services that are beneficial to the Adviser. The Adviser has a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for the Funds, while there can be no guarantee that the products or services recommended are necessarily the best available to the portfolio companies held by the Funds.

Over the life of a Fund, the Adviser expects to exercise its discretion to recommend to the Fund or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) the Adviser (or an affiliate, which can include other portfolio companies of the Funds) and at rates determined or substantively influenced by the Adviser; (ii) an entity with which the Adviser or its affiliates or current or former members of their personnel has a relationship or from which such person derive a financial or other benefit; or (iii) an investor. This subjects the Adviser to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance, the Adviser can have an incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that the Adviser, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Adviser or the Funds), will favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Whether or not the Adviser has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be

no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Certain Risks and Conflicts of Interest Related to Public Company Holdings. As described in Item 4 above, on occasion a Fund holds an interest in a public company. Such situations generally arise due to either: (i) taking a portfolio company public (either through: (a) a traditional securities registration and offering process or (b) sponsoring or merging with a special purpose acquisition company (a “SPAC”); (ii) the acquisition of a portfolio company by a public company; or (iii) the acquisition of public company securities within the permitted authority of the Firm under the relevant Governing Documents).

The acquisition and/or holding of public company securities creates certain risks and conflicts of interest that differ in type or degree from those involved with investments in privately held companies, including but not limited to: (i) volatility in the valuation of investments (which will be dictated based on market volatility, the public markets and the investment decisions of people and entities unaffiliated with the Firm); (ii) the ability to dispose of interests in such investment (and the price effected for a disposition), including the fact that such dispositions will likely be effected at a different price or valuation than it would have been when such company was private; (iii) increased exposure of the Firm or its personnel to MNPI regarding such company (or its competitors, suppliers or others) which can in turn limit the ability of the Adviser to be able to purchase (or dispose) of securities of such companies which if it had otherwise been inclined to do so, may have resulted in the applicable Fund avoiding losses or losing out on potential gains; (iv) the allocation of time and resources of the Firm and/or its personnel; (v) service by Adviser personnel on the boards of such companies (including, if applicable, compensation of such board members and fiduciary obligations to shareholders other than the Fund and approval of board compensation from such public company to the Adviser); (vi) disclosure of Fund interests in such public company including the imposition of new, more frequent and more detailed filing obligations; (vii) increased scrutiny (and “headline risk” associated with a SPAC investment); (viii) increased likelihood of shareholder litigation and insider trading allegations against such company, its executives and board members (which as noted above, can include members or representatives of the Adviser); and (ix) increased costs associated with any of the foregoing.

Conflicts Related to Purchases and Sales. While not a current practice of the Adviser, it is possible that a Fund will make an investment in conjunction with an investment being made by other Funds, or in a transaction where another Fund has already made an investment. In such instances, a conflict is expected to arise. For example, a Fund in certain cases will not 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. It is possible the Adviser will 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 Fund(s) participating in a given transaction. Given the nature of the

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

Investment opportunities potentially will be appropriate for Funds at the same, different or overlapping levels of a portfolio company's capital structure. Conflicts will potentially arise in determining the terms of investments, particularly where these clients invest in different types of securities in a single portfolio company. Questions can arise 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 a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring can raise conflicts of interest, particularly in Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, there is no guarantee that the Funds will provide such additional capital, and if provided, each Fund will supply additional capital in such amounts, if any, as determined by the Adviser in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, the Adviser expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, one Fund versus another Fund (*e.g.*, the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies).

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

Subject to the terms of its organizational documents, it is possible that a Fund will invest in opportunities that other Funds have declined or that a Fund will decline to invest in opportunities in which other Funds have invested.

