

ITEM 1 - COVER PAGE



BROCHURE

Form ADV Part 2A

SEARCHLIGHT CAPITAL PARTNERS, L.P.

March 31, 2021

This brochure provides information about the qualifications and business practices of Searchlight Capital Partners, L.P. If you have any questions about the contents of this brochure, please contact us at +1 212 293 3730 or ir@searchlightcap.com. 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 Searchlight Capital Partners, L.P. is also available on the SEC's website at www.adviserinfo.sec.gov. Searchlight's status as an investment adviser registered with the SEC under the Advisers Act (as defined below) does not imply a certain level of skill or training.

ITEM 2 - MATERIAL CHANGES

This brochure updates the previous Searchlight Capital Partners, L.P. ("Searchlight") brochure dated March 30, 2020. Searchlight routinely makes changes throughout its brochure in an effort to improve and clarify the descriptions of its and its affiliates' business practices and compliance policies and procedures or in response to evolving industry and firm practices. This brochure does not contain any material changes, but provides routine annual updates, certain enhanced disclosures, and updates to Searchlight's regulatory assets under management.

Recipients are encouraged to read the brochure carefully and in its entirety.

ITEM 3 - Table of Contents

| | |
|--|-----|
| Item 1 - COVER PAGE | i |
| Item 2 - Material Changes..... | ii |
| Item 3 - Table of Contents | iii |
| Item 4 - Advisory Business | 5 |
| A. Description of Advisory Firm..... | 5 |
| B. Types of Advisory Services Offered | 5 |
| C. Services Tailored to Individual Needs of Clients..... | 6 |
| D. Wrap Fee Programs | 6 |
| E. Client Assets | 6 |
| Item 5 - Fees and Compensation | 7 |
| A. Fees | 7 |
| B. How Fees are Charged | 7 |
| C. Other Fees and Expenses..... | 8 |
| D. Refunds for Fees Charged in Advance | 11 |
| E. Compensation for Sales of Securities | 11 |
| Item 6 - Performance-Based Fees and Side-By-Side Management..... | 11 |
| A. PE Funds..... | 11 |
| B. Opportunities Fund I..... | 12 |
| C. Opportunities Fund II..... | 12 |
| Item 7 - Types of Clients | 12 |
| Item 8 - Methods of Analysis, Investment Strategies and Risk of Loss | 13 |
| A. Methods of Analysis and Investment Strategies | 13 |
| B. Material Risks..... | 13 |
| C. Recommendations of Particular Securities..... | 26 |
| Item 9 - Disciplinary Information | 26 |
| Item 10 - Other Financial Industry Activities and Affiliations..... | 26 |
| A. Broker-Dealers | 26 |
| B. Futures and Commodity Trading | 26 |
| C. Material Relationships | 26 |
| D. Recommendation or Selection of Other Investment Advisers..... | 27 |

| | |
|---|----|
| Item 11 - Code of Ethics, Participation or Interest in Client Transactions and Personal Trading | 27 |
| A. Code of Ethics | 27 |
| B. Participation or Interest in Client Transactions | 28 |
| C. Personal Trading | 29 |
| D. Personal Trading Contemporaneous with Client Transactions | 30 |
| E. Other Potential Conflicts of Interest..... | 31 |
| Item 12 - Brokerage Practices..... | 33 |
| A. Selection of Broker-Dealers | 33 |
| 1. Research and Other Soft Dollar Benefits | 33 |
| 2. Brokerage for Client Referrals | 33 |
| 3. Directed Brokerage | 33 |
| B. Aggregation of Orders of Securities for Client Accounts..... | 34 |
| Item 13 - Review of Accounts | 34 |
| A. Periodic Review of Client Accounts | 34 |
| B. Factors that Trigger a Review of Client Accounts | 34 |
| C. Reports to Clients Regarding Their Accounts | 34 |
| Item 14 - Client Referrals and Other Compensation | 34 |
| A. Client Referrals..... | 34 |
| B. Compensation for Client Referrals..... | 35 |
| Item 15 - Custody..... | 35 |
| Item 16 - Investment Discretion | 35 |
| Item 17 - Voting Client Securities | 36 |
| A. Authority to Vote Client Securities | 36 |
| Item 18 - Financial Information | 36 |

ITEM 4 - ADVISORY BUSINESS

A. Description of Advisory Firm

Searchlight Capital Partners, L.P., a Delaware limited partnership ("Searchlight" or the "Firm") is a private equity firm established in June 2010. Searchlight was founded by Oliver Haarmann, Erol Uzumeri and Eric Zinterhofer (collectively, the "Principals"), who are the principal owners of the Firm directly and indirectly through Searchlight Capital Partners, LLC, a Delaware limited liability company and the general partner of Searchlight. In addition, the Firm's affiliates, Searchlight Capital Partners UK, LLP and Searchlight Capital Partners Canada Limited act as relying advisers and together with the General Partners (as defined below) operate with Searchlight as a single advisory business. The Firm is a private investment firm operating in North America and Europe with offices in New York, London and Toronto. Searchlight has the ability to invest across the capital structure in both equity and debt. The Firm seeks to invest in attractive companies across a wide range of industries and is comfortable investing in complex situations. Searchlight's objective is to work in partnership with company management by providing patient, long-term capital as well as the strategic and operational support to enhance value creation for all stakeholders. Searchlight currently provides investment advisory services to Searchlight Capital, L.P., Searchlight Capital PV, L.P., and their respective parallel funds and alternative investment vehicles formed from time to time (collectively, "Fund I"), Searchlight Capital II, L.P., Searchlight Capital II PV, L.P., Searchlight Capital II Advisors, L.P. and their respective parallel funds and alternative investment vehicles formed from time to time (collectively, "Fund II"), Searchlight Capital III, L.P., Searchlight Capital III PV, L.P., Searchlight Capital III Advisors, L.P. and their respective parallel funds and alternative investment vehicles formed from time to time (collectively, "Fund III" and together with Fund I and Fund II, the "PE Funds"), Searchlight Opportunities Fund, L.P. and its alternative investment vehicles formed from time to time (collectively, "Opportunities Fund I"), and Searchlight Opportunities Fund II, L.P. and its parallel funds and alternative investment vehicles formed from time to time (collectively, "Opportunities Fund II" and together with Opportunities Fund I, the "Opportunities Funds", together with the PE Funds, the "Funds"). In addition, Searchlight manages co-investment vehicles which invest alongside the Fund. As used herein, "Searchlight Funds" refers to the Funds and any co-investment vehicles formed from time to time, together with subsequently sponsored funds and their related vehicles and co-investment vehicles formed from time to time, and any similar pooled investment vehicles formed or managed by Searchlight or its affiliates. The general partner of Fund I is Searchlight Capital Partners GP, L.P., (the "Fund I General Partner"), the general partner of Fund II is Searchlight Capital Partners II GP, L.P. (the "Fund II General Partner"), the general partner of Fund III is Searchlight Capital Partners III GP, L.P. (the "Fund III General Partner"), the general partner of the Opportunities Fund I is Searchlight Opportunities Fund GP, L.P. (the "Opps Fund I General Partner") and the general partner of Opportunities Fund II is Searchlight Opportunities Fund II GP, L.P. (the "Opps Fund II General Partner", and together with the general partners of any other Searchlight Fund, the "General Partners"). The General Partners and Searchlight are affiliates. The General Partners have the power and authority to delegate the management of the Searchlight Funds to Searchlight. The General Partners and the Fund have entered into management agreements with Searchlight to document the delegation of the management of each Searchlight Fund to Searchlight.

B. Types of Advisory Services Offered

Searchlight provides advice to the Searchlight Funds in respect of their investment portfolios, as well as certain ancillary managerial and administrative services, including, without limitation, identifying and screening potential investments, recommending strategies for the management and disposition of

investments, monitoring the performance of investments, and preparing reports necessary or appropriate for compliance with the governing agreements of the Searchlight Funds. Investments in Searchlight Funds are privately offered only to qualified investors, typically institutional investors (for example, public and private pension funds) and eligible high-net-worth individuals.

C. Services Tailored to Individual Needs of Clients

Searchlight's advisory services are geared to the management of the Searchlight Funds, the investment objectives, parameters and restrictions of which are disclosed to investors in the applicable governing agreements before they invest. Investment restrictions applicable to specific Searchlight Funds are customarily imposed in the governing agreements for such Searchlight Funds, as agreed upon with investors.

Searchlight or certain affiliates have entered and may in the future enter into side letters or other writings with specific investors in Searchlight Funds which have the effect of establishing rights under, or altering or supplementing, the terms of the governing agreements of the Searchlight Funds or an investor's subscription agreement, in respect of the investor to whom such letter or writing is addressed. Generally, any rights established, or any terms altered or supplemented, will govern only that investor and not a Searchlight Fund as a whole. Certain such additional rights but not all rights, terms or conditions may be elected by certain sizeable investors with "most favored nations" rights pursuant to a Searchlight Fund's limited partnership agreement (any Searchlight Fund limited partnership agreement hereinafter referred to as a "Partnership Agreement"). Such side letters have and may in the future impose restrictions on participation in certain investments or types of investments made by the Searchlight Funds, and may also provide benefits to certain investors in a Searchlight Fund not provided to investors in such Searchlight Fund generally. In addition, such side letters may include, without limitation, rights or altered or supplemented provisions in respect of the priority profit share or management fees, carried interest, distributions, co-investments, excuse or exclusion from investments, transfers of interests in the Searchlight Fund, tax and structuring matters, reporting and information rights, confidentiality, notice requirements, compliance with specified laws or regulations and other representations, warranties or diligence confirmations. Neither Searchlight nor its affiliates will enter into a particular side letter if Searchlight determines that the provisions contained in such side letter would be disruptive to the applicable Searchlight Fund or its investment program. Disclosure of applicable side letter provisions is made to investors prior to their investment in the applicable Searchlight Fund.

D. Wrap Fee Programs

Searchlight does not participate in wrap fee programs.

E. Client Assets

As of December 31, 2020, Searchlight had approximately \$8,928,753,000 in regulatory assets under management on a discretionary basis. As of December 31, 2020, Searchlight did not manage any assets on a non-discretionary basis.

The information provided above about the investment advisory services provided by Searchlight is qualified in its entirety by reference to the Searchlight Funds' offering materials and Partnership Agreements and subscription agreements.

ITEM 5 - FEES AND COMPENSATION

A. Fees

The applicable fees for each Searchlight Fund are disclosed to investors in the private offering materials for the relevant private offering and the governing agreements of each Searchlight Fund. The Firm or its designee is generally entitled to receive a management fee or priority profit share (collectively, “Management Fees”) payable semi-annually by the applicable Searchlight Fund with respect to each of the Searchlight Fund’s limited partners (other than any affiliated limited partner). The General Partners generally receive or will receive a “carried interest” or performance fee, in each case, from the respective Searchlight Fund. Performance fees are typically measured as a percentage of the profits of a Searchlight Fund and are negotiated separately for each Searchlight Fund.

Typically, a portion of the Management Fees payable by each investor in a Searchlight Fund will be reduced (but not below zero) by its pro rata share of other fees received by Searchlight or its affiliates in connection with portfolio investments or prospective portfolio investments of a Searchlight Fund, subject to reimbursement first of the General Partners or their respective affiliates for any balance of unreimbursed fund expenses paid by the General Partner or such affiliates. Senior Advisors and Operating Partners (as defined below) are not affiliates of Searchlight. Vehicles that do not pay Management Fees do not receive the benefit of such offset provisions or otherwise share in such fee income.

