

**INVESTMENT ADVISER BROCHURE**

**AMULET CAPITAL PARTNERS, L.P.**

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**March 31, 2021**

**This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Amulet Capital Partners, L.P. (the “Registrant”). If you have any questions about the contents of this Brochure, please contact the Chief Compliance Officer at 646-561-6660. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.**

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

**Additional information regarding the Registrant is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).**

## **MATERIAL CHANGES**

The Registrant is required to identify and discuss any material changes made to its Brochure since its last annual update, dated March 30, 2020. Since the last annual update, Trisha Creta became the Chief Compliance Officer.

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## ADVISORY BUSINESS

Amulet Capital Partners, L.P., a Delaware limited partnership (the “**Registrant**”) and a registered investment adviser, and its affiliated entities, provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. The Registrant commenced operations in June 2012.

The Registrant’s clients include Amulet Capital Fund I, L.P. (“**Fund I**”), Amulet Capital Fund II, L.P. (“**Fund II**”), Amulet Capital Network Fund II, L.P. (“**Network Fund**”), Amulet Capital OHPE Co-Invest, L.P. (“**OHPE**”), and Amulet Capital Overage Fund I, L.P. (“**Overage Fund**”) (“together with any future private investment funds to which Amulet Capital and/or its affiliates provide investment advisory services, the “**Funds**” and each, a “**Fund**”). Amulet Capital Fund GP, L.P., Amulet Capital Fund II GP, L.P., and Amulet Capital Overage Fund I GP, L.P., are general partner entities affiliated with the Registrant (together with any current or future affiliated general partner entities, the “**General Partners**” and each a “**General Partner**,” and the General Partners together with the Registrant and their respective current or future affiliated entities, “**Amulet Capital**”).

Each General Partner is, or will be, subject to the Advisers Act pursuant to the Registrant’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with the Registrant.

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as “portfolio companies.” Certain Funds invest in a single portfolio company, including OHPE. The Network Fund invests in parallel and on substantially the same terms and in the same fixed percentage in Fund II portfolio investments subject to legal, tax, regulatory and other similar considerations. Amulet Capital’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Amulet Capital or its affiliates generally serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Amulet Capital’s advisory services to the Funds are detailed in the applicable private placement memoranda or other offering documents (each, a “**Memorandum**”), limited partnership or other operating agreements or governing documents (each, a “**Partnership Agreement**” and, together with any relevant Memorandum, the “**Governing Documents**”) and are further described below under “Methods of Analysis, Investment Strategies and Risk of Loss.” Investors in the Funds participate in the overall investment program for the applicable Fund but may be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Partnership Agreement. The Funds or the General Partners generally enter into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights (including economic or other terms) under, or altering or supplementing the terms of, the relevant Partnership Agreement with respect to such investors.

Additionally, from time to time and as permitted by the relevant Partnership Agreement, Amulet Capital expects to provide (or agree to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors, including investors in the Funds, other sponsors, market participants, finders, consultants and other service providers, Amulet Capital's personnel and/or certain other persons associated with Amulet Capital and/or its affiliates. Such co-investments often involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle may purchase a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after such Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Amulet Capital's sole discretion, Amulet Capital is authorized to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of February 28, 2021, the Registrant manages approximately \$851,600,396 in client assets on a discretionary basis. Amulet Capital Partners, L.L.C., a Delaware limited liability company, acts as the general partner of the Registrant. The Registrant is principally owned by Ramsey Frank and Jay Rose.

## **FEES AND COMPENSATION**

In general, Amulet Capital receives a management fee and a carried interest in connection with advisory services to certain of the Funds. Amulet Capital or its affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will generally offset the management fees otherwise payable to Amulet Capital. In addition, in certain circumstances Amulet Capital may receive compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in a Fund also bear certain expenses.

### **Management Fees**

During the life of certain Funds, investors in such Funds generally pay a management fee ("**Management Fee**") to Amulet Capital.

Each of the Funds, with the exception of OHPE, Overage Fund, and Network Fund, pays to Amulet Capital an annual Management Fee, payable quarterly in advance, equal to 2.0% of aggregate Fund investor capital commitments. Upon the earlier to occur of (x) the termination of the Fund's investment period or (y) the commencement of the charging of management fees of a successor fund to the relevant Fund, the Management Fee will be reduced and will equal 2.0% of capital contributions used to acquire investments that have not been disposed of or valued at zero less any net write-downs (net of any write-ups) of unrealized investments. The Management Fee is payable in quarterly installments in advance and any payment for a period of less than three

months shall be adjusted on a *pro rata* basis according to the actual number of days during the period. Where the Governing Documents calculate Management Fees based on the amount of commitments or the amount of investment contributions, the amount of Management Fees generally will not be reduced based on reductions in investment value, except where specified by the relevant Governing Documents. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

Amulet Capital or its affiliates may charge portfolio companies transaction fees, monitoring fees, break-up fees and other similar advisory fees (“**Supplemental Fees**”). Each limited partner’s share of the Management Fee generally will be reduced by such limited partner’s pro rata share (based on commitments) of an amount equal to 100% of all Supplemental Fees attributable to the relevant Fund’s limited partners that are received by Amulet Capital or any of its employees from such Fund’s portfolio companies, net of any out-of-pocket unreimbursed expenses (excluding any taxes thereon), but, for the avoidance of doubt, will not include any such amounts paid to Special Consultants (as defined below) or the Anchor Investors (as defined below). Unless otherwise agreed with investors, Supplemental Fees generally will be payable without further offset during term extensions, even if Management Fees are reduced or eliminated during the extended term. If upon termination of a Fund an unapplied balance of the limited partners’ share of such fees remain, the General Partner shall promptly refund to each limited partner (unless such limited partner has previously requested in writing that the General Partner not do so) an amount equal to such limited partner’s share of such unapplied balance.

Additionally, as further described below and in the applicable Memorandum and/or Partnership Agreement of each Fund, the General Partners, the Funds, and the portfolio companies from time to time retain certain individuals (“**Special Consultants**”), which may be affiliates of Amulet Capital, employees of such affiliates, portfolio companies of other Funds, third party consultants (including senior advisors, consultants and external executives), “operating partners,” “strategic partners,” “executive partners,” “senior advisors” or “consultants,” to provide services to (or with respect to) certain portfolio companies in which one or more of the Funds invests. In connection with such services, Special Consultants generally receive Supplemental Fees, compensation and other amounts described herein, but no such fees, compensation or other amounts will result in additional offsets to the Management Fee.

The anchor investors in Fund I (“**Anchor Investors**”) are entitled to receive a portion of the Fund I and Fund II Management Fee, as described in more detail in the Memorandum for Fund I and Fund II.

As a matter of practice, Amulet Capital is typically paid Supplemental Fees from, on behalf of or with respect to co-investors in an investment, as well as other fees relating to the structuring and administration of co-investment arrangements. The receipt of such fees will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion of any such fee and not the portion of any fee that relates to such co-investors (which could include co-investment vehicles managed by Amulet Capital, third parties, portfolio company management or employees and/or others), which may be significant. In certain circumstances, Amulet Capital expects that co-investors or other parties could negotiate the right to share a portion of such fees from a

particular investment, and the above-described Management Fee offset would be applied after excluding any amounts paid to such persons.

As permitted under the relevant Fund Governing Documents, Amulet Capital may waive or agree to reduce the Management Fee. Management fees are reduced or waived entirely for Amulet Capital, certain of its principals, and employees and their family members. Any such waived or reduced portion of the Management Fee reduces the amount of capital Amulet Capital would otherwise be required to contribute to the relevant Fund. The limited partners of such Fund may be required to make a *pro rata* contribution according to their respective commitments to fund any contribution that would otherwise be required of Amulet Capital in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above.