Investor Participation in Portfolio Company Financing. In certain cases, affiliates of certain investors in a Fund are expected to provide or seek to provide debt financing in connection with a DWHP portfolio company investment made on behalf of a Fund. The Adviser pursues debt financing on terms it believes are advantageous for a Fund when weighing all the factors relevant to the transaction, including the prevailing financing rates and any original issue discount, scope of positive and negative debt financing covenants, prior experience with the applicable counterparty, and such counterparty's

execution capability, reputation and expertise within the industry. Notwithstanding the foregoing, the participation of a Fund investor and its affiliates in multiple segments of a portfolio company's capital structure subject the Adviser and its principals to potential conflicts of interest when negotiating the terms of the applicable debt financing as the provision of financing on favorable terms can encourage the Fund investor and its affiliates to participate in future Funds managed by the Adviser.

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

In addition, the Adviser regularly reports to Fund investors, prospective investors and the investor community more generally, metrics of each Fund's performance, such as rates of return and multiples-of-money, whose calculation depends on the value of the Funds' investments, including unrealized investments. These reports are an indication of the overall health of a Fund and are important to the Adviser's efforts to attract investors to the Adviser and any current or future Fund. An objective of the Adviser's valuation methodologies and procedures is to eliminate any influence these incentives have on fair value determinations.

Investor Transfer of Interest. In certain cases, the Adviser will have an opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interest in a Fund. In the case of ordinary transfers, the Adviser will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors. On occasion, the Adviser has purchased a portion of a Fund investor's interest.

Intangible Benefits. The Adviser and its employees receive certain intangible and/or other benefits or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses often result in "miles" or "points" or credit in loyalty/status programs to the Adviser and/or its employees, and such rewards or amounts will exclusively benefit the Adviser and/or such employees and will not be subject to the offset arrangements or otherwise shared with such Fund, its investors, or the portfolio companies.

Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements. The Governing Documents of each Fund and related documents are detailed agreements that establish complex arrangements among the Adviser, the investors, the Fund, the General Partner and other entities and individuals. Questions arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, can be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times there will not be a provision directly applicable to the situation. While the Adviser will construe the relevant agreements in good faith and in a manner consistent with its legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations the Adviser adopts will not necessarily be, and need not be, the interpretations that are the most favorable to the Funds or their investors.

Conflicts Related to the Withholding of Certain Information. The Governing Documents of the Funds generally permit the applicable Fund's General Partner to withhold information from designated investors in such Fund under specified circumstances. For instance, information will at times be withheld from investors that are subject to Freedom of Information Act or similar requirements. The relevant General Partner may also from time to time elect to withhold certain information from investors for reasons relating to the General Partner's public reputation or overall business strategy, despite the potential benefits to such investors of receiving such information.

Item 9. Disciplinary Information

Like other registered investment advisers, the Adviser is required to disclose all material facts regarding any legal or disciplinary events that would materially impact an investor's evaluation of the Adviser or the integrity of the Adviser's management. The Adviser and its management persons have not been subject to any material legal or disciplinary events applicable to this Item.

On occasion, in the ordinary course of its business, the Adviser, the Funds, or the Funds' portfolio companies (or their respective directors and executive officers) are named as defendants in a legal action. Although there can be no assurance of the outcome of such legal actions, the Adviser does not believe that any current legal proceedings or claims to which the Adviser, the Funds, or the Funds' portfolio companies (or their respective directors and executive officers) are a party, if any, would individually or in the aggregate materially affect an investor's or prospective investor's evaluation of the Adviser or the integrity of the Adviser's management.

Item 10. Other Financial Industry Activities and Affiliations

Neither the Adviser nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing.

The Adviser does not have arrangements with a related person who is a broker-dealer, municipal securities dealer, government securities dealer or broker, investment company, other investment adviser or financial planner, futures commission merchant, commodity pool operator, commodity trading advisor, banking or thrift institution, accountant or accounting firm, lawyer or law firm, insurance company or agency, pension consultant, real estate broker or dealer, or sponsor or syndicator of limited partnerships that are material to its advisory business or to its Funds or its investors. The Adviser has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, investment banking, tax preparation, insurance brokerage and other services. Some of these professionals provide services to the principals, the Funds or their portfolio companies. Additionally, some of these professionals are investors in the Funds, either personally or through their company.