As permitted under the respective Partnership Agreement, Searchlight has and may in the future waive a portion of the Management Fee. Any such waived portion of the Management Fee reduces the amount of capital Searchlight would otherwise be required to contribute to the respective Searchlight Fund. Upon a waiver, the investors in a Searchlight Fund are then required to make a pro rata contribution according to their respective commitments to fund any such waived Management Fee that Searchlight elects to treat as a contribution and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions.

B. How Fees are Charged

Management Fees are payable or will be payable by each investor in a Searchlight Fund on a semi-annual basis. Management fees are generally collected no earlier than the second business day after the beginning of each semi-annual period. Management fees are paid by capital contributions from investors to each Searchlight Fund pursuant to draw down notices delivered by each Searchlight Fund’s General Partner out of the total amount of capital an investor agrees to contribute to the applicable Searchlight Fund (*i.e.*, an investor’s “capital commitment”) or are paid out of proceeds otherwise distributable to the investors in the Searchlight Funds, including cash held by the Searchlight Fund after the disposition of a portfolio investment of a Searchlight Fund and before the proceeds are distributed to investors (*i.e.*, deducted from the assets of a Searchlight Fund). Management fees may also be paid out of borrowings or cash reserves of the applicable Searchlight Fund.

Installments of the Management Fee payable for any period other than a full semi-annual period generally are adjusted on a pro rata basis according to the actual number of days in such period. Investors in the Searchlight Funds also bear certain fund expenses as further described below.

“Carried interest” or performance fees are assessed periodically, as discussed in more detail under Item 6 below.

Searchlight has exempted and may in the future exempt certain past or present Searchlight principals, employees, Senior Advisors or Operating Partners, service providers, and executive management members of portfolio companies from payment of all or a portion of Management Fees and/or carried interest in respect of their direct or indirect investment in one or more the Searchlight Funds. For example, certain past and present Searchlight principals, employees, Senior Advisors or Operating Partners, service providers, and executive management members of portfolio companies are not subject to Management Fees or carried interest on their direct or indirect investment in one or more of the Searchlight Funds. Additionally, Searchlight has formed, and in the future may form, co-investment vehicles that are not subject to Management Fees or carried interest. Searchlight also has reduced and in the future may reduce Management Fees and/or carried interest through side letter arrangements in certain instances, for example where certain investors have made an early commitment, a large commitment, multiple commitments or any other material concession to one or more of the Searchlight Funds.

C. *Other Fees and Expenses*

Searchlight Funds are subject to customary expenses fees, costs and expenses relating to or arising from the operation of the applicable Searchlight Fund, including without limitation (i) all fees, costs and expenses related to the sourcing, researching, diligencing, investigating, identifying, analyzing, pursuing, negotiating, consummating, acquiring, purchasing, holding, monitoring, managing, seeking disposition (and sale) opportunities and selling (or otherwise disposing of) investments and prospective investments, whether or not consummated, as applicable (including reasonable travel and related expenses, and reasonable meal, communication and certain reasonable and business-related entertainment expenses incurred in connection therewith and the costs of any research services), (ii) all fees, costs and expenses for transactions not consummated, including, without limitation, all amounts payable to third parties and all fees and expenses of lenders, investment banks and other financing sources in connection with arranging financing for transactions that are not consummated by the Fund, and any deposits or down payments that are forfeited in connection with unconsummated transactions of the Fund (including reasonable travel and related expenses, and reasonable meal, communication and certain reasonable and business-related entertainment expenses incurred in connection therewith), (iii) all fees, costs and expenses of outside legal counsel, consultants, advisers, accountants, administrators, custodians, appraisers, record-keepers, brokers, professional service providers and other outside professionals, including, without limitation, all audit fees, appraisal fees, brokerage commissions, banking and investment banking fees and all fees and costs associated with the preparation and filing (as applicable) of the financial statements, tax returns and Schedule K-1s or similar tax schedules of the Fund and any expenses incurred or paid by the tax matters partner, (iv) the costs of any litigation, D&O or E&O liability or other insurance, any indemnification, extraordinary expense, liability, audit and investigation costs and expenses relating to the affairs of the Searchlight Funds (including all amounts paid in connection with settlements, penalties, fines and judgments, but excluding any indemnification claims that are finally determined to not be indemnifiable by the Searchlight Funds) and the fees, costs and expenses of complying with applicable law, rules and regulations, (v) costs and expenses of any meetings of the Searchlight Funds' advisory boards (each an "Advisory Board") or Searchlight Fund Partners ("Partners"), any votes or consents of Partners or the Advisory Board, any amendments to or waivers of the Searchlight Fund's Partnership Agreement or any related agreement (including the fees, costs and expenses of legal counsel to the Advisory Board as described in the applicable governing agreement of the Searchlight Fund), (vi) reasonable and business-related out-of-pocket expenses of any of the Senior Advisors or Operating Partners (as defined below) incurred in performing any services for the Searchlight Funds (other than any entertainment expenses), including any expenses incurred in connection with performing services for one or more of its potential or existing investments, (vii) principal, interest, fees and any other

obligations or expenses arising out of any Indebtedness, including, without limitation, any fees and expenses incurred as a result of the implementation and utilization of any credit facility, (viii) all taxes, duties, fees and other governmental charges levied against the Searchlight Fund and all related filing fees, and (ix) all fees, costs and expenses of the wind down of the Searchlight Fund and its General Partner and the liquidation of the assets of the Fund in connection therewith. In addition, Searchlight Funds will bear all costs, fees and expenses incurred in the formation and organization of the Searchlight Fund and its general partner entities, and the marketing and offering of interests in the Searchlight Fund, including, but not limited to, legal and accounting costs, fees and expenses, travel and related costs and expenses, meal, communication and certain entertainment expenses and filing costs and fees. In accordance with Searchlight's policies, the travel expenses noted above may include business and first class travel, and in certain very limited circumstances the use of private air charters.

In certain instances, a Searchlight Fund has in the past and may in the future bear expenses in respect of an existing or prospective portfolio company that will not be borne by other owners or investors in such portfolio company (including co-investors or co-investment vehicles), where Searchlight has determined such arrangement to be in the best interest of such Searchlight Fund (e.g., a Searchlight Fund engages or pays for a consultant for services in respect of a portfolio company without reimbursement by other owners of the portfolio company). None of these expenses will offset any Management Fees.

Searchlight allocates expenses in a manner it believes is fair and reasonable and consistent with applicable Searchlight Fund governing agreements. Typically, investment-related expenses are allocated among participating Searchlight Funds (including among co-investors or co-investment vehicles) on a pro rata basis. However, fees, costs and expenses incurred in connection with transactions not consummated by the Searchlight Fund are generally borne by such Fund, and not co-investment vehicles or co-investors unless otherwise agreed by such co-investors. Similarly, subscription credit facility fees and expenses are generally allocated entirely to the applicable Fund that is the borrower under such facility.

Each Searchlight Fund will also pay any placement agent fees incurred in connection with the marketing and offering of limited partnership interests in the Searchlight Fund, however, the Management Fees payable by the investors in a Searchlight Fund will be reduced dollar-for-dollar by their share of the amount of placement agent fees paid by the Searchlight Fund, such that the investors in the Searchlight Fund will not ultimately bear the placement agent fees.

Searchlight or one or more of its affiliates may engage or retain one or more third party consultants or investment professionals to assist Searchlight in sourcing transactions and/or providing consulting or related services to the Searchlight Funds' portfolio companies (collectively, "Senior Advisors" or "Operating Partners"). The Senior Advisors or Operating Partners include professionals who are former executives with operating experience, industry specific knowledge and/or geographic expertise. The Searchlight Funds and/or one or more of their respective existing or prospective portfolio companies (a) may pay one or more Senior Advisors or Operating Partners consultancy, advisory, directors', monitoring, transaction, sourcing or other similar fees for services provided in respect of the applicable Searchlight Fund or one or more potential and existing investments, and (b) will reimburse each Senior Advisor or Operating Partner for such person's out-of-pocket expenses incurred in performing any services for the applicable Searchlight Fund, including any expenses incurred in connection with performing services for one or more of its potential or existing investments. The Senior Advisors and Operating Partners are independent contractors that generally receive a monthly retainer which is borne by Searchlight, but they are not employees of Searchlight. If a portfolio company of a Searchlight Fund directly engages a Senior Advisor or Operating Partner, such portfolio company will bear the expenses in connection with such

person's services (including compensation which may be in the form of equity grants), and therefore the applicable Searchlight Fund indirectly bears the expense of any such Senior Advisors or Operating Partners. Any amounts paid to third party consultants, Senior Advisors or Operating Partners by a Searchlight Fund or a portfolio company will not offset or reduce any amount of the Management Fee payable by the applicable Searchlight Fund to Searchlight.

From time to time, the Funds may form and fund "platform" companies, where the Fund forms a portfolio company and recruits a management team to build the portfolio company through acquisitions and organic growth. Typically, after recruiting and partnering with a management team to lead a new portfolio company, the Funds will commit start-up capital to fund the operations of the portfolio company which includes the overhead of the management team and any diligence and related expenses incurred in pursuing acquisition opportunities.

Searchlight or its affiliates from time to time enter into arrangements with service providers that provide for fee discounts for services rendered to the Searchlight Funds and Searchlight. For example, certain law firms retained by Searchlight discount their legal fees for advice in connection with operational, compliance and related matters with respect to Searchlight. To the extent such law firms provide services to the Searchlight Funds, such Searchlight Funds also enjoy the benefit of fee discount arrangements. In some cases, discounts may be based on volume and so certain Searchlight Funds or portfolio companies may receive a greater discount than others depending on the timing of their transactions.

In certain circumstances, one Searchlight Fund may provide a guarantee on behalf of a portfolio company or may pay an expense common to multiple legal entities within one or more Searchlight Fund families and may be reimbursed by the other applicable Searchlight Funds, without interest. One or more Searchlight Funds may enter into indebtedness on a joint and several basis. In such instances, Searchlight is expected to enter into one or more agreements that provide each applicable Searchlight Fund and any applicable co-invest entity with a right of contribution or reimbursement. While highly unlikely, it is possible that one of the other Searchlight Funds or applicable co-invest entities could default on its obligation to reimburse the paying Searchlight Fund.

Searchlight and its personnel can also be expected to receive certain intangible and/or other benefits arising or resulting from their activities on behalf of the Searchlight Funds, which will not be subject to Management Fee offsets or otherwise shared with the Searchlight Funds, their investors and/or portfolio companies. For example, airline travel or hotel stays incurred as fund expenses may result in "miles" or "points" or credit in loyalty or status programs, and such benefits will accrue exclusively to Searchlight or its personnel (and not to the Searchlight Funds, their investors and/or portfolio companies) even though the cost of the underlying service is borne directly by the Searchlight Funds or their portfolio companies and indirectly by the investors in a Searchlight Fund.

Given the nature of the Searchlight Funds' investment programs, Searchlight may transact business through broker-dealers and as a result, the Searchlight Funds may incur brokerage and related transaction costs. A discussion of Searchlight's brokerage practices may be found at Item 12 of this brochure.

The expenses described above are detailed, but do not include every possible expense a Searchlight Fund may incur. Investors should review the applicable Searchlight Fund's offering materials and Partnership Agreement for further details.