### **Carried Interest**

The General Partner of each Fund (with the exception of Network Fund) generally receives carried interest during the life of such Fund.

The General Partner for relevant Funds will receive a carried interest with respect to the Funds equal to 20% (or 10% for the Overage Fund) of all realized profits subject to an 8% compound preferred return, as more fully described in the relevant Memorandum and Partnership Agreement. As described in more detail in the Memorandum, the carried interest distributed to the General Partners is subject to a potential clawback (i) at the end of relevant Fund investment period and (ii) upon completion of winding up and final liquidation of the relevant Fund, if, in either case, the General Partner has received excess cumulative distributions.

As described in more detail in the relevant Memorandum, the Anchor Investors are entitled to receive a portion of any Fund I and Fund II carried interest distributions. Investors should refer to the Governing Documents of the respective Fund for detailed information regarding the carried interest for such Fund.

### **Other Information**

Amulet Capital is permitted to exempt certain investors in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Amulet Capital and any other person designated by Amulet Capital including certain employees, Special Consultants or other investors meeting certain qualification requirements. Any such exemption from fees and/or carried interest may be made by a direct exemption or a rebate by Amulet Capital and/or its affiliates, or through other Funds which co-invest with a Fund. For example, in instances where an Amulet Capital professional (or an affiliated entity thereof) invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Partnership Agreement, Amulet Capital has the right to permit investors, affiliated with Amulet Capital or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest. In addition, certain Funds do not pay Management Fees or carried interest.

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

Principals or other current (or in some cases former) employees of Amulet Capital generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Amulet Capital or its affiliates.

In addition to the Management Fee and carried interest payable to Amulet Capital, each Fund bears certain expenses. As set forth more fully in the applicable Memorandum and/or Partnership Agreement of each Fund, a Fund bears all expenses relating to such Fund's activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce transaction fees, including: (a) the fees and expenses relating to consummated portfolio investments, proposed but unconsummated investments ("**Broken Deal Expenses**"), temporary investments and indebtedness, borrowings or guarantees (including interest), including the evaluation, acquisition, holding and disposition thereof, to the extent that such fees and expenses are not reimbursed by a portfolio company or other third person; (b) premiums for insurance protecting such Fund and any covered persons from liabilities to third persons in connection with Fund affairs; (c) legal, custodial, administration, travel (including the cost of chartering private aircraft but only up to the amount of the cost of first class commercial airfare and subject to certain other restrictions) and internal and external accounting and reporting fees and expenses, including regulatory-related fees and expenses (including fees and expenses related to the preparation and filing of Form PF) and expenses associated with the preparation and delivery of such Fund's financial statements, tax returns and Schedule K-1s and related documents and any expenses incurred or paid by the tax matters partner; (d) auditing, accounting (including third party accounting systems), banking and consulting expenses; (e) appraisal expenses; (f) expenses related to organizing persons through or in which portfolio investments may be made; (g) expenses of such Fund's advisory board; (h) costs and expenses that are classified as extraordinary expenses under U.S. generally accepted accounting principles; (i) taxes and other governmental charges, fees and duties payable by such Fund; (j) damages (except with respect to damages for which a covered person is not entitled to indemnification pursuant to the relevant Partnership Agreement); (k) costs of reporting to and communicating with its General Partner, its limited partners, and of its annual meeting (including any systems that facilitate reporting); (l) Excess Organizational Expenses, as defined in such Fund's Partnership Agreement, and placement fees, (m) costs of winding up and liquidating such Fund, (n) all costs and expenses incurred in connection with the organization, management, operation, and dissolution, liquidation and final winding up of any alternative investment funds, and (o) to the extent not borne by a portfolio company, compensation for services provided by Special Consultants, including any consulting and retainer fees paid thereto and reimbursement of certain travel-related expenses. As a general matter, Broken Deal Expenses are allocated among Fund investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment.

The Funds also bear expenses indirectly to the extent a portfolio company pays expenses, including expenses of Amulet Capital and/or its affiliates, as well as their share of expenses



(including, without limitation, rent, office costs, travel, accommodations, personnel costs and compensation and corporate expenses) relating to fund administrative, corporate and similar services performed by a Fund's subsidiaries or other entities maintained by such Fund, its General Partner or their respective affiliates in connection with certain local jurisdictions' requirements. To the extent holding or intermediate entities include one or more special purpose acquisition companies ("SPACs"), the relevant Fund(s) will bear the costs of organizing and offering such SPACs, as well as the amount and dilutive effect of any founders' equity or similar interests issued thereby that are not held directly or indirectly by the Fund, and except where prohibited by the Governing Documents, such interests are permitted to be issued to Amulet Capital and its personnel. Excluded from a Fund's expenses are ordinary administrative and overhead expenses of its General Partner incurred in connection with managing, originating and monitoring investments, including employees' salaries, rent, utilities and other similar expenses specified in the Partnership Agreement. Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in Side Letters relating thereto, and (where applicable) environmental, social, governance and other standards to which the relevant General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

Amulet Capital may cause one Fund to pay an expense common to multiple Funds (including without limitation legal expenses for a transaction in which all such Funds participate, or other fees or expenses in connection with services the benefit of which are received by other Funds over time) and be reimbursed by the other Funds by their share of such expense, without interest. To the extent the paying Fund makes use of a credit facility to pay such expense, it generally will not be reimbursed separately by other Funds for use of the facility. While Amulet Capital believes such circumstances to be highly unlikely, it is possible that one of the other Funds could default on its obligation to reimburse the paying Fund. In certain circumstances, Amulet Capital is expected to advance amounts related to the foregoing and receive reimbursement from the Funds to which such expenses relate.

As described above, in certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies subject to Amulet Capital's related policies and practices and the relevant Partnership Agreement(s) and/or Side Letter(s). Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Funds. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise have been beneficial, in the judgment of the relevant General Partner, ultimately is not consummated, all Broken Deal Expenses relating to such proposed transaction will be borne by the Fund(s), and not by any potential co-investors, that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is generally expected to bear its share of such Broken Deal Expenses. To the extent the Fund makes use of a credit facility to invest

in a portfolio company or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility.

Amulet Capital and/or its affiliates generally have discretion over whether to charge transaction fees, monitoring fees, or other compensation to a portfolio company and, if so, the rate, method, timing and/or amount of such compensation. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Amulet Capital and/or its affiliates on the other hand.

Additionally, as further described herein and in the applicable Memorandum and/or Partnership Agreement of each Fund, it is Amulet Capital's practice to retain certain Special Consultants to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such Special Consultants generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Special Consultants receive compensation, including, but not limited to cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), a profits, participation or equity interest in a portfolio company or holding company, transaction fees, and, potentially, remuneration from Amulet Capital and/or its Funds or affiliates or other compensation, which typically are determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such Special Consultants, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund's investment, and the relevant Fund typically will bear the costs of all Special Consultants compensation as well as fees, costs and expenses of structuring Special Consultants arrangements. Special Consultants also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset the Management Fee. The use of Special Consultants subjects Amulet Capital to conflicts of interest, as discussed under "Conflicts of Interest," below.

#### **PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT**

As described under "Fees and Compensation," Amulet Capital receives a carried interest allocation on certain realized profits in the Funds. Amulet Capital does not advise Funds not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain affiliated partners or co-invest vehicles as described under "Fees and Compensation."

The existence of performance-based compensation has the potential to create an incentive for a Fund's General Partner to make more speculative investments on behalf of such Fund than it would otherwise make in the absence of such arrangement, although Amulet Capital generally considers performance-based compensation to better align its interests with those of its investors.