As described above in Item 4, the Adviser is affiliated with the Funds' General Partners are deemed registered with the SEC under the Advisers Act pursuant to the Adviser's registration. DWHP Management Services (Canada) ULC ("DWHP Canada") provides certain advisory, administrative and other support functions to the Adviser in connection with the Adviser's services to the Funds. The Adviser, DWHP Canada, and the General Partners are subject to the Advisers Act pursuant to the Adviser's registration in accordance with SEC guidance. These entities operate as a single advisory business and serve as managers or General Partners of Funds and other pooled investment vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

From time to time, the Adviser receives training, information, promotional materials, meals, entertainment, gifts or other perquisites from vendors and others with whom it does business or to whom it makes referrals. However, at no time will the Adviser accept any benefits, gifts, entertainment or other arrangements that are conditioned on directing individual Fund transactions to a specific investment, product or provider. Similarly, DWHP employees have in the past, and expect in the future, to speak at and attend conferences and programs for potential investors interested in investing in private funds and other industry events that are sponsored by various investment bankers, broker-dealers or others. Through such capital introduction and other events, prospective investors have the opportunity to meet with the Adviser. Neither the Adviser nor any Fund compensates these investment bankers, broker-dealers or others for investments ultimately made by prospective investors attending such events other than registration, sponsorship, membership or other similar fees paid to attend such events.

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

Code of Ethics

The Adviser has adopted a written Code of Ethics that is applicable to supervised persons. The Code of Ethics, which is designed to comply with Advisers Act Rule 204A-1 the which establishes guidelines for professional conduct and personal trading procedures, including certain pre-clearance and reporting obligations. The Code of Ethics requires all supervised persons to place Fund interests

ahead of the Adviser's or their personal interests and to maintain full compliance with the federal securities laws. The Adviser's supervised persons and their households are permitted to purchase investments for their own accounts, including, in some cases, the same investments as are purchased or sold for a Fund, subject to the terms of the Code of Ethics and the terms of the organizational documents of the Funds. Under the Code of Ethics, the Adviser's supervised persons are also required to file certain periodic reports with the Adviser's Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps the Adviser detect and prevent potential conflicts of interest.

Any DWHP supervised persons who violate the Code of Ethics are potentially subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. DWHP supervised persons are also required to promptly report any violation of the Code of Ethics of which they become aware. Further DWHP supervised persons are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any investor or prospective investor upon written request to: John Benear, Chief Compliance Officer, DW Management Services, LLC, 1413 Center Drive, Suite 220, Park City, Utah 84098.

Participation or Interest in Client Transactions

The Adviser and certain members, employees and affiliates of the Adviser generally invest in (and alongside) the Funds, either through the General Partners, as direct investors in the Funds, through personal or employee investment vehicles, or otherwise. A Fund or its General Partner, as applicable, generally expects to reduce all or a portion of the Management Fee and Carried Interest related to investments held by such persons.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account, knowingly buys from or sells a security to an advisory client. This also applies to any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser). Cross trades between funds can also be deemed to be principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either fund. In the context of the Adviser's business, a principal transaction would most likely refer to the practice of warehousing an investment for the formation of a future fund or the Adviser or a Fund General Partner purchasing the interest of an existing investor. Agency cross transactions occur when an adviser or an affiliate arranges a transaction (*i.e.*, acts as broker) between two or more funds or accounts that are managed by that same adviser or an affiliate. Agency cross transactions can also arise where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer. An adviser is not "acting as a broker" if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the assets) for effecting the transaction and therefore is not considered to be conducting an agency cross transaction under Section 206(3) of the Advisers Act. In the context of the Adviser's business, an agency cross transaction would occur when selling a portfolio company, investment or other asset from one Fund to another.