D. Refunds for Fees Charged in Advance

Investors in Searchlight Funds agree to commit a certain amount of capital to a Searchlight Fund in advance of any investment advisory functions performed by Searchlight. Management fees assessed by the Searchlight Funds are paid from these amounts and are payable in advance for each period as described above in Item 5.B. Searchlight's services may be terminated under very limited circumstances, and investors are generally expected to participate in the applicable Searchlight Fund for its duration, although investors in the Opportunities Funds have certain withdrawal rights after the initial commitment period expires. Subject to the applicable governing agreements of the Searchlight Funds, should Searchlight's services be terminated before services are provided for the applicable period, fees that have been paid in advance will generally be pro-rated from the date of Searchlight's termination to the end of the period to which the advance fee covered and will be returned to the investors that paid those fees in advance.

E. Compensation for Sales of Securities

Neither Searchlight nor its supervised persons accepts compensation for the sale of securities or other investment products.

ITEM 6 - PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

A Searchlight Fund may be assessed a "carried interest" or performance fees that are paid to the applicable General Partner. "Carried interest" is negotiated separately for each Searchlight Fund in compliance with the Investment Advisers Act of 1940, as amended (the "Advisers Act"). The existence of the General Partners' "carried interest" or performance fee may create an incentive for the General Partners and Searchlight to make riskier or more speculative investments on behalf of the Searchlight Funds than would be the case in the absence of these arrangements. These potential conflicts of interest are addressed in the manner described in Item 11.

As provided under the applicable Partnership Agreements of the Searchlight Funds, carried interest is generally subject to waiver, deferral, retribution or reduction by the General Partner, in its sole discretion, with respect of some or all of the investors in the Searchlight Fund (including in connection with investments in the applicable Searchlight Fund made by the General Partner or its affiliates) with the result being that investors in such Searchlight Fund may pay different performance-based compensation. In allocating investments, Searchlight may have incentives to favor Searchlight Funds with higher potential for carried interest distributions over Searchlight Funds with lower potential for carried interest. As described in more detail below, Searchlight has adopted allocation policies designed to treat all Searchlight Funds fairly and equitably in accordance with the applicable Partnership Agreements and Searchlight's investment allocation policies and procedures.

A. PE Funds

Generally, "carried interest" represents a share of distributions made after return of invested capital, allocable fees and expenses and a preferred annualized "hurdle" rate of return. Carried interest is typically measured as a percentage of the profits of the applicable PE Fund and is negotiated separately for each PE Fund at a rate consistent with industry standards and in compliance with the Advisers Act. Carried interest distributions are generally subject to general partner catch-up. Except as noted below, carried interest distributions also include a "clawback" obligation generally requiring Searchlight to return excess distributions to investors at various stages during the term and at the end of the applicable PE Fund in the

event that Searchlight receives more than its carried interest percentage of profits on an aggregate basis over the life of the applicable PE Fund. Such “clawback” obligation is calculated on an after-tax basis. The PE Funds employ an “American-style” deal-by-deal waterfall carried interest structure where it returns the sum of called capital in respect of realized investments, permanent write-downs or write-offs of unrealized investments, and called capital used to pay allocable fees and expenses, plus a preferred annualized “hurdle” return to investors, before Searchlight receives a carried interest distribution. From time to time, because Searchlight’s affiliates are subject to income tax liabilities relating to carried interest when such carried interest is accrued as opposed to paid, in accordance with the applicable PE Fund’s governing agreement such affiliates may cause the applicable PE Fund to make distributions to them in amounts sufficient to permit the payment of their tax obligations. These advances will reduce any amounts of carried interest that Searchlight and its affiliates later receive until these advances are restored to the applicable PE Fund. In the event that such tax distributions exceed the actual amount of carried interest to which Searchlight or such affiliates are entitled, Searchlight and such affiliates are not obligated to return any such excess distributions.

B. Opportunities Fund I

The “carried interest” is assessed and calculated on an annual basis based on the net increase in value of investors’ capital accounts, taking into account both realized and unrealized gains on investments, at the end of each fiscal year; provided that allocations to the General Partner are subject to certain unrecovered losses in investors’ capital accounts being restored and certain performance thresholds, similar to a preferred return, being met.

C. Opportunities Fund II

Generally, “carried interest” represents a share of distributions made after return of invested capital, allocable fees and expenses and a preferred rate of return. Carried interest allocations do not exceed 20% of profits and are generally subject to general partner catch-ups. Except as noted below, carried interest distributions also include a “clawback” obligation generally requiring Searchlight to return excess distributions to investors at the end of the Opportunities Fund II in the event that Searchlight receives more than its carried interest percentage of profits on an aggregate basis over the life of Opportunities Fund II. Such “clawback” obligation is calculated on an after-tax basis. Opportunities Fund II employs a “European-style” carried interest structure where it returns all called capital (including capital called for fees and expenses) plus a preferred return to investors before Searchlight receives a carried interest distribution. From time to time, because Searchlight’s affiliates are subject to income tax liabilities relating to carried interest when such carried interest is accrued as opposed to paid, in accordance with the Opportunities Fund II’s Partnership Agreement such affiliates may cause our Opportunities Fund II to make distributions to them in amounts sufficient to permit the payment of their tax obligations. These advances will reduce any amounts of carried interest that Searchlight and its affiliates later receive until these advances are restored to Opportunities Fund II. In the event that such tax distributions exceed the actual amount of carried interest to which Searchlight or such affiliates are entitled, Searchlight and such affiliates are not obligated to return any such excess distributions.

ITEM 7 - TYPES OF CLIENTS

Searchlight provides investment advisory services to the Searchlight Funds, which are its only clients. Investment advice is provided directly to such Searchlight Funds and not individually to the limited partners of such Funds. The Searchlight Funds may include investment partnerships or other pooled

investment vehicles formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the “1940 Act”). Interests in the Searchlight Funds are offered privately to a limited number of sophisticated investors, and investors may include institutional investors (for example, public and private pension funds, governmental plans, insurance companies, banks, and fund of private equity funds, etc.) and individuals who qualify to invest in the Searchlight Funds because they have a sufficiently high income or net worth (for example, individuals with at least \$5 million in investment assets). Searchlight typically imposes a minimum investment in connection with investing in a Searchlight Fund, often in the range of \$5 million to \$10 million, although such minimums may be waived in the discretion of Searchlight. In some cases, principals of other private equity firms and service provider professionals (e.g., outside counsel) invest in Searchlight Funds.

Interests in the Searchlight Funds are offered and sold generally to investors that are (i) “accredited investors” as defined under Regulation D of the Securities Act of 1933, as amended and (ii) “qualified purchasers” as defined in the 1940 Act or other “knowledgeable employees” of Searchlight.

ITEM 8 - METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

A. Methods of Analysis and Investment Strategies

The Firm seeks to invest in attractive companies across a wide range of industries and is comfortable investing in complex situations. Searchlight’s objective is to work in partnership with company management by providing patient, long-term capital as well as the strategic and operational support to enhance value creation for all stakeholders. The Searchlight team has a strong global network of relationships with companies large and small, which the team leverages across geographies to enhance deal flow, idea generation and cross border execution.

Investing in portfolio companies involves a high degree of business and financial risk that can result in substantial losses that investors in a Searchlight Fund should be prepared to bear, including up to the entire amount of their investment or commitment. For a discussion of material risks, see Items 8.B and 8.C immediately below. In addition, prospective investors in Searchlight Funds are provided with more detailed information about risks before they invest in any Searchlight Fund in the private offering materials and governing agreements for such Searchlight Fund.

The PE Funds pursue a strategy that targets control positions or positions of influence in leading North American and European middle market businesses at attractive values. The Opportunities Funds pursue a multi-strategy approach by investing in value oriented passive debt and equity securities in North America and Europe.

While the descriptions of the Searchlight Funds’ investment strategies and methods of analysis are relevant to the co-investment funds, each co-investment fund generally invests in one portfolio company of one of the main Searchlight Funds and therefore lacks the potential benefit of diversification and will be particularly exposed to the legal and financial risks associated with that transaction, including the risk of loss. The summary provided herein should not be interpreted to limit in any way the Searchlight Funds’ investment activities.

B. Material Risks

In order for the Firm to succeed on behalf of the Searchlight Funds, it must be able to identify potentially successful business enterprises, a process that is difficult even for those with extensive experience

investing in such enterprises. Portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and may require substantial additional capital to support expansion or to achieve or maintain a competitive position. Investments in a Searchlight Fund are highly speculative, involve a high degree of risk and could result in the loss of part or all of an investor's capital contributions. Prospective investors should not invest in a Searchlight Fund unless they can bear such a loss. There can be no assurance that a Searchlight Fund's investment objectives will be achieved, and investment results may vary materially from one reporting period to the next. In addition, there will be occasions when the Firm and its affiliates may encounter potential conflicts of interest in connection with the Searchlight Funds. Consequently, investments in Searchlight Funds are suitable only for sophisticated investors capable of making an informed independent decision as to the risks involved in an investment. In addition to the risks set forth above, there are several additional risk factors to consider prior to making an investment in a Searchlight Fund including, but not limited to, the risk factors set forth in this Item 8.B and the risk factors disclosed to investors before they invest in any Searchlight Fund in the private offering materials and governing agreements for such Searchlight Fund. All investors are required to represent in their subscription materials that they have carefully read the risk factor disclosures and understand all such risks. Prospective investors are also advised in the offering materials that the risk factors and other investment considerations described therein are not necessarily a complete list or explanation of all risks involved and are advised to consult their own counsel and other advisors.

Without limiting (i) the foregoing, (ii) the disclosure set forth in the Searchlight Funds' private offering documents and governing agreements, and (iii) the acknowledgements made by investors in their subscription agreements or otherwise, the discussion below summarizes certain of the material risks associated with investments in the Searchlight Funds:

Nature of Investment: An investment in a Searchlight Fund requires a long-term commitment, with no certainty of return. Portfolio investments of a Searchlight Fund may not generate current income. Therefore, the return of capital and the realization of gains, if any, from a portfolio investment generally will occur upon the partial or complete realization or disposition of such portfolio investment. While a portfolio investment may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of a Searchlight Fund's portfolio investments will not occur for a number of years after such portfolio investments are made.

Restrictions on Transfer and Withdrawal; Lack of Liquidity: The interests in Searchlight Funds are not registered under the Securities Act or any other applicable securities laws and there will be no public or private market for the interests in Searchlight Funds and none is expected to develop. In addition, the interests in Searchlight Funds are not transferable and may not be encumbered.

Prior Investment Performance Not Indicative of Future Results: The performance of prior investments made by a Searchlight Fund or Searchlight's Principals or other investment professionals is not indicative of any Searchlight Fund's future results. On any given investment, total loss of the investment is possible.

Investors Will Not Participate in Management of the Searchlight Funds: Searchlight and the General Partners will have the exclusive responsibility for the Searchlight Fund's activities, including the management, day-to-day operations and investment and disposition decisions for the Searchlight Funds. Accordingly, investors in a Searchlight Fund will have almost no control over their investments in a Searchlight Fund and will not have the opportunity to approve investments made by a Searchlight Fund or to independently evaluate the information that will be utilized by Searchlight and the General Partners in the selection, management or disposition of investments.

Dependence on Key Personnel: The success of a Searchlight Fund depends in substantial part upon the skill and expertise of the Principals and other investment professionals of Searchlight. There can be no assurance that the Principals and other investment professionals will continue to be partners of or employed by Searchlight. The loss of service to a Searchlight Fund of one or more investment professionals could have a material adverse effect on the success of a Searchlight Fund.

Effect of Fees and Expenses on Returns: A Searchlight Fund will pay fees and will bear all expenses related to its operations. Such fees are expected to reduce the actual returns to investors in a Searchlight Fund. Most of the fees and expenses will be paid regardless of whether a Searchlight Fund produces positive investment returns.

