



Form ADV Part 2A: Firm Brochure

Activant Capital Group LLC

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This brochure provides information about the qualifications and business practices of Activant Capital Group LLC. If you have any questions about the contents of this brochure, please contact Neeta Singh, Chief Compliance Officer, at 203-489-9080. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

Activant Capital Group LLC is an investment adviser registered with the SEC under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). Any reference to Activant Capital Group LLC as a “registered investment adviser” or as being “registered” does not imply a certain level of skill or training.

Additional information about Activant Capital Group LLC is also available on the SEC’s website at: www.adviserinfo.sec.gov.

Item 2: Material Changes

Activant Capital Group LLC routinely makes changes to the brochure in an effort to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry and firm practices.

Since the last amendment to the firm's brochure, which was filed on March 30, 2020, Activant Capital Group LLC has not made any material changes to the brochure. However, this annual update reflects the addition of a new private fund client, and includes routine annual updating changes, certain enhanced disclosures, and updated regulatory assets under management.

Except as otherwise specified, all information set forth or referenced in this brochure is as of the date hereof. Subject to the requirements of the Advisers Act and other applicable laws, Activant Capital Group LLC is under no obligation to update any such information.

We recommend that you read this brochure in its entirety.

Item 3: Table of Contents

Item 2: Material Changes.....	2
Item 3: Table of Contents	3
Item 4: Advisory Business	4
Item 5: Fees and Compensation	6
Item 6: Performance Based Fees and Side-by-Side Management	11
Item 7: Types of Clients.....	12
Item 8: Methods of Analysis, Investment Strategies and Risk of Loss	12
Item 9: Disciplinary Information	46
Item 10: Other Financial Industry Activities and Affiliations	46
Item 11: Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	48
Item 12: Brokerage Practices	50
Item 13: Review of Accounts	52
Item 14: Client Referrals and Other Compensation.....	52
Item 15: Custody.....	53
Item 16: Investment Discretion.....	53
Item 17: Voting Client Securities	53
Item 18: Financial Information	54

Item 4: Advisory Business

Activant Capital Group LLC (“Activant Capital”), a Delaware limited liability company, is a private investment management firm. Activant Capital and its affiliated investment advisers (defined below and collectively the “Affiliated Advisers”) provide discretionary investment management services to pooled investment vehicles such as private investment partnerships, special purpose entities, and co-investment vehicles (limited partners and/or shareholders in the private funds, co-investment vehicles, and special purpose entities are referred to as “Fund Investors” or “Limited Partners”). The Affiliated Advisers together with Activant Capital are collectively referred to as the “Advisers,” “Activant,” “we,” “us,” or “our.”

Each Affiliated Adviser (i.e., Activant Capital Management, LLC, Activant Ventures Advisors I, LLC, Activant Ventures Advisors II, LLC, Activant Ventures Advisors III, LLC, and Activant Capital Advisors IV, LLC) is a relying adviser that is registered under the Investment Advisers Act of 1940, as amended (the “Advisers Act”), pursuant to the umbrella registration of Activant Capital, the filing adviser. This brochure also describes the business practices of the Affiliated Advisers or relying advisers which operate as a single advisory business together with Activant Capital.

Formed in November 2012, Activant is principally owned by the founding partner, Steven Sarracino. Activant pursues a growth-equity investment strategy that intends to invest primarily in best-of-breed software, internet, internet of things (“IoT”), and data-centric businesses. Utilizing its operational and industry expertise, Activant will strive to help portfolio companies drive revenue and profitability. When selecting prospective investment targets we aim to look for strong topline growth, industry leadership, and outstanding management teams. Investment decisions are typically approved by an investment committee (the “Investment Committee”) that is chaired by Mr. Sarracino. Additional information about Activant’s investment strategies and associated risks can be found in greater detail below in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**.

The private funds include Activant Ventures I, LP, Activant Ventures II, LP, Activant Ventures III, LP, and Activant Capital IV, LP (collectively, the “Private Funds”) which are Delaware limited partnerships. Activant Ventures Advisors I, LLC, a Delaware limited liability company, serves as the General Partner of Activant Ventures I, LP. Activant Ventures Advisors II, LLC, a Delaware limited liability company, serves as the General Partner of Activant Ventures II, LP. Activant Ventures Advisors III, LLC, a Delaware limited liability company, serves as the General Partner of Activant Ventures III, LP. Activant Capital Advisors IV, LLC, a Delaware limited liability company, serves as the General Partner of Activant Capital IV, LP. Activant Capital Management, LLC, a Delaware limited liability company serves as the investment manager of the Private Funds. Mr. Sarracino is the sole member and manager of Activant Capital Management, LLC, Activant Ventures Advisors I, LLC, Activant Ventures Advisors II, LLC, Activant Ventures Advisors III, LLC, and Activant Capital Advisors IV, LLC.

The special purpose entities include Activant Holdings III, LP, Activant Holdings IV, LP, Activant Holdings V, LP, Activant WA Holdings, LP, Activant RN Holdings, LP, Activant RN-C Holdings, LP, and Activant RN-A Holdings, LP (each, a Delaware limited partnership, and collectively, the “Special Purpose Entities”), and were formed to make single investments in technology enabled

companies. The Special Purpose Entities at times invest in portfolio companies alongside the Private Funds and Co-Investment Vehicle Clients (as defined below). Activant Capital Group LLC or Mr. Sarracino serves as the General Partner or manager of the Special Purpose Entities. Mr. Sarracino is the sole member and manager of Activant Capital Group LLC.