In the event the Adviser were to recommend a principal transaction or agency cross transaction, it would only be after: (i) the Adviser has determined the transaction to be in the best interest of the participating Fund(s); (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the relevant General Partner, advisory committee or investors, as appropriate; (iv) consent is obtained from the appropriate parties; and (v) the Adviser ensures that best execution is achieved for the transaction. During fiscal year 2020, the Adviser engaged in an agency cross transaction in which Fund V sold down a portion of its interest in a portfolio company to the respective Affiliate Fund. The Adviser followed the procedures outlined above, including with respect to appropriate notice and, as applicable, approval of necessary parties.

Conflicts of Interest

If any matter arises that the Adviser determines in its good faith constitutes an actual conflict of interest, the Adviser will take such actions as are necessary or appropriate, and as permitted by any applicable Fund's Governing Documents, to address the conflict.

Personal Trading

The personal trading policy for the Adviser's supervised persons is set forth in the Adviser's Code of Ethics and is acknowledged as received and understood by each supervised person upon hire and annually thereafter. The Adviser's personal trading policies are designed to ensure that no Fund is disadvantaged by the transactions executed by a supervised person and that supervised persons do not misappropriate any benefit properly belonging to a Fund.

The Adviser's supervised persons are prohibited from trading, either personally or on behalf of others, in securities while in possession of material non-public information regarding publicly traded securities or communicating material non-public information about such securities to others. The Code of Ethics establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. The Adviser maintains a restricted list of issuers about which it has or may have material non-public information. Pre-clearance is required by supervised persons for certain personal securities transactions, including trading in restricted list securities, initial public offerings and certain limited offerings. In addition, supervised persons are required to file certain reports and submit their brokerage account statements to the Chief Compliance Officer for review.

The principals and employees of the Adviser will occasionally carry on investment activities for their own account and for family members or others who do not invest in the Funds, and in connection therewith, can potentially give advice and recommend securities which differs from advice given to, or securities recommended or bought for, the Funds, even if their investment objectives are the same or similar. In addition, principals, employees and affiliates are permitted to buy securities in transactions offered to, but rejected by, the Funds or that are outside the investment mandate of the Funds.

Because of the private nature of the Funds' investments, the Adviser does not typically face a situation where a supervised person buys or sells a security for his or her own account at or about the same time that the Adviser is also buying or selling the same securities for the Funds. A supervised person wishing to purchase or sell an interest in a DWHP portfolio company is required to seek pre-approval from the Chief Compliance Officer for such transaction.

Item 12. Brokerage Practices

Generally, the Adviser focuses on securities transactions of private companies and purchases and sells such companies through privately negotiated transactions. In such privately negotiated transactions, best execution is met by the consummation of the deal with the best possible terms for the Fund. In pursuing privately negotiated transactions, the Adviser will, on occasion, engage the services of a broker-dealer or investment banker in connection with the purchase and sale of an investment. Whether for private or public securities transactions, the Adviser selects a broker-dealer or investment banker based on the Adviser's judgment regarding a variety of factors, which will not be limited solely to ultimate deal price, including but not limited to: price; the size of the transaction; the nature of the market for the security; the amount of the commission; the timing of the transaction taking into account market prices and trends; the reputation, experience and financial stability of the broker-dealer; the broker-dealer or investment banker's expertise in dealing with investments that are restrictive or illiquid in nature; the value of any research services provided; and the quality of service rendered by the broker-dealer in other transactions, among other factors.

Although the Adviser generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker-dealer or investment banker can thereby entail higher commissions, or their equivalents, than would be the case with other transactions requiring more routine services.

The Adviser does not receive research or other soft dollar benefits in connection with securities transactions for the Funds, does not receive investor referrals in connection with selecting or recommending broker-dealers for the Funds and does not engage in directed brokerage. In the event the Adviser were to aggregate the purchase or sale of securities for Fund accounts, it would do so on a pro rata basis.