Indemnification: Searchlight and its respective members, partners, shareholders, directors, officers, employees, agents, and affiliates, will be entitled to indemnification from a Searchlight Fund, except in certain circumstances. The assets of a Searchlight Fund will be available to satisfy these indemnification obligations, and investors in a Searchlight Fund may be required to return distributions to satisfy such obligations. Such obligations will survive the dissolution of a Searchlight Fund.

Failure to Make Capital Contributions: If any investor in a Searchlight Fund fails to fund its subscription obligation or make required capital contributions when due, a Searchlight Fund's ability to complete its investment program or otherwise continue operations may be impaired and the investor may be subject to significant consequences.

Regulatory Concerns: Each Searchlight Fund is not required to, and does not intend to, register as an investment company under the Investment Company Act. Accordingly, certain provisions of the Investment Company Act (which may provide certain regulatory safeguards to investors) will not be applicable.

Legal, Tax and Regulatory Risks: During the term of a Searchlight Fund, legal, tax and regulatory changes could occur that may adversely affect a Searchlight Fund. Failure to comply with the requirements imposed on Searchlight or the Searchlight Funds as a consequence of registrations or requirements that are currently applicable, or in future may be imposed, may have a significant adverse effect on Searchlight's ability to perform its duties to the Searchlight Funds. Searchlight's ability to source and execute transactions for the Searchlight Funds may also be adversely affected by negative publicity arising from any regulatory compliance failures or other inappropriate behavior attributed to or any other publicity related to Searchlight, the General Partners', the Searchlight Funds' or a portfolio company's reputation.

Credit Facility: The General Partner may establish one or more credit facilities for a Searchlight Fund with one or more financial institutions. Implementation and utilization of any credit facility may result in fees and expenses to a Searchlight Fund. In addition, the Searchlight Funds may be required, in certain instances, to provide credit support in connection with the underlying portfolio investments' use of such Searchlight Fund's credit facility.

Recourse to a Searchlight Fund's Assets: A Searchlight Fund's assets, including any investments made by a Searchlight Fund and any capital held by a Searchlight Fund, are available to satisfy all liabilities and other obligations of a Searchlight Fund. If a Searchlight Fund itself becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to a Searchlight Fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.

Competitive Marketplace: A Searchlight Fund will be competing with a significant number of private equity funds, as well as institutional investors and strategic investors, for investments in prospective portfolio companies. As a result of this competition, there can be no assurance that a Searchlight Fund will be able to locate suitable investment opportunities, acquire them for an appropriate level of consideration, achieve its targeted rate of return or fully invest its committed capital.

Limited Number of Investments: A Searchlight Fund may participate in a limited number of investments and, as a consequence, the aggregate return of a Searchlight Fund may be substantially affected by the unfavorable performance of a single investment.

Minority Investments: A Searchlight Fund may make minority equity investments or investments in debt securities in portfolio companies where the Searchlight Fund may not be able to protect its investment or to control or influence effectively the business or affairs of such entities to the same extent as it would in a controlled investment. As discussed above, the Opportunities Funds' investment mandate is to make non-control investments and, as a result, returns in the Opportunities Funds may be impacted more frequently by decisions of majority equityholders of such investments, which may include actions that limit the Opportunities Funds from exiting minority positions on a timely basis.

Leverage: A Searchlight Fund's investments are expected to include companies whose capital structures may have significant leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although Searchlight will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the portfolio companies or their respective industry. Additionally, the securities acquired by a Searchlight Fund may be the most junior in what may be a complex capital structure and thus subject to the greatest risk of loss. In addition, the Opportunities Funds are expected to utilize leverage in the acquisition of portfolio investments, and accordingly, investors would not receive a preferred return accrual on such amount until such time as capital is actually called from investors.

Hedging: A Searchlight Fund may enter into purchase swaps, forward contracts and other arrangements to seek to preserve a return on a particular investment or to seek to protect against currency fluctuations. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by a Searchlight Fund relating thereto. Although such transactions may reduce a Searchlight Fund's exposure to currency fluctuations or decreases in the value of investments, the costs associated with these arrangements may reduce the returns that a Searchlight Fund would have otherwise achieved if it had not entered into these transactions.

Swaps: Searchlight Funds may enter into swap agreements to facilitate its investment objectives and for hedging purposes. Swap agreements may be individually negotiated to include exposure to a variety of different types of investments or market factors. If a swap counterparty's creditworthiness declines, the value of the related swap agreement would likely decline, potentially resulting in losses to the Searchlight Funds. A significant factor in the performance of swap agreements is the change in the specific amounts of payments to and from a Searchlight Fund.

Derivatives: Searchlight Funds may invest in complex derivative instruments which seek to modify or replace the investment performance of particular securities, currencies or interest rates. Depending on how derivatives are used, they may increase or decrease the volatility of a Searchlight Fund's portfolio.

Derivatives may have very high leverage embedded in them, which can substantially magnify market movements and result in losses greater than the amount of the investment. Some of the markets in which the Searchlight Funds may effect derivative transactions are over-the-counter or interdealer markets. Such markets may expose the Searchlight Funds to risks that a counterparty will not settle a transaction because of a credit or liquidity issue or because of disputes over terms of the contract.

Bridge Financing: A Searchlight Fund may provide bridge financing or investments in connection with one or more of its equity investments. A Searchlight Fund will bear the risk of any changes in capital markets that may adversely affect the ability of a portfolio company to refinance any bridge investments. If the portfolio company were unable to complete a refinancing, a Searchlight Fund could have a long-term investment in a junior debt security or a junior debt security that is convertible into equity.

Nature of Distressed Investments: Searchlight Funds may invest in debt obligations and other securities of distressed companies. These debt obligations and other securities will by their nature relate to companies in unstable financial condition and entail substantial inherent risks. Many of these companies likely will have significantly leveraged capital structures, making them highly sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the portfolio companies to adverse economic factors such as downturns in the economy or deterioration in the condition of the portfolio company or its industry.

Effects of Bankruptcy: A Searchlight Fund may make investments in portfolio companies that are or may become the subject of voluntary or involuntary bankruptcy proceedings under applicable bankruptcy laws. Certain risks that are faced in bankruptcy cases that must be factored into the investment decision include, for example, the potential total loss of any such investment. Upon confirmation of a plan of reorganization under applicable bankruptcy laws, or as a result of a liquidation proceeding, a Searchlight Fund could suffer a loss of all or a part of the value of its investment in a portfolio company. A bankruptcy filing may adversely and permanently affect a portfolio company. The portfolio company could lose market position and key employees, and the liquidation value of the portfolio company may not equal the liquidation value that was believed to exist prior to the making of the initial investment.

Difficulty in Valuing Investment Portfolio: The valuation of Searchlight Fund investments, which will affect the performance results of the Searchlight Funds, involves uncertainties and subjective determinations. Because Searchlight determines in its discretion the value of Searchlight Fund investments, potential conflict of interest exists in making valuation determinations given the potential impact of such valuations on a Searchlight Fund's performance, particularly with respect to payment of performance fees.

Toehold Investments: Searchlight Funds may accumulate minority positions in the outstanding voting stock, or securities convertible into the voting stock, of potential portfolio companies. While Searchlight Funds will generally seek to achieve such accumulation through open market purchases, registered tender offers, negotiated transactions, or private placements, the Searchlight Funds may be unable to accumulate a sufficiently large position in a target company to execute its strategy.

Risks In Effecting Operating Improvements: In many cases, the success of a Searchlight Fund's investment strategy will depend, in part, on the ability of a Searchlight Fund to effect improvements in the operations of a portfolio company. The activity of identifying and implementing potential operating improvements at portfolio companies entails a high degree of uncertainty. There can be no assurance that a Searchlight Fund will be able to successfully identify and implement such improvements.

Investments in Debt Securities Generally: Searchlight Funds may invest in debt securities and obligations which entail typical credit risks (i.e., the risk of non-payment of interest and principal) and market risks (i.e., the risk that interest rates and other factors will cause the value of the instrument to decline).

Interest Rate Risks: Generally, the value of fixed-income securities changes inversely with changes in interest rates. As interest rates rise, the market value of fixed-income securities tends to decrease. Conversely, as interest rates fall, the market value of fixed-income securities tends to increase. This risk is greater for long-term securities than for short-term securities.

Investments in Junior, Unsecured Securities: Searchlight Funds may acquire securities which are junior, unsecured, equity or quasi-equity instruments. While this approach can facilitate obtaining control and then adding value through active management, it also means that the Searchlight Fund's positions will be unsecured. The ability of the Searchlight Funds to influence an issuer, especially during periods of financial distress or following insolvency, is likely to be substantially less than that of senior creditors. Investments in junior, unsecured securities may be subject to early redemption features, refinancing options, prepayment options or other similar provisions, which, in each case, could result in the issuer repaying the principal on an obligation earlier than expected.

Sub-Investment Grade and Unrated Debt Obligations: Searchlight Funds investment strategy may result in investments in sub-investment grade securities, which are subject to greater risk of loss of principal and interest than higher-rated instruments. Because investors generally perceive that there are greater risks associated with non-investment grade instruments, yields and prices of such instruments may fluctuate more than those that are higher rated.

Pay-In-Kind Bonds: Searchlight Funds may invest in PIK bonds. PIK bonds pay interest through the issuance of additional debt or equity securities. These instruments realize no cash until the cash payment date unless a portion of the instrument is sold. If the issuer defaults, the Searchlight Funds may obtain no return on its investment. Current U.S. federal tax law requires the holders of certain types of PIK bonds to accrue income with respect to these securities prior to the receipt of cash payments, which may result in the Searchlight Funds generating taxable income without cash needed to make distributions of such income to its investors.

Preferred Stock and Other Equities: Searchlight Funds may invest in preferred stock which may have characteristics of both debt and equity. Dividend payments to preferred stockholders may be suspended or cancelled if the issuer experiences liquidity difficulties and the principal paid for preferred stock is generally subordinate to the debt obligations of the issuer. Preferred stocks are not generally entitled to meaningful covenant protection. Some preferred stocks may be non-cumulative, which means that the issuer does not ever have to declare or pay dividends on the stock or make-up any missed dividends.

Convertible Securities: Searchlight Funds may invest in convertible securities. A convertible security is a bond, debenture, note, preferred stock or other security that may be converted for a prescribed amount into common stock or other equity security of an issuer. Convertible securities rank senior to common stock in a corporation's capital structure, but are typically subordinated to comparable non-convertible securities. Convertible securities may be subject to redemption at the option of the issuer at a price established in the convertible security's governing documents. The value of a convertible security will be influenced by its "conversion value", which is the market value of the underlying equity security that would be obtained if the convertible security was converted.