## **TYPES OF CLIENTS**

Amulet Capital provides investment advice to Fund I, Fund II, OHPE, Overage Fund, and Network Fund and expects in the future to provide investment advice to other Funds. The Funds may include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds may include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and may include, directly or indirectly, principals or other employees of Amulet Capital and its affiliates and members of their families, Special Consultants, or other service providers retained by Amulet Capital, as well as executives of portfolio companies.

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

Fund I and Fund II generally have a minimum investment amount of \$10 million for third-party investors, and Fund interests are offered and sold solely to qualified purchasers or qualified knowledgeable Amulet Capital personnel. Such minimum investment amount may be waived by Amulet Capital. The minimum investment amount generally accepted in OHPE, Overage Fund, and Network Fund is \$100,000.

## **METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS**

### **General**

Amulet Capital is a middle-market private equity investment firm focused on leveraged buyouts, growth capital and structured equity investments exclusively in the healthcare and healthcare-related sectors. Amulet Capital's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments and achieving dispositions for investments. Investments are predominantly of non-public companies although investments in public companies are permitted.

Amulet Capital's investment strategy for the Funds is principally to make privately negotiated investments in middle-market companies within the healthcare and healthcare-related sectors. Amulet Capital focuses on those segments it believes have attractive long-term fundamentals as well as an element of complexity or market dislocation that may result in less competition and, potentially, lower purchase multiples. Amulet Capital pursues opportunities where it believes it has a competitive advantage based on previous experience, industry relationships or in-depth knowledge of the subsector. Additionally, the Funds seek to enhance the post-acquisition operating performance of their investments through the involvement and oversight of investment deal teams and Special Consultants.

Amulet Capital seeks to serve as the lead investor in the Funds' transactions and typically looks to invest between \$25 million and \$75 million of equity in each transaction and focus primarily on opportunities in North America, though portfolio company operations may exist in foreign geographies.

Once an investment opportunity has been identified, Amulet Capital seeks to improve the performance of the acquired company by (i) developing short- and long-term value enhancement plans, (ii) working to increase the effectiveness and engagement level of the company's board of directors, (iii) assessing, developing and possibly adding to the company's senior executives, and (iv) creating a customized support structure including performance tracking and reporting standards as well as access to Amulet Capital and external resources.

There can be no assurance that Amulet Capital will achieve the investment objectives of any Fund and a loss of investment is possible.

## **Investment and Operating Strategy**

### ***Transaction Sourcing***

Amulet Capital's generation of deal flow starts with thematic research aimed at understanding the underlying drivers affecting the overall healthcare market. These macro-focused underlying drivers include demographic, economic, regulatory and technological changes, all of which impact different aspects and components of the healthcare value chain, and typically guide Amulet Capital towards specific subsector target areas for investment.

Next, Amulet Capital leverages its network of long-standing industry relationships, which include business executives, investment bankers, private equity investors, business brokers, consultants, accountants, lawyers and other contacts, to identify, and establish active dialogues with, market-leading companies and senior executives within targeted healthcare subsectors. Subsectors of interest include pharmaceutical services, outsourced services, outpatient providers, healthcare information technology, specialty distribution, and consumer/retail models.

Amulet Capital focuses its sourcing efforts on identifying opportunities that have an element of complexity or where Amulet Capital believes it has an information advantage. Complex situations generally fall into four categories and include: (i) capital structure or access to capital issues; (ii) regulatory or intellectual property concerns; (iii) operational challenges; and (iv) business model changes. Information-advantaged situations represent opportunities where Amulet Capital either has expertise from prior experience or has a unique relationship with the target company or its senior management team. Amulet Capital expects this investment screening approach to result in participation in low competition situations and/or proprietary investment opportunities within healthcare subsectors in which Amulet Capital has done extensive background research and diligence.

The main principle behind Amulet Capital's proposed multi-step screening effort is to efficiently focus time and resources on situations that leverage Amulet Capital's investment experience and skill sets, and where Amulet Capital believes there will be limited competition in the investment process. While complex or information-advantaged investment situations tend to be more time consuming than investment banker-managed sale processes, the potential advantages

to Amulet Capital include more deliberate and comprehensive due diligence and possibly more attractive valuations and investment terms.

### ***Investment Process***

Amulet Capital uses a team-based approach that combines investment and operating professionals throughout the investment lifecycle, from identification of new opportunities to the exiting of portfolio companies. Amulet Capital's Special Consultants may: (i) assist in thematic development, subsector targeting and company-specific sourcing; (ii) participate in due diligence and investment analysis; and (iii) work with portfolio companies post-investment, including board of directors' representation. Amulet Capital also relies upon a preferred group of healthcare-specific vendors that include accounting, tax, legal, intellectual property, insurance, information technology and human resources advisors as well as regulatory, industry, operations and other third-party consultants.

Amulet Capital uses a standardized investment process to help ensure a consistent and disciplined approach to investing a Fund's capital. Prior to committing capital to a new investment, Amulet Capital conducts a thorough internal review that consists of three principal stages: (i) investigation; (ii) active diligence; and (iii) final approval.

The investigation stage principally involves Amulet Capital's internal deal team and Special Consultants resources and is primarily aimed at screening new opportunities across Amulet Capital, with a particular focus on assessing a Fund's competitive advantage in pursuing each investment. Each deal team consists of one or more of Amulet Capital's investment partners and two additional investment professionals (principal/vice president and associate).

The active diligence stage requires approval from the relevant General Partner's investment committee based on diligence materials presented by Amulet Capital's investment team. Materials include a memorandum summarizing the investment opportunity, diligence plan, preliminary investment thesis (merits and risks), transaction dynamics and timing, sources and uses, a detailed company overview (including financial information) and an investment return summary. During the active diligence stage, Amulet Capital focuses on identifying areas where third party resources are needed to ensure that appropriate experts are hired to assist with diligence. A General Partner's investment committee is updated frequently during the active diligence stage.

The final approval stage requires the investment committee to approve and sign off on the following: a comprehensive update of the active diligence memorandum; final transaction and financing terms; human capital evaluation; compensation structure for management and a preliminary outline of a post-acquisition 100-day action plan. Significant investment evaluation criteria include potential competitive advantage, desirability of the targeted subsector, attractiveness of the purchase price, favorability of regulatory environment dynamics, limitation of regulatory risk, opportunities to improve operating performance, attractiveness of free cash flow dynamics, additional opportunities for growth, and potential ease of exit.

Once an investment is made, key portfolio company decisions similarly require the approval of the investment committee. In the immediate post-close period, all investments must receive sign-off on a 100-day post-acquisition action plan and at a later time, human capital

assessment and development plans as well as board of director composition and recruitment schedules. Generally, on a quarterly basis, deal teams present progress reports on each investment in order to identify companies in need of additional growth capital or more hands-on active intervention and to evaluate near-term exit candidates or realization opportunities.

### ***Flexible and Creative Transaction Structuring***

The investment activities of the Funds are led by the principals and supported by the investment team who seek to develop creative and flexible structuring approaches for the Funds' transactions. While Amulet Capital anticipates the Funds will largely focus on control investments, in selective situations they may pursue and execute minority investments. In addition to board of director representation, the terms of these investments may also include control over key business decisions such as: (i) change of control transactions; (ii) mergers and acquisitions; (iii) changes to senior management or the board of directors; (iv) changes to the company's capital structure (including the sale of any securities); (v) transactions with affiliates; and (vi) any material decisions or changes that may impact the company's business.