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Funds are generally private, illiquid and long-term in nature, and accordingly the Adviser's review of them is not directed toward a short-term decision to dispose of securities. Decisions as to when to purchase or sell a portfolio company are made by the relevant investment committee. A Fund's portfolio is reviewed by a team of investment professionals on an

on-going basis which includes those investment professionals assigned to individual portfolio companies. Moreover, partners of the Adviser monitor portfolio company performance through regular management meetings, as well as detailed reviews of specific portfolio companies that occur as needed.

Reporting

The Adviser provides to investors on behalf of its Funds the following written reports: (i) annual audited financial statements prepared in accordance with United States generally accepted accounting principles (“GAAP”) as promulgated by the Financial Accounting Standards Board (“FASB”), accompanied by the report of the independent certified public accountant within 120 days of fiscal year end (or such earlier time as required pursuant to applicable Governing Documents); (ii) unaudited financial statements for the first three quarters of each fiscal year; and (iii) annual tax information necessary for the completion of tax returns (K-1). Investors in the Co-Investment Fund receive different reports, as agreed upon with investors in the Co-Investment Fund. The Adviser also has contact with investors (e.g., personal visits, telephone and email) throughout the year as conditions warrant.

In the course of conducting due diligence, investors periodically request information pertaining to the Adviser’s investments. The Adviser responds to these requests, and in answering such requests, provides information that is not always made available to other investors who have not requested such information. Additionally, as it pertains to existing investors, upon request or pursuant to contractual obligations, certain investors receive additional information and reporting that other investors do not receive. The fact that the Adviser provides such information upon request to one or more investors does not obligate the Adviser to affirmatively provide such information to all investors. As a result, certain investors will have more information about a Fund than other investors, and the Adviser has no duty to, and does not intend to, ensure all investors seek, obtain or possess the same information regarding a Fund and its investments and/or portfolio companies.

Item 14. Client Referrals and Other Compensation

As described in Item 5 above, the Adviser receives supplemental fees and reimbursements from the portfolio companies held by the Funds. These fees are paid pursuant to separate agreements entered into with the portfolio companies to provide certain consulting services that the Adviser believes will ultimately enhance the value of the companies and benefit the Funds and their investors.

These types of fee arrangements present potential conflicts of interest and provide the Adviser with an incentive to recommend investments based on compensation received rather than the best interests of the Funds. To help mitigate this potential conflict of interest, an allocable portion of such benefits received by the Adviser or its employees (but not third-party advisers) in connection with services rendered to portfolio companies or transactions of the Funds are offset in part or in whole against Management Fees payable by the Funds, to the extent described above in Item 5 and as detailed in each Fund’s Governing Documents.

When raising capital for a new Fund, the Adviser typically engages the services of a registered broker-dealer to act as a placement agent for Fund units. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Fund that are subsequently accepted. Such Fund, subject to any limitations set forth in its Governing Documents, generally pays such placement agent fees and expenses. Management Fees received by the Adviser are generally reduced by the amount of such fees and expenses paid by the Fund.

In connection with the fundraise for DWHP's most recently closed Fund, Fund V, the Adviser retained M₂O Private Fund Advisors LLC ("M₂O") to serve as the placement agent for such Fund. In exchange for placement services, which included reviewing the Fund's offering materials and introducing prospective investors, M₂O received a fee based upon such Fund's final commitments, in addition to reimbursement of certain expenses.

Item 15. Custody

The Adviser is deemed to have custody of the Funds' assets because of its affiliation with each Fund's General Partner and the General Partners' ability to deduct fees from Fund accounts. To comply with Advisers Act Rule 206(4)-2 (the "Custody Rule"), the Adviser has elected to undergo an annual GAAP financial statement audit by an independent public accountant registered with and subject to inspection by the Public Company Accounting Oversight Board ("PCAOB") for each of the Funds over which it is deemed to have custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective investors within 120 days of fiscal year end (or such earlier time as required pursuant to applicable Governing Documents). In addition, upon the final liquidation of a Fund, the Adviser will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all underlying investors promptly upon completion of the audit. Investors are encouraged to carefully review such financial statements.