Non-U.S. Investments: Searchlight Funds may invest in portfolio companies organized and operating primarily in certain countries outside the United States. Such non-U.S. Investments may involve risks and special considerations not typically associated with U.S. Investments. Such risks may include (i) the risk of nationalization or expropriation of assets or confiscatory taxation, (ii) social, economic and political uncertainty, including corruption, war and revolution, (iii) dependence on exports and the corresponding importance of international trade, (iv) price fluctuations, market volatility, less liquidity and smaller capitalization of securities markets, (v) currency risks, including exchange rate fluctuations, devaluation and the costs of currency conversions, (vi) rates of inflation, (vii) controls on, and changes in controls on, foreign investment, limitations on repatriation of invested capital, proceeds from the sale of securities and other remittances, and on a Searchlight Fund's ability to exchange local currencies for U.S. dollars, (viii) governmental involvement in and control over such non-U.S. economies, (ix) governmental decisions to discontinue support of economic reform programs generally and impose centrally planned economies, (x) differences in auditing and financial reporting standards which may result in the unavailability of material information about issuers, (xi) less extensive regulation of the securities markets, (xii) longer settlement periods for securities transactions, (xiii) less developed corporate laws regarding fiduciary duties and the protection of investors, (xiv) adverse effects of local withholding and foreign tax requirements on repatriation of income from and investments in entities that are organized or domiciled in non-U.S. jurisdictions, (xv) less reliable judicial systems to enforce contracts and applicable law, (xvi) foreign restrictions and prohibitions on ownership of property by U.S. entities and changes in foreign laws relating thereto, and (xvii) incidents of terrorism.

Reinvestment: Under certain circumstances, proceeds distributable (or previously distributed) to the investors in a Searchlight Fund that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by Searchlight or used (or recalled for use) by Searchlight for any other proper purpose. Accordingly, an investor may be required to fund for investments or expenses during the term of a Searchlight Fund an aggregate amount that significantly exceeds its capital commitment.

Unspecified Use of Proceeds: Investors in a Searchlight Fund do not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by a Searchlight Fund and, accordingly, will be dependent upon the judgment and ability of Searchlight in investing and managing the capital of a Searchlight Fund.

General Economic Conditions; Market Dislocation: U.S. and global market and economic conditions may decrease the demand for consumer products and may impact the Searchlight Funds' ability to, among other things: (a) make and dispose of investments on favorable terms, (b) access credit markets on favorable terms (or at all), and (c) attract co-investors and other counterparties to do business with the Searchlight Funds. There can be no assurance as to the future direction of national and global market and economic conditions. The market outlook, trends, opportunities and other matters presented in the Searchlight Funds' private offering documents and governing agreements are based on various estimates and assumptions, including about future events. There can be no assurance that such market outlook, trends, opportunities and other matters will materialize.

Withdrawal of the United Kingdom from the European Union: The United Kingdom ("UK") withdrew from the European Union (the "EU") on January 31, 2020 ("Brexit"). In connection with Brexit the UK and the EU agreed on the Trade and Cooperation Agreement ("TCA") that governs the future trading relationship between the UK and the EU in specified areas. The uncertainty surrounding the implementation of the TCA and the outcome of ongoing negotiations may have economic, tax, fiscal, legal,

regulatory and other implications for the asset management industry, the broader European and global financial markets generally and for private funds, such as the Searchlight Funds, and their Investments. This uncertainty is likely to continue to impact the global economic climate and may impact opportunities, pricing, availability and cost of bank financing, regulation, values or exit opportunities of companies or assets based, doing business, or having service or other significant relationships in, the UK or the EU, including companies or assets held or considered for prospective investment by the Searchlight Funds.

The ongoing effects of Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management (due in part to redenomination of financial assets and liabilities), an adverse effect on the ability of Searchlight to manage, operate and invest the Searchlight Funds and an increased legal, regulatory or compliance burden for Searchlight and/or the Searchlight Funds. There can be no assurance that any negotiated laws, taxation and/or regulations will not have an adverse impact on the Searchlight Funds and their investments, including the ability of the Searchlight Funds to achieve their investment objectives.

The AIFMD and the UK AIFMR: The Directive on Alternative Investment Fund Managers, together with any supplementary regulation implemented in the UK following Brexit ("UK AIFMR"), or subordinate legislation or guidance thereto implemented in any relevant jurisdiction (the "AIFMD"), imposes requirements on AIFMs (as defined in the AIFMD) that market AIFs (as defined in the AIFMD) to professional investors who are domiciled within the European Economic Area (the "EEA") or the UK, as applicable. For these purposes certain of the Searchlight Funds are non-EEA and non-UK AIFs and the Firm is a non-EEA and non-UK AIFM. The AIFMD allows member states to permit the marketing of non-EEA AIFs by non-EEA AIFMs in accordance with local laws, provided that local laws meet the requirements of the AIFMD. There is no requirement for member states to operate or maintain a national private placement regime and, if they do, the member state is free to impose stricter rules than the minimum requirements of the AIFMD. Where national private placement is permitted, the AIFM must comply with certain minimum requirements, though some jurisdictions require a non-EEA AIFM to comply with substantially all of the AIFMD or certain additional compliance requirements, such as the appointment of a depositary. Given that national private placement regimes are, by definition, a matter of national law, a non-EEA AIFM must comply with different regulatory requirements in different member states, both in respect of the initial process for seeking to market in that member state and with respect to ongoing compliance. Since the Firm, as a non-EEA entity, is not currently eligible for authorization and therefore cannot have the benefit of a marketing "passport", it is required to comply with the national private placement regimes and other applicable rules of those EEA member states that allow private placement and in which interests in a Searchlight Fund is marketed and sold.

Where the Firm has marketed a Searchlight Fund in a member state in compliance with the national private placement regime and that marketing has resulted in investors in that member state investing in such Searchlight Fund, the Firm's ongoing compliance with the laws of that member state will continue at least until all of such investors dispose of their interests in such Searchlight Fund. Compliance with these requirements may therefore result in significant additional costs over the life of the Searchlight Funds and may reduce returns to investors. The rules, regulations and guidance related to the marketing of interests to investors domiciled or having their registered office in the EEA remain uncertain. The Firm and its affiliates and agents has endeavored to comply with these uncertain and evolving rules as interpreted as of the date of this brochure, but there is not absolute certainty as to their successful compliance. In the event that the Firm or any of its affiliates or agents is found to have breached the provisions of the AIFMD (inadvertently or otherwise), such parties (and/or a Searchlight Fund indirectly) may face regulatory

sanctions as a result of its non-compliance. Such activities and sanctions may impact the enforceability of any subscriptions received from investors domiciled or resident in the EEA (including potential rescission rights with respect to such investors), result in significant costs and ultimately materially and adversely affect such Searchlight Fund, its financial condition, liquidity, reputation and operations.

Certain EEA member states have announced their intention to abolish their national private placement regimes in the near future. The abolition of such regimes may further limit the territories in which a Searchlight Fund may seek investors. In the future, the Firm (or its associates) may seek authorization as an AIFM in an EEA member state (should that option become available) and/or under a similar regime elsewhere. This would entail compliance with all requirements of the AIFMD (and/or with similar requirements of a similar regime). In such circumstance, the AIFM of such Searchlight Fund would become subject to additional requirements, such as rules relating to remuneration, minimum regulatory capital requirements, restrictions on the use of leverage, restrictions on investment in securitization positions, requirements in relation to liquidity and risk management, asset-stripping prohibitions, valuation of assets, etc. Such requirements could adversely affect a Searchlight Fund, among other things by increasing the regulatory burden and costs of operating and managing the Searchlight Fund and its investments, as well as result in indirect ramifications. Any required changes to compensation structures and practices, for example, could make it harder for the AIFM and its affiliates to recruit and retain key personnel.

Following Brexit and subject to compliance with the UK AIFMR, AIFMs may market AIFs to professional investors who are domiciled within the UK pursuant to the UK national private placement regime. The UK AIFMR currently imposes compliance obligations that are broadly similar to those detailed above in connection with a non-EEA AIFM marketing a non-EEA AIF pursuant to the national private placement regimes of certain EEA member states.

Data Privacy: The protection of personal data has been the subject of national, international, and other regulatory guidance and proposals for reform. Among other such regulatory reforms, the General Data Protection Regulation (“GDPR”) provides for the protection of the individual’s right to privacy with respect to the processing of personal data and is directly applicable in all EEA member states. Following Brexit, the GDPR has been imposed in UK law, as the UK General Data Protection Regulation (“UK GDPR”). The UK’s data protection regime primarily consists of the UK GDPR and the UK Data Protection Act 2018 (the “UK DP Laws”). To the extent Searchlight or its agents offers investment opportunities to, or monitors the behavior of, natural persons located in the EEA and the UK (“Data Subjects”), the Firm will be deemed to be a “controller” with respect to personal data collected from such Data Subjects and will be required to comply with the provisions of the GDPR and related UK laws, which are extensive and implement stringent operational requirements and onerous accountability obligations for controllers and processors of personal data, including, for example, requiring expanded disclosures about how personal information is to be used, limitations on retention of information, mandatory data breach notification requirements, and higher standards for controllers to demonstrate that they have obtained valid consent or have another legal basis in place to justify their data processing activities. The GDPR provides that EEA member states may make their own additional laws and regulations in relation to certain data processing activities, and may impose stricter governance requirements, which could limit Searchlight's ability to use and share personal data or could require localized changes to Searchlight's or a Searchlight Fund's operating model, if applicable. The provisions of the GDPR and related UK laws may also apply to a Fund's investments, to the extent that they are established in the EU and the UK, or offer goods or services to, or monitor the behavior of, EEA and UK Data Subjects. The Firm is also subject to certain rules with respect to cross-border transfers of personal data out of the EEA and the UK.

As regulatory authorities issue further guidance on the collection and use of personal data and/or start taking enforcement action, Searchlight may incur additional costs, and/or become subject to regulatory investigations or fines, which may affect the manner in which we conduct our business. We may also face civil claims including representative actions and other class action type litigation (where individuals have suffered harm), potentially amounting to significant compensation or damages liabilities, as well as associated costs and diversion of internal resources. An assessment by a regulatory authority that the Firm has not complied with the requirements of the GDPR, UK GDPR or other application privacy regimes could result in serious financial and reputational damage to the Firm or a Fund. These laws (if applicable) also could cause costs of a Fund and its investments to increase and result in further administrative burden, which is likely to reduce capital and time that can be deployed for making investments.

Environmental, Social & Governance (“ESG”) Matters: ESG matters have been the subject of increased focus by regulators in the US and EU, among other jurisdictions. While Searchlight strives to implement ESG practices, there can be no assurance that Searchlight will be able to identify all ESG issues or will be able to successfully implement its ESG policies. The use of ESG metrics in the investment process may be subjective and are not subject to uniform standards, and, as such, there is no guarantee that Searchlight will be able to accurately assess and measure the ESG risks and ESG compliance of a Searchlight Fund’s investments and/or potential investments. ESG-based exclusionary criteria may result in a Searchlight Fund foregoing opportunities to make certain investments when it might otherwise be advantageous to do so, and/or selling certain investments due to their ESG characteristics when it might be disadvantageous to do so. The use of ESG criteria may affect a Searchlight Fund’s investment performance and, as such, a Searchlight Fund may perform differently compared to similar funds that do not use such criteria.

Disease and Epidemics: The impact of disease and epidemics may have a negative impact on a Searchlight Fund, its portfolio companies and their performance and financial position. Coronavirus, renewed outbreaks of other epidemics or the outbreak of new epidemics could result in health or other government authorities requiring the closure of offices or other businesses and could also result in a general economic decline. For example, such events may adversely impact economic activity through disruption in supply and delivery chains. Moreover, Searchlight’s operations and those of a Searchlight Fund and its portfolio companies could be negatively affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses may have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on Searchlight’s business and a Searchlight Fund and its portfolio companies. The duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated.