Amulet Capital evaluates appropriate leverage levels for each transaction based on the cash flow characteristics of the individual investment and the financing environment at the time of the deal. Appropriate leverage levels are generally determined based on prevailing interest rates, lender amortization requirements and covenant restrictions.

### ***Integrated Deal Team Approach to Portfolio Management***

Amulet Capital uses active and hands-on ownership with a goal to grow revenues, increase efficiencies, foster add-on acquisitions and, ultimately, increase value of each Fund's investments. Generally, the original investment deal teams continue to work with portfolio companies post-acquisition, with Special Consultants providing additional strategic insight, counsel and oversight.

Post-investment, Amulet Capital uses knowledge established during due diligence and the early post-close ownership period to: (i) assist in the creation of 100-day and long-term value enhancement plans; (ii) construct value-added and engaged boards of directors; (iii) assess, develop and supplement (where necessary) senior executive talent; and (iv) create a customized support structure including performance tracking and reporting standards as well as access to Amulet Capital and external resources. Amulet Capital's integrated approach combines experienced healthcare operating partners and a network of Special Consultants with investment teams to work together to implement the above initiatives.

The investment teams remain active post investment, providing financial support to portfolio companies. Amulet Capital is involved in sourcing add-on acquisitions for portfolio companies and the principals and other members of the investment team actively participate in the diligence, valuation and negotiation of these transactions. To the extent an add-on acquisition is completed, Amulet Capital expects that the integration responsibility will be shared by the investment team and management. Investment teams also help monitor capital allocation and expenditure protocols and are involved in any capital structure or financing activity of portfolio companies.

During the post-close process, Amulet Capital endeavors to establish strong communication channels and to align the interests of Amulet Capital, the portfolio companies and their senior executives. A Fund's investments are typically structured to ensure that portfolio company executives invest alongside such Fund to appropriately align their incentives with those of limited partners. Further, senior management compensation is generally disproportionately based on company performance and investment value creation. Agreed upon goals will typically be benchmarked against operating and financial performance, in an effort to make timely interventions, if necessary, and maximize investment outcomes. Each deal team closely monitors portfolio company operations through monthly reports and management calls to track performance, provide management with a progressive set of prioritized growth and profit improvement initiatives and offer timely interventions when necessary. In addition, each portfolio company is generally reviewed in further detail at weekly meetings of the investment team, on a quarterly basis at the board of director level and during internal valuation reviews.

### ***Disciplined and Opportunistic Exit Planning***

Amulet Capital generally begins exit planning for a portfolio company during diligence, where exit opportunities are among the key investment criteria under investigation. As part of a Fund's investment thesis, a deal team is typically required to develop a range of exit scenarios and identify what it considers to be the optimal path to a realization. While investments will generally be made with the expectation of a four to six year investment horizon, throughout the course of the ownership period, the deal team and the investment committee continuously re-evaluate exit strategy and return optimization in the context of portfolio company performance, industry trends and merger and acquisition market dynamics. The Funds may pursue outright sales, recapitalizations, mergers, strategic partnerships and initial public offerings as avenues for realizing investments.

Amulet Capital seeks to be opportunistic with regards to early and partial realizations in order to minimize investor risk and to return invested capital while preserving the opportunity for additional capital appreciation. Throughout the ownership period of an investment, efforts may also be made to facilitate strategic introductions through Amulet Capital's healthcare network in order to increase portfolio company visibility to potential acquirers prior to any orchestrated sale process.

### **Risks of Investment**

Each Fund and its investors bear the risk of loss that Amulet Capital's investment strategy entails. The risks involved with Amulet Capital's investment strategy and an investment in a Fund include, but are not limited to:

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

*Future and Past Performance.* The performance of prior investments made by the Amulet Capital investment team or any given Fund is not necessarily indicative of future results. While

the General Partners intend for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

*Prior Experience of Investment Professionals.* Although certain members of the investment team and other investment professionals involved with a Fund have prior experience analyzing and investing in portfolio companies, not all of such individuals' prior experience involved the investment of capital on behalf of third parties in a private equity fund pursuing the same investment objectives and strategy as such Fund. In addition, other professionals at the institutions with which some of the members of the investment team were previously associated played significant roles in the approval, sourcing and execution of the transactions with which the members of the investment team have been affiliated. Investors should draw no conclusions from any transactional and advisory experience of the members of the investment team and should not expect a Fund to achieve similar results as may have been previously achieved. There can be no assurance that a Fund will be able to implement its investment strategy or achieve its investment objective. The past performance of the members of the investment team with respect to other investments is not necessarily indicative of a Fund's future results. Any information provided to potential investors in a Fund should not be construed or relied upon as indications of the future performance of any Fund. Any information contained in the relevant Memorandum and Partnership Agreement and specific to any individual's prior experiences is provided in order to illustrate the nature of such individual's professional experience but should not be understood as "track record" information. Any such information is presented for illustrative purposes only and should not be relied upon in connection with any investment or other related decision. Other investment professionals have had substantial involvement in, and made substantial contributions to, the past investment experiences of the investment team members.

References, if any, in the relevant Memorandum and Partnership Agreement to the experience of the members of the investment team refer to the collective experience of certain members of the investment team. Each of the members of the investment team's individual experience differs and is unique. Past experiences of the members of the investment team with respect to investment horizons and various market and macroeconomic cycles may be different than those which a Fund may experience. Moreover, the size, ownership percentage, geography, investment thesis, industry and sector of the investments made by a Fund will in some cases differ from those with which the members of the investment team have experience.

*Concentration of Investments.* The Funds will participate in a limited number of investments and intends to make all of its investments in various segments of the healthcare and healthcare-related industries. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or healthcare and healthcare-related industry segments may substantially affect a Fund's aggregate return. Concentrating in a single industry may involve risk greater than generally associated with diversified acquisition funds, including fluctuations in returns. Furthermore, to the extent that the capital raised is less than a Fund's targeted amount, such Fund may invest in fewer portfolio companies and thus be less diversified.

*Lack of Sufficient Investment Opportunities.* The business of identifying and structuring the types of investments described the Memorandums and Partnership Agreements is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully



invested if enough sufficiently attractive investments are not identified. However, limited partners will be required to pay Management Fees during the investment period based on the entire amount of such Fund's limited partners' commitments.

*Dynamic Investment Strategy.* While the General Partners generally intend to seek attractive returns for the Funds primarily through making investments as described in the Memorandums and Partnership Agreements, the General Partners is permitted to pursue additional investment strategies and/or modify or depart from their core investment strategy, investment process and investment techniques as the General Partners determine appropriate. The General Partners is permitted to pursue investments outside of the industries and sectors in which the Funds and investment professionals have previously made investments or have internal operational experience.

*Impact of Government Healthcare Regulation, Reimbursement and Reform.* Various segments of the healthcare industry are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While the Funds intend to make investments in companies that comply with applicable law and regulations, the law and regulations relating to certain industries, including the healthcare industry, are complex, may be ambiguous or may lack clear judicial or regulatory interpretative guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or the financial performance of the companies in which a Fund invests. Recent legislative changes have had, and will likely continue to have, a significant impact on the healthcare industry. In addition, various legislative proposals related to the healthcare industry are introduced from time to time at the federal and state levels in the United States and internationally, and any such proposals, if adopted, could have a significant impact on the healthcare industry. The U.S. healthcare industry continues to undergo significant changes designed to increase access to medical care, improve safety and contain costs. Generally, Medicare and Medicaid reimbursement levels have declined, and the use of managed care has increased; distributors, manufacturers, healthcare providers and pharmacy claims have consolidated and large purchasing groups are more prevalent.