The Adviser does not accept physical custody of Fund assets (other than certain privately offered securities to the extent permitted by the Advisers Act). Called capital is directly sent or wired to the relevant Fund's bank account maintained with a qualified custodian. The Adviser receives monthly statements from each of its qualified custodians on behalf of the Funds. For more information about the Adviser's qualified custodians, please see Form ADV Part 1, Schedule D, Section 7.B.(1).

Item 16. Investment Discretion

The Adviser generally receives and exercises complete discretionary authority to manage investments on behalf of the Funds as per the Governing Documents of each Fund. Investment advice is provided directly to the Funds, subject to the discretion and control of the relevant General Partner, and not to investors in the Funds individually. To become an investor in a Fund, an investor must execute, certain Governing Documents, including a subscription agreement and a limited partnership agreement (or similar agreement) with such Fund. Such Governing Documents generally contain a power of attorney that grants the Adviser or the applicable Fund's General Partner certain powers

related to the orderly administration of the affairs of the Funds. Once an investor executes these Governing Documents, with limited exceptions discussed elsewhere in this Brochure, the Adviser is not required to contact such investor prior to transacting business in a Fund.

Generally, the Adviser's only restrictions with respect to managing a Fund, such as, but not limited to, the type of securities in which a Fund invests, will be contained in the relevant Fund's Governing Documents. However, an investor can seek to impose limitations on the Adviser's authority through a side letter agreement, and the Adviser and/or the relevant General Partner can choose to accept reasonable limitations or restrictions at its discretion. All limitations and restrictions placed upon the Adviser's investment authority with respect to an investor's investment must be presented to the Adviser and the relevant Fund's General Partner in writing and agreed to by all applicable parties. Other investors meeting certain commitment thresholds are often provided with notification provisions regarding such side letter agreements but are not provided with consent rights over such agreements.

Item 17. Voting Client Securities

By virtue of the applicable Governing Documents, the Adviser has the authority to vote proxy statements on behalf of the Funds. The majority of "proxies" received by the Adviser, however, are written shareholder consents or similar instruments for private companies owned by the Funds. As such, the Adviser has adopted proxy voting policies and procedures pursuant to Advisers Act Rule 206(4)-6. The Adviser's proxy voting policy seeks to ensure that it votes proxies in the best interest of the Funds, including where there are material conflicts of interest in voting proxies. The Adviser generally believe its interests are aligned with those of the Funds' investors through the principals' beneficial ownership interests in the Funds. However, in the event that there is a conflict of interest in voting proxies, the Adviser's proxy voting policy provides that the Adviser can address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory committee on the proposed proxy vote, or through other alternatives as set forth in the Adviser's proxy voting policy. Investors in the Funds cannot direct how the Adviser votes proxies or shareholder consents, nor is the Adviser required to seek investor approval or direction from investors when voting proxies or when giving consent on any matter requiring the consent of shareholders.

Adviser principals and affiliated or unaffiliated third parties appointed by the Adviser often sit on the boards of portfolio companies to which the Adviser provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. The Adviser does not consider service on portfolio company boards by the aforementioned persons or their receipt of nominal board fees, if any, to create a material conflict of interest in voting proxies with respect to such companies.

The Adviser will provide a copy of its proxy voting policy to investors upon request to John Benear, Chief Compliance Officer, DW Management Services, LLC, 1413 Center Drive, Suite 220, Park City,

Utah 84098. Investors can also obtain information from the Adviser, free of charge, about how the Adviser voted any previous proxies, if any.

Item 18. Financial Information

The Adviser does not require or solicit prepayment of more than \$1,200 in fees per Fund, six months or more in advance; has no financial condition reasonably likely to impair its ability to meet contractual commitments to Funds or investors; and has not been the subject of a bankruptcy proceeding.