A novel strain of coronavirus surfaced in December 2019 and subsequently spread around the world, with resulting business and social disruption. The speed and extent of the spread of COVID-19 and the duration and intensity of resulting business disruption and related financial and social impact have been material and are expected to remain material for the foreseeable future. Governmental agencies and private sector participants have sought to mitigate the adverse effects of COVID-19, which have included such measures as heightened sanitary practices, telecommuting, quarantine, curtailment or cessation of travel and other restrictions, and, more recently, the medical community has developed multiple vaccines that have proven effective in studies and are currently being rolled out to various segments of the population. However, delays and other logistical issues relating to vaccination of large segments of the population continue to significantly impact the timeline of a COVID-19 recovery. Searchlight’s operations and

business results, including with respect to a Searchlight Fund and its portfolio companies, could continue to remain materially adversely affected by the COVID-19 outbreak for the foreseeable future.

Regulatory Changes: A portfolio company in which the Searchlight Funds invest could be materially and adversely affected as a result of new laws or regulations, or statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company, the markets in which such company operates or such company's industry generally. For example, environmental laws regulating infrastructure projects could become more restrictive, as governments aim to limit the impact of infrastructure on the environment, wildlife and natural resources and reduce the emissions of greenhouse gases. Such changes could materially and adversely affect the performance of one or more of the Searchlight Funds' investments. Moreover, additional regulatory approvals and permits, including renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s), or for other reasons. Changes in laws and regulations could result in increased compliance costs, additional capital expenditures or unanticipated liabilities. A portfolio company also could be materially and adversely affected by regulations that have been vacated, remanded or otherwise limited by court decisions, which creates considerable uncertainty as to how these regulations will be modified and/or ultimately implemented. Any such modifications could alter the competitive landscape and/or the nature of the markets in which a portfolio company operates in a material and adverse manner to such portfolio company.

Risks Upon Dispositions of Investments: In connection with the disposition of a portfolio investment, a Searchlight Fund may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business. It may also be required to indemnify the purchasers of such investment to the extent that any such representation turns out to be inaccurate and in connection with such indemnification obligations may be required to holdback certain funds in escrow accounts for a period of time following such disposition. Any such escrowed funds will delay payment to a Searchlight Fund's investors, even if such investors are properly entitled to such amount. These arrangements may result in contingent liabilities of a Searchlight Fund, which might ultimately have to be funded by the investors in a Searchlight Fund to the extent that such contingent liabilities exceed the reserves and other assets of a Searchlight Fund and the investors of a Searchlight Fund have received prior distributions from a Searchlight Fund.

Distributions in Kind: Although, under normal circumstances, a Searchlight Fund intends to make distributions in cash or in publicly traded securities, it is possible that under certain circumstances (including the liquidation of a Searchlight Fund) distributions may be made in kind and could consist of securities for which there is no readily available public market.

Benefit Plan Investors: Searchlight Funds are generally structured so that their underlying assets will not constitute assets of any plan subject to Title I of ERISA or Section 4975 of the United States Internal Revenue Code of 1986, as amended. This may restrict a Searchlight Fund's activities, preclude it from making certain investments, and require it to take actions that may expose the assets of the Searchlight Fund to claims or liabilities. Failure to structure a Searchlight Fund accordingly may also expose a Searchlight Fund to additional duties and liabilities under ERISA.

General Tax Considerations: Searchlight Funds are generally expected to be treated as pass-through vehicles for U.S. federal income tax purposes. Investments in Searchlight Funds give rise to a variety of

complex U.S. federal income tax, non-U.S. income tax and other tax issues for both tax-exempt and non tax-exempt investors.

Cyber Security Breaches and Identity Theft: Searchlight, each Searchlight Fund and each Searchlight Fund's portfolio companies generally rely on information technology systems for current and planned operations. Information and technology systems of Searchlight and each Searchlight Fund's portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors or malfeasance by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, Searchlight, a Searchlight Fund or a portfolio company may have to make a significant investment to fix or replace them. Any disruption in any of these systems or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect the Searchlight Funds' investment results and its ability to make distributions to its partners. The failure of these systems or of disaster recovery plans for any reason could cause significant interruptions in Searchlight's, the Searchlight Funds' or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Searchlight's, the Searchlight Funds' or a portfolio company's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Investments with Co-Investors: Searchlight Funds may co-invest in one or more investments with strategic investors, lenders, limited partners (or affiliates thereof) and/or other third parties through joint ventures or other entities, which parties in certain cases may have different interests or superior rights to those of the Searchlight Funds. The Searchlight Funds may not have control rights over certain of its investments and, therefore, may have a limited ability to protect its position therein. In addition, the Searchlight Funds' investments will be subject to typical risks in connection with third-party involvement, including the possibility that a third-party may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Searchlight Funds, or may be in a position to take (or block) action in a manner contrary to the Searchlight Funds' investment objectives. The Searchlight Funds may also in certain circumstances be liable for the actions of its third-party partners or co-investors. Investments made with third parties in joint ventures or other entities may involve carried interests or fees payable to such third-party partners or co-investors, thereby reducing the distributions to the Searchlight Funds. In addition, such co-investments may or may not be on substantially the same terms and conditions as the Searchlight Funds, and such different terms may be disadvantageous to the Searchlight Funds or to any investor participating directly or indirectly therein.

Diverse Investor Group: Searchlight Fund investors may have investment, tax or other interests that compete with or conflict with the interests of one or more of the Searchlight Funds, other investors in the Searchlight Funds, and/or the portfolio companies. Investors may also be service providers to or counterparties of the Searchlight Funds and their portfolio companies. The General Partners manage the Searchlight Funds based on the particular Searchlight Fund's overall investment objectives, not the objectives of individual investors. Conflicts of interest may arise in connection with decisions made by the General Partners, including with respect to the nature or structuring of investments or dispositions, that may be more beneficial for one investor, Searchlight Fund and/or portfolio company than for another investor, Searchlight Fund and/or portfolio company.

Potential Conflicts of Interest: There will be occasions when Searchlight and its affiliates may encounter potential conflicts of interest in connection with Searchlight Funds. Such conflicts may include, but are not limited to, the following:

- The existence of “carried interest,” which is discussed further in Item 6 above.
- A General Partner may engage in transactions on behalf of a Searchlight Fund with Searchlight or its affiliates (for example, Searchlight or its affiliates may receive certain fees for services rendered to, or in connection with, a particular investment).
- Searchlight, a General Partner or one or more of its affiliates may elect to co-invest alongside the Searchlight Fund’s or may offer co-investment opportunities to third parties, including other investors who have preexisting investments with other Searchlight Funds or Searchlight affiliates on different terms.
- Searchlight personnel generally devote time to multiple Searchlight Funds, Searchlight investment vehicles and activities of other Searchlight affiliates, and certain other permitted activities as further described in the governing agreement of the applicable Searchlight Fund.
- Searchlight Funds may on occasion engage in certain affiliated or interested transactions, as further discussed in Item 11 below.
- As further discussed in Item 10.C below, Searchlight may be presented from time to time with investment opportunities that meet the investment objectives of one or more Searchlight Funds and/or other Searchlight-advised investment vehicles.

Conflicts of interest, and the methods Searchlight and its supervised persons utilize to address these conflicts, are generally disclosed to investors in each applicable Searchlight Fund’s governing agreements before they invest.

To address conflicts of interest such as those described above, Searchlight investment professionals prepare an investment memorandum for each new investment opportunity or other transaction. Searchlight’s Chief Compliance Officer reviews these investment memoranda. If the Chief Compliance Officer identifies any actual or potential conflicts of interest, the Chief Compliance Officer reviews the actual or potential conflicts with the Principal and outside legal counsel, if deemed appropriate, in order to recommend courses of action to the Principals.

In addition, the governing agreements for the Searchlight Funds generally contain specified procedures to address certain conflicts of interests. These procedures may include (i) requiring a General Partner to take certain actions to mitigate the conflict of interest, or (ii) referring a conflict of interest transaction to a Searchlight Fund’s Advisory Board for approval. A Searchlight Fund’s Advisory Board is typically comprised of representatives of investors in the applicable Searchlight Fund and is typically authorized to grant consents on behalf of the Searchlight Fund. The Partnership Agreements of the Searchlight Funds provide that to the fullest extent permitted by applicable law, none of the Advisory Board members shall owe any fiduciary or other duties to the Searchlight Funds or any other partner, other than to act in good faith. In addition, representatives of the Advisory Board may have various business and other relationships with Searchlight and its partners, employees and affiliates which may influence their decisions as members of the Advisory Board. The members of the Advisory Board of a Searchlight Fund may

disproportionately represent one or more of the entities or categories of limited partners comprising such Searchlight Fund. In addition, the composition of a Searchlight Fund advisory committee may have substantial overlap with the composition of an advisory committee for another Searchlight Fund which could lead to conflicts of interest if there are transactions between such Searchlight Funds that require advisory committee approval.

C. *Recommendations of Particular Securities*

Please see Items 8.A and 8.B for risks associated with investments in the Searchlight Funds. In addition, prospective investors in Searchlight Funds are provided with more detailed information about risks before they invest in any Searchlight Fund in the private offering materials and governing agreements for such Searchlight Fund.

ITEM 9 - DISCIPLINARY INFORMATION

There are no legal or disciplinary events that would be material to a client's or prospective client's evaluation of Searchlight's advisory business or the integrity of its management.

ITEM 10 - OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

A. *Broker-Dealers*

Neither Searchlight 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.

B. *Futures and Commodity Trading*

Neither Searchlight 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 entities.

C. *Material Relationships*

Searchlight, the General Partners (which are also investment advisers registered in accordance with SEC guidance under the Advisers Act pursuant to Searchlight's registration) and their respective affiliates operate as a single advisory business and serve as managers or general partners to the Searchlight Funds to make investments in portfolio companies as described in Items 4 and 8. These affiliated investment advisers may share common owners, officers, partners, employees, consultants or persons occupying similar positions. All of these advisers are subject to Searchlight's Code of Ethics (as defined below) and compliance programs adopted pursuant to the requirements of the Advisers Act. The applicable relationships and related management or other fees relevant to such investment advisers are disclosed in the private offering materials in connection with the launch of each Searchlight Fund.

Searchlight seeks to allocate investment opportunities among the Searchlight Funds in a fair and equitable manner, bearing in mind, among other things, the size, investment objectives, risk tolerance, return targets, permissible and preferred asset classes and liquidity needs of each Searchlight Fund. In addition, certain Searchlight Fund governing agreements prescribe additional requirements for the allocation of investment opportunities, which will be disclosed to investors prior to their investment in such Searchlight Fund. Under no circumstances may Searchlight or any affiliate allocate investment opportunities based

on anticipated compensation or profits to Searchlight, the General Partner, any affiliates or their respective employees. Each Searchlight Fund has its own investment guidelines, charter and organizational documents that are taken into account when making investment allocation determinations.

Each of the General Partners are related persons to Searchlight. The General Partners are directly or indirectly controlled by the same individuals who also indirectly control Searchlight. As previously described, because the General Partners may receive a “carried interest” or performance fee, there may be an incentive for the General Partner and Searchlight to make riskier or more speculative investments on behalf of the Searchlight Funds than would be the case in the absence of these arrangements. These potential conflicts of interest are addressed in the manner described in Item 11.

As noted in Item 6 “Performance-Based Fees and Side by Side Management”, Searchlight and its affiliates may raise co-investment funds or establish co-investment vehicles, and the existence of, and participation by Searchlight and its affiliates in, such funds and vehicles may create conflicts of interest.

D. Recommendation or Selection of Other Investment Advisers

Searchlight does not recommend or select other investment advisers for its clients, nor does it receive compensation directly or indirectly from any such advisers.