*Healthcare-related Litigation and Liability.* Investments in the healthcare industry are often subject to significant risks related to litigation and liability for damages in connection with a portfolio company's operations, and the litigation and liability environment in the healthcare industry is constantly evolving and new court decisions and legislative activity may increase exposure to any of these types of claims.

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

*Healthcare Pricing and Reimbursement.* The business and financial condition of medical companies will continue to be affected by the efforts of governmental and third-party payors to contain or reduce the cost of healthcare. In certain foreign markets pricing of medical products is subject to governmental control. In the United States there have been, and Amulet Capital expects that there will continue to be, a number of federal and state proposals to implement similar government price controls. In addition, managed care in the United States has increased and will continue to exert pressure on pricing. Although price reductions can lead to increases in overall product revenues due to increases in unit volume sales, prices imposed by government also may reduce royalties due on sales of portfolio company products and services.

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

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

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

*Use of Leverage.* A Fund is permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company. Leverage generally magnifies both such Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates (which in recent years have been at or near historic lows) and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. A Fund is permitted to incur leverage on a joint and several basis with one or more other Funds and entities managed by Amulet Capital or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by capital commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

To the extent a Fund provides bridge financing to facilitate portfolio company investments, it is possible that all or a portion of such bridge financing will not be recouped within the time period specified in the applicable Partnership Agreement, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Funds' investment limitations, certain of which exclude bridge financing investments.

*Subscription Lines.* A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against a Fund would likely be subordinate to such Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintenance, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the relevant Partnership Agreement, Side Letters or other applicable documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the relevant Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases such Fund's reported net returns in certain methods of calculation and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, Amulet Capital is expected to have incentives to cause a Fund to borrow in this manner rather than drawing down capital commitments. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs.

A credit agreement frequently will contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in a Fund or impose concentration or other limits on the Fund's investments. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows a General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse Amulet Capital for expenses incurred on behalf of the Fund. A Fund is also permitted to utilize Fund-level borrowing when its General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

*Credit Risks of Investments in Debt.* A Fund may make debt investments. Debt investments are subject to credit risk, which is the likelihood that a borrower will default in the payment of principal and/or interest on an instrument, and interest rate risk, which is the risk associated with market changes in interest rates. Financial strength and solvency of a borrower are the primary factors influencing credit risk. Borrowers may face intense competition, changing business and economic conditions or other developments that may adversely affect their performance and increase credit risk. In addition, subordination, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an instrument. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce mortgage obligations. If any of the above occurs, the Fund's interest in a portfolio company could be adversely affected.

*Investments in Convertible Debt.* A Fund may invest in convertible debt instruments. There is no minimum credit standard that is a prerequisite to a Fund's investment in any security, and most debt securities and preferred stock that offer potential for capital appreciation are likely to be non-investment grade.

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

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

*Restricted Nature of Investment Positions.* Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's

investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund, and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Partnership Agreement, including the value used to determine the amount of carried interest available to Amulet Capital with respect to such investment.

*Reliance on General Partners and Portfolio Company Management.* Control over the operation of a Fund will be vested with its General Partner, and a Fund's future profitability will depend largely upon the business and investment acumen of Amulet Capital's investment professionals. The interests of these professionals of a General Partner in such General Partner (i.e., the carried interest) should tend to discourage them, for as long as they retain such interests, from withdrawing from participation in a Fund's investment activities. However, there can be no assurance that any such investment professionals will continue to be associated with the relevant General Partner or its affiliates throughout the life of a Fund, and the loss or reduction of service of one or more of these professionals could have an adverse effect on a Fund's ability to realize its investment objectives. Limited partners generally have no right or power to take part in the management of any Fund, and as a result, the investment performance of a Fund will depend on the actions of its General Partner. In addition, certain changes in a General Partner or circumstances relating to a General Partner may have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

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

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

*Tax Information Exchange Regiments; FATCA Withholding Tax on Certain Non-U.S. Entities.* The United States, pursuant to the "Foreign Account Tax Compliance Act" or "FATCA" has entered into numerous intergovernmental agreements with various jurisdictions concerning the exchange of information as a means to combat tax evasion. In addition, the Organization for Economic Co-operation and Development (the "OECD") has published a global Common Reporting Standard for exchange of information pursuant to which many countries have now signed multilateral agreements. One or more of these information exchange regimes will apply to the Fund and/or its alternative investment vehicles and may require the General Partner to collect

and share with applicable taxing authorities information concerning Limited Partners (including identifying information and amounts of certain income allocable or distributable to them). FATCA generally imposes a withholding tax of 30% on a non-U.S. entity's share of most payments attributable to investments in the United States, unless an exception applies. The Funds may be required to withhold such taxes from certain non-U.S. limited partners, unless an exception applies.

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

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

Additionally, Congress has recently considered proposed legislation that would treat certain income allocations to service providers by partnerships such as the Funds (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law is treated as an allocation of the partnership's income, which may be taxed at lower rates than ordinary income. Enactment of any such legislation, whether during or after the initial closing of a Fund, could adversely affect Amulet Capital's principals, employees or other individuals associated with the Funds, Amulet Capital or the General Partners who were or may in the future be granted direct or indirect interests in a General Partner entitling such persons to benefit from carried interest. Such legislation may reduce such persons' after-tax returns from a Fund and its General Partner, which could make it more difficult for such General Partner and its affiliates to incentivize, attract and retain individuals to perform services for the Funds.

*Need for Follow-On Investments.* Following an initial investment in a given portfolio company, Amulet Capital may decide to provide additional funds to such portfolio company and/or its subsidiaries or may have the opportunity to increase its investment in a successful portfolio company. There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment. Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of such Fund's ownership in a portfolio company if a third party invests in such portfolio company.

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

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

Additional risks of non-U.S. investments include, without limitation: (a) economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) government instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

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

In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose such Fund to additional liquidity risks.

Certain hedging arrangements may create for a General Partner and/or one of its affiliates a registration or exemption obligation with the U.S. Commodity Futures Trading Commission or other regulator.

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

*Dilution.* Limited partners admitted to a Fund at subsequent closings generally will participate in then existing investments of such Fund, thereby diluting the interest of existing limited partners in such investments. Although any such new limited partner will typically be required to contribute its *pro rata* share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the relevant Fund's existing investments at the time of such contributions.



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

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

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

*Non-controlling Investments; Investments with Third Parties.* A Fund may hold a non-controlling interest in certain portfolio companies and, therefore, may have a limited ability to protect its position in such companies. In such cases, a Fund will be significantly reliant on the other sponsors of the transaction, if any, and on the existing management and board of directors of such companies, which may include representation of other financial investors with whom such Fund is not affiliated and whose interests may conflict with the interests of such Fund.

A Fund may also co-invest with third parties through joint ventures or other entities. Such investments may involve risks in connection with such third-party involvement, including the possibility that a third-party co-venturer may have financial difficulties, resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of a Fund, or may be in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund may in certain circumstances be liable for the actions of its third-party co-venturers. In those circumstances where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

*Lack of Unilateral Control.* Even if a Fund is the majority investor or controlling shareholder, as applicable, of a portfolio company, in certain circumstances it may not have unilateral control of such portfolio company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, the relevant portfolio company may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the relevant Fund or its limited partners. Such third parties may be in a position to take action contrary to such Fund's business, tax or other interests, and such Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment.

*Director Liability.* A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it

invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes a Fund's representatives, and ultimately such Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability.

*Limitation of Recourse and Indemnification.* The Partnership Agreements limit the circumstances under which a General Partner, its affiliates and certain other persons will be held liable to a Fund. As a result, limited partners may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, the Partnership Agreements provide that Funds will indemnify the General Partners and their affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of the Funds. Such indemnification obligations could materially impact the returns to limited partners.

*Advisory Board.* Each Fund's General Partner will appoint one or more limited partner representatives to such Fund's advisory board. The relevant Partnership Agreement will provide that, to the fullest extent permitted by applicable law, none of the advisory board members shall owe any fiduciary duties to such Fund or any other partner. In addition, representatives of the advisory board may have various business and other relationships with the Amulet Capital, its partners, employees, and/or affiliates. These relationships may influence their decisions as members of the Advisory board.

*Delayed Schedule K-1s.* A Fund may not be able to provide final Schedule K-1s to limited partners for any given fiscal year until after April 15 of the following year. The General Partners will endeavor to provide limited partners with final Schedule K-1s on or before such date, but final Schedule K-1s may not be available until the Funds have received tax-reporting information from their portfolio companies necessary to prepare final Schedule K-1s. Limited partners may be required to obtain extensions of the filing dates for their U.S. federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in a Fund.

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

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

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

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

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’ and their portfolio companies’ operational and financial performance will depend

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

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

*Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments.* The recent deterioration of the global credit markets has made it more difficult for investment funds such as the Funds to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise

in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or to only offer committed financing for these investments on unattractive terms. The Funds' ability to generate attractive investment returns may be adversely affected to the extent the Funds are unable to obtain favorable financing terms for their investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

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

*Material Non-Public Information; Other Regulatory Restrictions.* As a result of the operations of Amulet Capital and its affiliates, Amulet Capital frequently comes into possession of confidential or material non-public information. Therefore, Amulet Capital and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund might be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Amulet Capital's internal policies and practices. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Amulet Capital or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust remedies relating to one Fund's acquisition of a portfolio company may require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Amulet Capital's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or

regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Amulet Capital or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

*Certain Consultants.* The General Partners, the Funds, and the portfolio companies may from time to time retain Special Consultants, which may be affiliates of Amulet Capital, employees of such affiliates, portfolio companies of other Funds, third party consultants (including senior advisors, consultants and external executives), “operating partners,” “strategic partners,” “executive partners,” “senior advisors” or “consultants.” The Special Consultants may be engaged to provide services to, or in connection with, a Fund in relation to its activities or one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies (“**Services**”).

Pursuant to the relevant Partnership Agreement, fees and expenses associated with the Services (collectively “**Consulting Fees and Expenses**”), may be paid and/or reimbursed by applicable portfolio companies and/or the relevant Fund. Consulting Fees and Expenses may, at the discretion of a General Partner taking into account the particular Services, include a profits or equity interest in a portfolio company or other incentive-based compensation to the Special Consultant, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Special Consultant, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company.

Consulting Fees and Expenses paid to Special Consultants by Portfolio Companies do not offset Management Fees paid by limited partners.

*Unfunded Pension Liabilities of Portfolio Companies.* Recent court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although Amulet Capital intends to manage each Fund’s investments to minimize any such exposure, a Fund may, from time to time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Fund may own an 80% or greater interest in such a portfolio company. If such Fund (or other 80%-owned portfolio companies of such Fund) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of such Fund and the companies in which such Fund invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

*Co-Investments.* A General Partner may, in its sole discretion, provide or commit to provide co-investment opportunities to one or more limited partners and/or other persons, in each case on terms to be determined by such General Partner in its sole discretion. Conflicts of interest that may arise in the allocation such co-investment opportunities are discussed below under “Conflicts of Interest.” A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of a Fund, or may be in a position to take action contrary to the investment objectives of a Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner.

*Cybersecurity Risks.* Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company’s systems, such portfolio company may be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company’s failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks. Any of such circumstances could subject a portfolio company, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Amulet Capital or one of its service providers holding its financial or investor data, Amulet Capital, its affiliates or the Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks under Amulet Capital’s policies and practices.

*Business, Terrorism and Catastrophic Event Risks* – The Funds will be subject to the risk of loss arising from exposure that it may incur, indirectly, due to the occurrence of various events, including hurricanes, earthquakes, and other natural disasters, terrorism and other catastrophic events such as a pandemic. These catastrophic risks of loss can be substantial and could have a material adverse effect on Amulet Capital’s business and investments made by the Funds.

## **Conflicts of Interest**

Amulet Capital and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for the account of Funds, and providing transaction-related, legal, management and other services to Funds, SPACs and portfolio companies. Amulet Capital will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the

relevant Partnership Agreement, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Amulet Capital conducting its activities, the interests of a Fund may conflict with the interests of Amulet Capital, one or more other Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, Amulet Capital will determine all matters relating to structuring transactions and Fund operations using its best judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory boards of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by Amulet Capital principals through such Fund, subject to certain limited exceptions. Amulet Capital believes that the significant investment of its investment professionals in each Fund, as well as the principals and investment professionals' interest in the carried interest, operate to align, to some extent, the interest of its investment professionals with the interest of the limited partners, although the investment professionals may have economic interests in other Funds and investments and receive management fees and carried interests relating to these interests. Without limitation, Amulet Capital principals currently manage, and/or expect in the future to manage, several other investments similar to those in which the Funds will be investing and may direct certain relevant investment opportunities to those investments. Amulet Capital personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. Amulet Capital's principals and Amulet Capital's investment staff will continue to manage and monitor such investments until their realization. Such other investments that Amulet Capital principals may control or manage may potentially compete with companies acquired by a Fund. Following the commitment period of a Fund, Amulet Capital principals may and likely will focus their investment activities on other opportunities and areas unrelated to such Fund's investments. Unless restricted by the Governing Documents, Amulet Capital personnel are permitted to serve on boards or act in other roles unaffiliated with Amulet Capital, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles.

From time to time, Amulet Capital will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by Amulet Capital. In determining which investment vehicles should participate in such investment opportunities, Amulet Capital and its affiliates are subject to conflicts of interest among the investors in such investment vehicles. Investments by more than one client of Amulet Capital in a portfolio company may also raise the risk of using assets of a client of Amulet Capital to support positions taken by other clients of Amulet Capital.

Amulet Capital must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Amulet Capital generally assesses whether an investment opportunity is appropriate for a particular Fund based on the Fund's Partnership Agreement, as well as factors including but not limited to: investment restrictions and objectives (including those set forth in the relevant client's Partnership Agreement, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a



disproportionate amount of investments until it is substantially invested. A Fund may invest together with other Funds advised by Amulet Capital in the manner set forth in the relevant Partnership Agreements and in accordance with Amulet Capital's allocation procedures. Amulet Capital will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable consistent with Amulet Capital's obligations and may take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, Amulet Capital will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s) and any such excess may be offered to one or more potential co-investors, including third parties, as determined by the Funds' Partnership Agreements, Side Letters and Amulet Capital's allocation procedures. Amulet Capital's procedures permit it to take into consideration some or all of a wide range of factors including: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; Amulet Capital's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair Amulet Capital's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; and whether Amulet Capital believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Funds, or Amulet Capital. Amulet Capital may grant certain third-party investors, the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities. Although a prospective co-investor's willingness to invest in future Funds may be considered by Amulet Capital, it will not be the sole determining factor considered by Amulet Capital in identifying co-investors.

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

Amulet Capital's allocation of investment opportunities among the persons and in the manner discussed herein may not, and often will not, result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others. While Amulet Capital will allocate investment opportunities in a manner that it believes in good faith is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the conflicts of interest to which Amulet Capital may be subject, discussed herein, did not exist.