ITEM 11 - CODE OF ETHICS, PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

A. Code of Ethics

Searchlight has implemented a code of ethics (the “Code of Ethics”) which includes guidelines, policies and procedures to avoid any appearance of impropriety and remain in full compliance with applicable U.S. federal securities laws, the applicable securities laws of any other applicable jurisdiction and the highest standards of ethics. The Code of Ethics addresses, amongst other items, the detailed policies to mitigate insider trading and conflicts of interest. Searchlight will provide a copy of its Code of Ethics to any client or prospective client upon request.

In general, the Code of Ethics requires Searchlight’s employees to:

- Place the interests of the Searchlight Funds above any personal interests;
- Seek to identify conflicts of interest and observe established resolution procedures as contemplated in the Code of Ethics and Searchlight’s Compliance Manual;
- Avoid misleading or inaccurate statements that may be attributed to Searchlight;
- Conduct personal securities transactions in a manner consistent with Searchlight’s Code of Ethics (including pre-clearance (if applicable) and reporting of transactions by all “access persons” to the extent described therein);
- Report any violations of Searchlight’s Code of Ethics, or Searchlight’s Compliance Manual generally, to its Chief Compliance Officer; and

- Comply with Searchlight's Code of Ethics, its Compliance Manual, and applicable provisions of the federal securities laws as well as any other laws applicable to Searchlight.

See Items 11.C and 11.D below for further details regarding Searchlight's Code of Ethics.

Searchlight's policies and procedures for addressing conflicts of interest generally are also described in more detail at Item 8 above.

B. Participation or Interest in Client Transactions

Searchlight provides ongoing portfolio management services for the Searchlight Funds. Searchlight's investment professionals are responsible for monitoring and managing each respective Searchlight Fund's investment portfolio in accordance with the particular Searchlight Fund's investment objectives, limitations, and guidelines, and as set forth in the Searchlight Fund's governing agreements. In addition, the General Partners and their respective affiliates typically invest in each Searchlight Fund or alongside each Searchlight Fund in connection with making of portfolio investments.

Searchlight is subject to restrictions disclosed to investors in the applicable Searchlight Fund offering materials and governing agreements relating to principal transactions, cross trades and other affiliated transactions, in which Searchlight or its affiliates or employees may have interests that are adverse to, or in any event potentially not aligned with, the interests of one or more of the Searchlight Funds.

The governing agreement of each Searchlight Fund will generally prohibit affiliated transactions with certain limited exceptions without the prior approval of either the Advisory Board of the applicable Searchlight Fund or the investors of the applicable Searchlight Fund. A Searchlight Fund may enter into an affiliated transaction if the transaction complies with the governing agreement of the particular Searchlight Fund and if the Searchlight Fund consults with the Chief Compliance Officer (and, if appropriate, outside legal counsel) prior to entering into such transaction.

To address any potential conflicts of interest, Searchlight investment professionals prepare an investment memorandum for each new investment opportunity or other transaction. The Chief Compliance Officer, together with the Principals, reviews these investment memoranda. If the Chief Compliance Officer identifies any actual or potential conflicts of interest, the Chief Compliance Officer reviews the actual or potential conflicts with the Principals and/or outside legal counsel, if deemed appropriate, in order to recommend courses of action to the Principals. The Principals will then determine the specific actions to be taken in accordance with the Code of Ethics and the governing agreements of the applicable Searchlight Fund.

Searchlight serves as investment manager to certain co-invest vehicles that invest alongside the Funds in certain portfolio companies. Such co-investment vehicles generally acquire and dispose of their investments at the same time and on the same terms as the Funds, subject to any applicable limitations in the governing agreement of the applicable Fund. However, from time to time, for strategic and other reasons, a co-investment vehicle may purchase a portion of an investment from the Fund after such Fund has consummated its investment in the portfolio company. Any such purchase from the Fund by a co-investment vehicle generally would occur shortly after the Fund's completion of the investment (also known as a post-closing sell down or transfer) to avoid any changes in the valuation of the investment. The participants in the co-investment vehicle (other than the Funds) may be charged interest on the purchase to compensate the applicable Funds for the applicable holding period. If a potential investment or co-investment is not consummated, the full amount of any expenses relating to such potential but not

consummated investment will typically be borne entirely by the primary Fund or Funds allocated such investment rather than the co-invest vehicle or other co-investor. In addition, investors that participate in co-investments may be in a position to obtain additional information about a portfolio company that is not available to a PE Fund or Opportunities Fund investor.

Searchlight may permit a General Partner, one or more of its affiliates, its personnel or any third parties, including other investors who have preexisting investments with other Searchlight Funds or Searchlight affiliates on different terms, to participate in the co-investment vehicles or, in certain cases, co-invest directly in a particular portfolio company. Generally, Searchlight will select which investors or other persons are permitted to co-invest based on various factors, including (but not limited to) the sophistication of the investor, the ability of the investor to fund and complete the investment on a timely basis, the investor's expression of interest or right to co-invest granted by such investor's side letter arrangement, potential strategic benefit to the portfolio company if such investor participates, and any other reason for including such investor or person determined by Searchlight in its sole discretion. Searchlight's exercise of discretion in allocating investment opportunities may not, and often will not, result in proportional allocations among investors that have expressed interest in co-invest opportunities, and such allocations will likely be more or less advantageous to some such investors relative to other such investors.

In circumstances where an entire investment could be made by a Fund, Searchlight may still allocate a portion of such investment to one or more co-invest vehicles in accordance with such Fund's governing agreement and Searchlight's allocation.

Searchlight frequently has and may in the future make investments on behalf of the Searchlight Funds with the expectation that co-investors will participate in the investment. In the event that Searchlight is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, one or more Searchlight Funds will consequently hold a greater concentration and have a larger exposure in the related investment opportunity than was intended, which could make such Searchlight Funds more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. Moreover, an investment by a Searchlight Fund which is not syndicated to co-investors as anticipated could significantly impact the Searchlight Fund's overall investment returns.

C. Personal Trading

Conflicts of interest may arise between a Searchlight Fund and Searchlight when Searchlight or a related person invests in the same securities that it recommends to Searchlight Funds, or has another interest in a transaction that is, or may be, in conflict with the interest of any of the Searchlight Funds.

Searchlight employees may have personal conflicts of interest, such as (i) a material interest in a transaction to be entered into with or for a Searchlight Fund, (ii) a relationship that gives or may give rise to a conflict of interest in relation to a transaction, or (iii) another interest in a transaction that is, or may be, in conflict with the interest of any Searchlight Funds.

From time to time, certain principals and employees of the Searchlight Funds invest in other private equity investment vehicles (including single investor co-investments) managed by other investment advisers. In some cases, the Searchlight Funds may seek to purchase portfolio companies that are owned by such other investment vehicles, which may directly or indirectly benefit any principals or employees of Searchlight.

To address these conflicts, Searchlight's Code of Ethics (discussed in Item 11.A above) requires, among other things, that each Searchlight employee submit to the Chief Compliance Officer a report of his or her current holdings of certain securities described in the Code Ethics. Each Searchlight employee must update this report annually. In addition, Searchlight employees must submit to the Chief Compliance Officer quarterly reports of transactions involving certain securities described in the Code Ethics.

The Code of Ethics also requires that all Searchlight employees obtain the approval of the Chief Compliance Officer before participating in certain initial public offerings or private transactions (*e.g.*, private placements and limited offerings). The Chief Compliance Officer reviews such reports and monitors employees' personal securities trading for unusual or excessive trading patterns.

D. Personal Trading Contemporaneous with Client Transactions

Conflicts of interest may arise when Searchlight (or a related person) or its employees buy or sell securities for client accounts at or about the same time as it buys or sells the same securities for its own account. In these situations, Searchlight addresses actual or potential conflicts of interest in the manner outlined in Items 11.B and 11.C above.

Employees are generally not permitted to buy or sell any security (or cause another person to do so) if the employee is in possession of "material" non-public information relating to the issuer or the transaction. Employees also may not disclose this information to a third party to use in securities transactions. In general, "material" information means information that would reasonably affect, or have a significant impact on, an investor's decision to buy or sell a security, or information that would have been viewed by a reasonable investor as having significantly altered the "total mix" of information available.

Since Searchlight and/or its affiliates may be reimbursed for certain compensation and other fees and expenses that relate to the employment of certain expected portfolio company employees (as described under Item 5 "Fees and Compensation"), they could have a conflict of interest in connection with the applicable Fund's initial investment in such portfolio company and the resulting reimbursement of such amounts. In addition, as a result of the Searchlight Funds' interests in certain portfolio companies, Searchlight and its affiliates may have the right (i) to appoint, or to influence the appointment of, board members to such portfolio companies, (ii) to retain, or influence the retention of, certain persons to serve as employees or independent consultants (including consultants introduced or arranged by Searchlight and/or its affiliates that may regularly provide services to one or more Fund portfolio companies) of a portfolio company and (iii) to determine or influence a determination of the compensation for such board member, employee or consultant. In addition, compensation and fees paid to such consultants or expense reimbursements received by such persons from portfolio companies (or from a Searchlight Fund to the extent not paid or reimbursed by a portfolio company) will not offset the Management Fee or priority profit share as described herein.

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

E. Other Potential Conflicts of Interest

Additionally, the Searchlight Funds may invest in the same projects or portfolio companies with other Searchlight Funds, subject to limitations set forth in the applicable Partnership Agreements. Such investments may, in limited circumstances, be in different parts of the capital structure of a company in which one or more Searchlight Funds have an investment in a debt and/or equity tranche. Consequently, given the differing tranches and corresponding priorities in the capital structure of a single company, Searchlight and its personnel may in certain circumstances face a conflict of interest in respect of the advice they have given to, and the actions they take on behalf of, the Searchlight Funds. In addition, where one or more Searchlight Fund invest in different parts of the capital structure, their respective interests may diverge significantly in the case of financial distress of the company. Searchlight will determine allocations of investment opportunities in a manner that they believe is fair and equitable to the Searchlight Funds consistent with Searchlight's obligations to each such Searchlight Fund, including as set forth in the Partnership Agreement and Searchlight's allocation policy. Where necessary, Searchlight consults and receive consent to conflicts from the Advisory Board of the Searchlight Fund or Funds subject to any conflict of interest.

A Searchlight Fund has invested and may in the future invest in a company that competes with, or could be perceived to compete with, is a customer of, or a service provider or supplier to a portfolio company of another Searchlight Fund. In addition, as noted above, principals and employees of Searchlight serve as directors and officers of companies that are competitors of, or could be perceived to be competitors of, portfolio companies of certain Searchlight Funds. These circumstances may give rise to certain conflicts of interest. First, another Searchlight Fund or its portfolio company may take actions for commercial reasons that have adverse consequences for a Searchlight Fund or its portfolio company, such as seeking to increase market share, withdrawing business in favor of a competitor, or commencing litigation. Secondly, Searchlight could obtain information while investigating investment opportunities or dealing with existing portfolio companies that it is prohibited from acting on or disclosing to anyone, including another Searchlight Fund or any portfolio company, as a result of confidentiality requirements or applicable law, regardless of whether acting on or disclosing such information would be in the interest of any Searchlight Fund or portfolio company.

Additionally, Searchlight and the Searchlight Funds regularly obtain confidential information regarding various target companies and other investment opportunities. Confidential information received by any member of the Searchlight investment team is imputed to all other investment professionals unless an information barrier is in place. If Searchlight or a Searchlight Fund receives confidential information with respect to a company, the other Searchlight Funds therefore may face certain restrictions on their ability to pursue a transaction with that company or dispose of an investment. Furthermore, from time to time the confidentiality agreements entered into on behalf of the Searchlight Funds may include provisions that prevent the Searchlight Funds from acquiring or disposing of certain investments, potentially for extended periods (i.e., "standstill" provisions).