In certain cases, Amulet Capital will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Partnership Agreement, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Amulet Capital will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on suitability and other factors similar to those employed in selecting co-investors, and unless otherwise required by the relevant Partnership Agreement, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

To the extent that multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any workout or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by Amulet Capital in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, Amulet Capital may face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). In certain circumstances Funds may be prohibited from exercising (or Amulet Capital may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests. If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, Amulet Capital may be subject to conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. Amulet Capital intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Fund to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

Conflicts may arise when a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This may result in differences in price, terms, leverage and associated costs. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of Broken Deal Expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Amulet Capital and its affiliates may express inconsistent views of commonly held investments or of market conditions more generally, including in instances where different persons affiliated with Amulet Capital express different views regarding the same investment. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions may be taken for one or more Funds that adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Partnership Agreements of the Funds, Amulet Capital will allocate fees and expenses in a manner that it believes in good faith is fair and equitable to its clients under the circumstances and considering such factors as it deems relevant, but in its sole discretion. In exercising such discretion, Amulet Capital may be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions will generally be made by Amulet Capital or its affiliates using their best judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate *pro rata* based on number of Funds or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has greater benefit to a Fund or to Amulet Capital. Different Funds may have different expense reimbursement terms, including with respect to Management Fee offsets, which may result in the Funds bearing different levels of expenses with respect to the same investment.

As a result of the Funds' controlling interests in portfolio companies, Amulet Capital and/or its affiliates typically have the right to appoint portfolio company board members (including current or former Amulet Capital personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Amulet Capital and/or its affiliates. Unless such amounts are subject to the Partnership Agreements' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Amulet Capital.

Additionally, a portfolio company typically will reimburse Amulet Capital or service providers retained at Amulet Capital's discretion for expenses (including without limitation travel expenses) incurred by Amulet Capital or such service providers in connection with its performance of services for such portfolio company. This subjects Amulet Capital and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Amulet Capital determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, any fee paid or expense reimbursed to Amulet Capital or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related conflicts of interest.

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

Amulet Capital generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services with (i) Amulet Capital or a related person of Amulet Capital (which may include a portfolio company of the relevant Fund or a different Fund, (ii) an entity with which Amulet Capital or its affiliates or current or former members of their personnel has a relationship or from which Amulet Capital or its affiliates or their personnel otherwise derives financial or other benefit or (iii) certain limited partners or their affiliates. For example, Amulet Capital may be presented with opportunities to receive financing and/or other services in

connection with a Fund's investments from certain limited partners or their affiliates that are engaged in lending or related business. This discretion subjects Amulet Capital to conflicts of interest, because although Amulet Capital selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Fund, Amulet Capital may have an incentive to recommend the related or other person (including a limited partner) because of its financial or other business interest. There is a possibility that Amulet Capital, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or Amulet Capital), may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. Because certain expenses are paid for by a Fund and/or its portfolio companies or, if incurred by Amulet Capital, are reimbursed by a Fund and/or its portfolio companies, Amulet Capital will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Whether or not Amulet Capital has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, from time to time Amulet Capital may cause a Fund to enter into a transaction whereby such Fund purchases securities from, or sells securities to, other Funds managed by Amulet Capital, or co-investors or co-investment vehicles. Such transactions may arise in the context of re-balancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company owned by another Fund. Any such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such a transaction is entered into represents what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Partnership Agreements or otherwise in the sole discretion of Amulet Capital, Amulet Capital may seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, Amulet Capital may determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction to a Fund under then-current market conditions. Amulet Capital intends that any such transactions be conducted in a manner that it believes in good faith to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

Although Amulet Capital generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, Amulet Capital intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the

obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Amulet Capital may also, from time to time, employ personnel with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Amulet Capital; conversely, current or former personnel or executives of Amulet Capital may serve in significant management roles at portfolio companies or service providers recommended by Amulet Capital. Similarly, Amulet Capital and/or its personnel maintain relationships with (or may invest in) financial institutions, service providers and other market participants, including but not limited to managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to Amulet Capital and/or the Funds or other investment vehicles Amulet Capital advises. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through Amulet Capital entities) to Amulet Capital personnel and their estate planning vehicles. Amulet Capital may have a conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide Amulet Capital information about markets and industries in which Amulet Capital operates (or is contemplating operations) or will provide other services that are beneficial to Amulet Capital. Amulet Capital may have a conflict of interest in making such recommendations, in that Amulet Capital has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to the portfolio companies held by a Fund.

Amulet Capital, its equity holders, officers, principals and employees may buy or sell securities or other instruments that Amulet Capital has recommended to a Fund. In addition, officers, principals and employees may buy securities in transactions deemed unsuitable for a Fund. Such transactions are subject to restrictions in the Fund's Partnership Agreement and the policies and procedures set forth in the Registrant's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Amulet Capital have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, and therefore may have additional conflicting interests in connection with these investments.

Except to the extent prohibited by the Governing Documents, Amulet Capital and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles, accounts or SPACs the investment or business strategy of which does not overlap with the Fund(s) and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the

Governing Documents and anti-“assignment” provisions of the Advisers Act, Amulet Capital and its personnel are also permitted to offer, restructure and monetize interests in Amulet Capital.

In addition, as described above, portfolio companies (and, to a lesser extent, the Funds) typically pay certain fees to Special Consultants, and such fees do not offset the Management Fee as described herein. Special Consultants generally make use of Amulet Capital resources or otherwise are associated with Amulet Capital. Special Consultants generally receive investment opportunities, reimbursements and other compensation that do not offset the Management Fee of any Fund, as described herein. To the extent that Special Consultants are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of the Special Consultants’ services at a time when fewer portfolio companies or Funds make use of such Special Consultants. Although the use of Special Consultants and the allocation of compensation paid to them by Amulet Capital, its affiliates and/or the portfolio companies subjects Amulet Capital and/or its affiliates to potential conflicts of interest, Amulet Capital believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the Special Consultant is lower than market rates for the services provided and/or if the services of the Special Consultant align with Amulet Capital’s model for the portfolio company and improve portfolio company performance. Although Amulet Capital seeks to retain Special Consultants with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Amulet Capital also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Amulet Capital believes will align such persons’ interests with those of the Funds’ limited partners and seeks to retain only Special Consultants and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Because there is a fixed investment period after which capital from investors in a Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Fund, based upon capital invested by such Fund, this fee structure may create an incentive to deploy capital when Amulet Capital may not otherwise have done so.

Since Amulet Capital is permitted to retain certain Supplemental Fees (as described under “Fees and Compensation”) in connection with Fund investments, it could have a conflict of interest in connection with approving transactions and setting such compensation. In many cases, Supplemental Fees are based on enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company. Amulet Capital, its personnel, affiliates or others designated by Amulet Capital also expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the relevant Partnership Agreement are applied, Amulet Capital and/or such other recipients will be permitted to retain such securities as Supplemental Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or

Amulet Capital or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Fund.

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

As described in more detail in the Fund's Memorandum, certain conflicts of interest may arise in connection with economic and other rights of the Anchor Investors and/or their affiliates.

Amulet Capital may enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, information rights, co-investment rights, and liquidity or transfer rights.

Any of these situations subjects Amulet Capital to potential conflicts of interest. Amulet Capital attempts to resolve such conflicts of interest in light of its obligations to investors in its Funds and the obligations owed by Amulet Capital to investors in investment vehicles managed by them, and attempts to allocate investment opportunities among a Fund, other Funds and such investment vehicles in a fair and equitable manner. To the extent that an investment or relationship raises particular conflicts of interest, Amulet Capital will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, Amulet Capital consults and receives consent to conflicts from an advisory board consisting of limited partners of the relevant Fund(s) and such other investment vehicles.

#### **DISCIPLINARY INFORMATION**

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

#### **OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS**

The Registrant is affiliated with the General Partners, which are investment advisers under the Advisers Act. The SEC has deemed the General Partners to operate, for registration purposes, as a single advisory business together with the Registrant insofar as the General Partners are deemed registered under the Advisers Act pursuant to the Registrant's registration in accordance with SEC guidance. The General Partners serves as general partners to the Funds and generally share with the Registrant common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

The Registrant has adopted the Amulet Capital Partners, L.P. Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of Amulet Capital principals and employees and addresses conflicts that arise from



personal trading. The Code requires certain Amulet Capital personnel to report their personal securities transactions and prohibits such Amulet Capital personnel from directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering and from directly or indirectly acquiring beneficial ownership or disposing of certain other types of securities, in each case without first obtaining approval from the Amulet Capital Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Amulet Capital's Chief Compliance Officer, at 646-561-6660. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Amulet Capital and its affiliated persons may come into possession, from time to time, of material non-public 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, Amulet Capital and its affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of Amulet Capital.

Accordingly, should Amulet Capital or any of its affiliated persons come into possession of material non-public or other confidential information with respect to public and non-public company, Amulet Capital would be prohibited from communicating such information to clients, and Amulet Capital will have 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 Amulet Capital personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

Principals and employees of Amulet Capital may directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles may invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities may also be presented to certain affiliates of Amulet Capital, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

Amulet Capital and its principals and employees may carry on investment activities for their own account and for family members, friends or others who do not invest in a Fund and may give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same or similar. The operative documents and investment programs of certain Funds may restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or may give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds.

From time to time, Amulet Capital may advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is borne by the relevant Fund consistent with the Partnership Agreement, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, Amulet Capital is expected to have incentives to cause such Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when a Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the limited partners would otherwise be entitled had the applicable General Partner called capital, and thus could result in the relevant General Partner receiving carried interest sooner than it would without borrowing. In addition, when the Management Fee is calculated as a percentage of invested capital, a limited partner may pay Management Fees on borrowed amounts used to fund investments that have not yet been realized even though such amounts would not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs. Amulet Capital will effect such borrowings in a manner it believes to be fair and equitable to the relevant Fund, and consistent with Amulet Capital's obligations to such Fund and the relevant Partnership Agreement.

### **BROKERAGE PRACTICES**

Amulet Capital focuses on securities transactions of private companies and generally purchases and sells such companies through privately negotiated transactions in which the services of a broker-dealer may be retained. However, Amulet Capital may also distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, if a public trading market exists. Although Amulet Capital does not intend to regularly engage in public securities transactions, to the extent it does so, it follows the brokerage practices described below.

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

Amulet Capital has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Amulet Capital generally seeks competitive commission rates, it may not necessarily pay the lowest

commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with Amulet Capital seeking to obtain best execution, brokerage commissions on client transactions may be directed to brokers in recognition of research furnished by them, although Amulet Capital generally does not make use of such services at the current time and has not made use of such services since its inception. Such research services could include economic research, market strategy research, industry research, company research, fixed income data services, computer-based quotation equipment and research services and portfolio performance analysis. As a general matter, research provided by these brokers would be used to service all of Amulet Capital's Funds. However, each and every research service may not be used for the benefit of each and every Fund managed by Amulet Capital, and brokerage commissions paid by one Fund may apply towards payment for research services that might not be used in the service of such Fund. Research services may be shared between the Registrant and its affiliates.

Amulet Capital will employ no agreement or formula for the allocation of brokerage business on the basis of research services; however, Amulet Capital may, in its discretion, cause the Funds to pay such brokers a commission for effecting portfolio transactions in excess of the amount of commission another broker adequately qualified to effect such transactions would have charged for effecting such transactions. This may be done where Amulet Capital has determined in good faith that such commission is reasonable in relation to the value of brokerage and research services received. In reaching such a determination, Amulet Capital would not be required to place or attempt to place a specified dollar value on the brokerage or research services provided by such broker.

Amulet Capital will periodically determine which brokers have provided research that has been helpful in the management of Funds. To the extent consistent with Amulet Capital's goal to obtain best execution for their clients, Amulet Capital may seek to place a portion of the trades that they direct with the brokers who are identified through this process.

To the extent that Amulet Capital allocates brokerage business on the basis of research services, it may have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds' interest in receiving most favorable execution.

Amulet Capital does not anticipate engaging in significant public securities transactions; however, to the extent that Amulet Capital engages in any such transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Funds are completed independently, Amulet Capital may also purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Amulet Capital may, but is not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Amulet Capital is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such

purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

When an aggregate order is partially filled, the securities purchased or sold will normally be allocated on a *pro rata* basis to each Fund participating in such buy or sell order in accordance with the amount of securities originally requested for such Funds.

Each Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided they are fair and equitable to Funds over time.

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

#### **REVIEW OF ACCOUNTS**

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. However, Amulet Capital closely monitors companies in which the Funds invest, and Amulet Capital's Chief Compliance Officer periodically checks to confirm that each Fund is maintained in accordance with its stated objectives.

Each Fund generally will provide to its limited partners (i) annual audited and quarterly unaudited financial statements, (ii) annual tax information necessary for each limited partner's tax return, and (iii) reports providing a narrative summary of the status of each portfolio company investment.

#### **CLIENT REFERRALS AND OTHER COMPENSATION**

Amulet Capital and/or its affiliates may provide certain business or consulting services to companies in a Fund's portfolio and may receive compensation from these companies in connection with such services. As described in the relevant Partnership Agreement, this compensation may, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out of pocket expenses directly related to a portfolio company), these fees may be in addition to Management Fees. See "Fees and Compensation."

From time to time, Amulet Capital enters into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents will be borne by Amulet Capital indirectly through an offset against the Management Fee, although related expenses incurred

pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s). Amulet Capital has historically retained, and expects in the future to retain, placement agents to solicit commitments to Funds. Such placement agents typically provide services in exchange for fees ranging in amount depending on factors including an investor's relationship with Amulet Capital and amount of aggregate commitments to the relevant Fund.

### **CUSTODY**

Amulet Capital maintains custody of assets held in the name of one or more Funds with the following qualified custodian: First Republic Bank. The Funds are subject to an annual audit and the audited financial statements are distributed to each limited partner.

### **INVESTMENT DISCRETION**

Amulet Capital has discretionary authority to manage investments on behalf of each Fund. As a general policy, Amulet Capital does not allow clients to place limitations on this authority. Pursuant to the terms of the Partnership Agreement, however, Amulet Capital and/or its affiliates may enter into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund may be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. Amulet Capital assumes this discretionary authority pursuant to the terms of the Partnership Agreement and powers of attorney executed by the limited partners of such Fund.

### **VOTING CLIENT SECURITIES**

The Registrant has adopted the Amulet Capital Partners, L.P. Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for each Fund's portfolio investments. The Proxy Policy seeks to ensure that Amulet Capital votes proxies (or similar instruments) in the best interest of the relevant Fund, including where there may be material conflicts of interest in voting proxies. Amulet Capital generally believes its interests are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Amulet Capital may address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board may approve Amulet Capital's vote in a particular solicitation. Amulet Capital does not consider service on portfolio company boards by Amulet Capital personnel or Amulet Capital's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Amulet Capital when voting proxies on behalf of a Fund. If you would like a copy of the Registrant's complete Proxy Policy or information regarding how Amulet Capital voted proxies for particular portfolio companies, please contact the Amulet Capital Chief Compliance Officer at 646-561-6660, and it will be provided to you at no charge.

## **FINANCIAL INFORMATION**

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