The portfolio companies of certain Searchlight Funds may also be counterparties to or participants in agreements, transactions or other arrangements with portfolio companies of other Searchlight Funds that, although Searchlight determines to be consistent with the requirements of such Searchlight Funds' governing agreements, may not have otherwise been entered into but for the affiliation with Searchlight.

The Searchlight Funds may fund the making of investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital

commitments of investors, i.e., subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings (for example, any upfront fees, unused commitment fees and the legal expenses relating to such subscription line) will be borne by the relevant Searchlight Fund and, accordingly, will decrease net returns and total distributable profits of such Searchlight Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Searchlight Fund. In light of the foregoing, Searchlight has an incentive to cause such vehicle to borrow in this manner in lieu of drawing down capital commitments, subject to the operating and offering documents of each Fund. Additionally, calling a large amount of capital at once to repay amounts under a subscription line could cause liquidity concerns for investors that would not arise had smaller amounts of capital been called incrementally over time.

To the extent a Searchlight Fund uses its subscription line to make an investment and then subsequently sells down a portion of such investment to one or more co-investors, such co-investors generally will reimburse the Searchlight Fund for their pro-rata borrowing amount and related interest expense associated with its purchased interest, but such co-investors generally will not reimburse the Searchlight Fund for any other expenses associated with the subscription line (including, without limitation, any upfront fees, unused commitment fees and the legal expenses relating to such subscription line).

The offering, governing and related documents of each Searchlight Fund are detailed agreements that establish complex arrangements among Searchlight, the limited partners, the Searchlight Funds, the general partners of such Searchlight Funds and other entities and individuals. From time to time, questions will 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 agreements may have no directly applicable provisions or the applicable provisions may be broad, general, ambiguous or conflicting, and may permit more than one reasonable interpretation. While Searchlight will construe the relevant agreements in good faith and in a manner consistent with its legal obligations, the interpretations adopted will not necessarily be, and need not be, the interpretations that are most favorable to the Searchlight Funds or their investors.

The operating documents of certain Searchlight Funds generally permit Searchlight to withhold information from certain investors in such Searchlight Funds in certain circumstances. For example, information may at times be withheld from limited partners that are subject to the Freedom of Information Act or similar requirements. Searchlight will also from time to time elect to withhold certain information for reasons relating to overall business strategy, despite the potential benefits to limited partners of receiving such information.

Additionally, due in part to the fact that actual and/or potential investors in a Searchlight Fund often ask different questions and request different information, Searchlight has in the past and expects in the future to provide certain information to one or more actual and/or prospective investors that is not necessarily provided to all prospective investors or limited partners in a Searchlight Fund.

Searchlight and its affiliates may expand the range of services it provides over time. Except as provided herein and in a Searchlight Fund's private placement memorandum or Partnership Agreement, Searchlight and its affiliates will not be restricted in the scope of their business or in the performance of any such services (whether now offered or undertaken in the future) even if such activities could give rise to conflicts of interest, and whether such conflicts are described herein.

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

Accordingly, should Searchlight or its principals or employees come into possession of material nonpublic or other confidential information with respect to any public company, Searchlight is prohibited from communicating such information to clients, and Searchlight has no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Searchlight's personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Searchlight Funds. Due to these restrictions, a Searchlight Fund may not be able to initiate a transaction that it otherwise might have initiated and/or may not be able to sell an investment that it otherwise might have sold.

ITEM 12 - BROKERAGE PRACTICES

A. Selection of Broker-Dealers

Given the nature of the PE Funds' investment program, Searchlight does not usually transact through broker-dealers with respect to investments made by the PE Fund. The Opportunities Funds may use broker-dealers in order to transact with respect to certain of its investments. In situations where Searchlight may need to select a broker-dealer, Searchlight will consider the broker's execution capabilities, including block positioning, research, financial stability, ability to maintain confidentiality, delivery and ability to obtain best execution for all client securities transactions. Searchlight does not have any agreements in place that require that Searchlight give any specified amount of brokerage to any broker-dealer.

1. Research and Other Soft Dollar Benefits

In practice, the investment program of the Searchlight Funds managed by Searchlight typically does not include substantial investments in publicly traded securities. As a result, it is Searchlight's policy not to enter into soft dollar arrangements or to accept soft dollars.

2. Brokerage for Client Referrals

Searchlight does not consider whether it or a related person receives client referrals from a broker-dealer or a third party when selecting or recommending broker-dealers.

3. Directed Brokerage

Given that Searchlight or its affiliates generally maintain investment discretion on behalf of the Searchlight Funds, Searchlight can generally require the Searchlight Funds to use a specified broker-dealer.

B. Aggregation of Orders of Securities for Client Accounts

Although the investments of the Searchlight Funds do not generally require the services of a broker-dealer, Searchlight may seek to aggregate orders of securities for the accounts of the Searchlight Funds where practicable.

ITEM 13 - REVIEW OF ACCOUNTS

A. Periodic Review of Client Accounts

The portfolio investments of the Searchlight Funds are reviewed by the Principals and Searchlight's other investment professionals on a quarterly basis. These investment professionals monitor operations, overall performance, financial performance and strategic direction of each portfolio investment owned by the Searchlight Funds. Searchlight's investment professionals also perform periodic comprehensive reviews. In addition, the Principals and the other investment professionals of Searchlight meet on a regular basis. In connection with their regular meetings, the Principals and the other investment professionals will, among other things, (i) review market events and their effect on investments; (ii) discuss investment ideas, economic developments, current events, investment strategies and issues related to portfolio companies; (iii) review the operations, financial condition and other matters regarding the portfolio companies; (iv) consider any departures from applicable investment guidelines; and (v) assess any proposed investments or divestments, in whole or in part, of any portfolio companies. The offering materials for each Searchlight Fund contain additional specific descriptions of the oversight and monitoring of the portfolio investments of such Searchlight Fund.

B. Factors that Trigger a Review of Client Accounts

Searchlight investment professionals review the portfolio investments of Searchlight Funds on a periodic basis as described above. There are no specific triggers to launch a portfolio review.

C. Reports to Clients Regarding Their Accounts

Searchlight delivers written financial reports to the investors in Searchlight Funds on a quarterly basis. These reports include information relevant to the Searchlight Fund's investments (and each investor's investment in such Searchlight Fund). In addition, the investors in Searchlight Funds receive written audited annual financial statements of the applicable Searchlight Fund.

In addition to the information typically provided to all investors, Searchlight may in certain circumstances provide certain investors with additional information with respect to the Searchlight Fund or a portfolio company or more frequent reports that other investors will not necessarily receive.

ITEM 14 - CLIENT REFERRALS AND OTHER COMPENSATION

A. Client Referrals

Searchlight does not accept economic benefits from a person who is not a client for providing investment advice or other advisory services to the Searchlight Funds. Searchlight or its affiliates may receive directors' fees, monitoring fees, transaction fees, topping and break-up fees, advisory fees, organizational fees or other fees in connection with portfolio investments or prospective portfolio investments of a Searchlight Fund. Typically, a portion of the Management Fees payable by each investor in a Searchlight

Fund will be reduced (but not below zero) by its pro rata share of other fees received by Searchlight or its affiliates in connection with portfolio investments or prospective portfolio investments of a Searchlight Fund, subject to reimbursement first of the General Partners or their respective affiliates for any balance of unreimbursed Fund expenses paid by the General Partner or such affiliates. Offsets are applied after taking into account any Management Fee waiver. Searchlight may have a conflict of interest to the extent, for example, it is incentivized to make an investment to earn a transaction fee or provide a service to a particular portfolio company to earn a director or monitoring fee. However, Searchlight believes that this potential conflict of interest is mitigated by the Management Fee offset mechanic described above and the substantial equity commitment by Searchlight and the Principals. Senior Advisors are not affiliates of Searchlight. Vehicles that do not pay Management Fees do not receive the benefit of such offset provisions or otherwise share in such fee income.

B. Compensation for Client Referrals

Searchlight and its related persons do not directly or indirectly compensate any person who is not a supervised person for client referrals. Searchlight or its affiliates may, from time to time, enter into arrangements in which persons who are not supervised persons (such as placement agents or financial advisors) assist in the capital-raising efforts of a Searchlight Fund in exchange for a fee. The fee paid, if any, to such persons may be calculated as a percentage of funds raised by such persons, as specifically negotiated between Searchlight and each such person or a flat fee. These relationships could affect the independence of such person in connection with their recommendations of a particular Searchlight Fund. Neither Searchlight nor its affiliates engage any placement agent or finder that is not registered as a broker-dealer with the SEC and a member of FINRA (or, if applicable, corresponding non-U.S. authorities). These types of arrangements are disclosed in the relevant Searchlight Fund offering materials.

ITEM 15 - CUSTODY

To the extent required by SEC rules and guidance, Searchlight maintains any client funds and securities with “qualified custodians.”

For those Searchlight Funds for which Searchlight is deemed to have custody of client assets within the meaning of the Advisers Act, such Searchlight Funds are audited and the investors in such Searchlight Funds receive audited financial statements within 120 days of the end of each fiscal year. Consequently, such clients (as well as investors therein) will not receive reports directly from Searchlight’s “qualified custodian.”

ITEM 16 - INVESTMENT DISCRETION

Searchlight has discretionary authority to manage the investment portfolios of each of the Searchlight Funds. This authority is limited by each Searchlight Fund’s governing agreements and investment guidelines, as specifically negotiated between Searchlight and Searchlight Fund investors. For additional discussion of limitations clients may impose on investing in certain investments or types of investments, see Item 4.C above.

ITEM 17 - VOTING CLIENT SECURITIES

A. Authority to Vote Client Securities

Searchlight has policies and procedures that Searchlight believes are reasonably designed to ensure that proxies are voted in the best interests of Searchlight Funds and to recognize and resolve any material conflicts of interest that may arise in the course of such voting. The general policy of Searchlight is to vote proxy proposals, amendments, consents or resolutions (collectively, “proxies”) relating to Searchlight Funds in a manner that serves the best interest of the Searchlight Fund, as determined by Searchlight in its discretion, and Searchlight’s Code of Ethics, taking into account relevant factors, such as (but not limited to) the impact on the value of the returns of the relevant Searchlight Fund and industry and business practice.

If Searchlight determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, Searchlight will take action in accordance with the governing agreements of the applicable Searchlight Fund or as otherwise determined by Searchlight to be in the best interest of the Searchlight Fund in voting such proxy.

The Chief Compliance Officer is responsible for identifying any potential conflict of interest for each proxy, and reporting this information to the managing members of Searchlight. The managing members of Searchlight are responsible for determining how to vote such proxies and whether to confer with the advisory committee of an applicable Searchlight Fund before voting.

The Chief Compliance Officer is responsible for monitoring compliance with Searchlight’s proxy voting policies and procedures. The Chief Compliance Officer will also maintain, or have available, written or electronic copies of each proxy statement received and of each executed proxy, as well as all applicable records relating to each proxy. Additional information about Searchlight’s proxy voting policies and procedures may be obtained from the Chief Compliance Officer.

Because Searchlight has authority to vote client securities, Item 17.B of Form ADV Part 2A (addressing considerations if an adviser does not have authority to vote client securities) has been omitted.

ITEM 18 - FINANCIAL INFORMATION

Searchlight does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the brochure. Searchlight has not been the subject of any bankruptcy petition.