The co-investment vehicles include Activant SK CI Holdings, LP, Activant RN CI Holdings, LP, Activant Ventures III Opportunities Fund 1, LP, Activant Ventures III Opportunities Fund 2, LP, Activant Ventures III Opportunities Fund 3, LP, Activant Ventures III Opportunities Fund 4, LP, and Activant Ventures III Opportunities Fund 6, LP (collectively, the “Co-Investment Vehicle Clients”) which are organized as Delaware limited partnerships. The Co-Investment Vehicle Clients were organized and structured to facilitate investments by third party co-investors alongside the Private Funds and Special Purpose Entities. Activant Ventures Advisors I, LLC serves as the General Partner to Activant SK CI Holdings, LP and Activant RN CI Holdings, LP. Activant Ventures Advisors III, LLC serves as the General Partner to Activant Ventures III Opportunities Fund 1, LP, Activant Ventures III Opportunities Fund 2, LP, Activant Ventures III Opportunities Fund 3, LP, Activant Ventures III Opportunities Fund 4, LP, and Activant Ventures III Opportunities Fund 6, LP. Mr. Sarracino is the sole member and manager of Activant Ventures Advisors I, LLC and Activant Ventures Advisors III, LLC.

The Private Funds, Special Purpose Entities, and Co-Investment Vehicle Clients are collectively referred to as “Clients.” In providing services to the Clients, among other things, Activant manages assets in accordance with the terms of the applicable governing documents. Activant provides investment advice directly to the Private Funds, the Special Purpose Entities, and the Co-Investment Vehicle Clients and not individually to a Client’s Fund Investors or Limited Partners.

Investment restrictions for Clients are generally established in the applicable governing document such as a limited partnership agreement or private placement memorandum and subscription materials (collectively, the “Fund Governing Documents”). The information provided herein about the investment advisory services provided by Activant is qualified in its entirety by reference to the Fund Governing Documents.

Activant may advise other private funds, co-investment vehicles, and special purpose entities in the future. Activant, on its own behalf and on a Private Fund’s behalf, has entered into side letter agreements (“Side Letters”) with certain existing or prospective Limited Partners. Such Side Letters may establish rights under, or alter or supplement the terms of, the Governing Documents between the parties to such Side Letters and the Client, and may establish investment or other terms with such Limited Partners that are more favorable than the terms available to other Limited Partners. For the most part, any rights established, or any terms altered or supplemented will govern only the investment of the specific Fund Investor and not the terms of the Private Fund as a whole.

As of December 31, 2020, Activant had regulatory assets under management of approximately \$1,251,103,576, all of which are managed on a discretionary basis. Activant did not manage any client assets on a non-discretionary basis.

Item 5: Fees and Compensation

Activant's compensation for the investment advisory services it provides to Clients is paid as an asset-based management fee, a commitment-based management fee, a carried interest allocation of realized gains (which at times is subject to a preferred return), as investment income, or as a combination of these compensation structures (e.g., some Clients pay an asset-based management fee and a commitment-based management fee in addition to carried interest). Clients' and Limited Partners' fees to Activant vary among Clients and Limited Partners. The fees and expenses applicable to Clients and Fund Investors are set forth in detail in each of the applicable Fund Governing Documents. A brief summary of fees and expenses is provided below. Additional information about Activant's fees and compensation, and associated risks and conflicts of interest, can be found in greater detail below in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading "**Potential Conflicts of Interest and Other Considerations.**"

Management Fee

Each of Activant Ventures I, LP and Activant Ventures II, LP pays Activant or an affiliate a management fee for each fiscal quarter in an amount equal to the aggregate capital commitments of all Limited Partners as of the first day of each such quarter (regardless of whether such capital commitments have been drawn down) multiplied by a percentage detailed in the respective Fund Governing Documents. At the conclusion of the investment period the management fee will include a quarterly fee applied to the combined value of (1) the cost basis or fair market value (whichever is lower) of all investments remaining in the Private Fund as of the first day of such quarter and (2) the amount of all Limited Partners' aggregate capital commitments reserved for investment in Portfolio Companies (as defined below) as of the first day of each such quarter. After the second anniversary of the conclusion of the investment period the respective management fee percentage for each fiscal quarter shall be multiplied by the cost basis or fair market value (whichever is lower) of all investments remaining in such Private Fund as of the first day of such quarter.

Activant Ventures III, LP pays Activant or an affiliate a management fee for each fiscal quarter in an amount equal to the aggregate capital commitments of all Limited Partners as of the first day of each such quarter (regardless of whether such capital commitments have been drawn down) multiplied by a percentage detailed in the Fund Governing Documents. At the conclusion of the investment period the management fee will include a quarterly fee applied to the cost basis or fair market value (whichever is lower) of all investments remaining in the Private Fund as of the first day of such quarter. After the fourth anniversary of the conclusion of the investment period, the management fee will be \$150,000 per fiscal year.

Activant Capital IV, LP pays Activant or an affiliate a management fee for each fiscal quarter in an amount equal to the aggregate capital commitments of all Limited Partners as of the first day of each such quarter (regardless of whether such capital commitments have been drawn down) multiplied by a percentage detailed in the Fund Governing Documents. At the conclusion of the investment period the management fee will include a quarterly fee applied to the cost basis or fair market value (whichever is lower) of all investments remaining in the Private Fund as of the first day of such quarter.

Special Purpose Entities typically pay Activant or an affiliate a onetime management fee structured as a percentage of the Limited Partners' aggregate initial capital contributions and will typically be paid from such capital contributions. Co-Investment Vehicle Clients do not typically pay a management fee to Activant or an affiliate.

The management fee shall accrue and be due and payable commencing as of the date specified in the Fund Governing Documents; provided, however, that Activant or its affiliate may postpone all or a portion of such payment obligation until such date or dates as it determines in its sole discretion. Management fees are paid from the assets of the Clients and are allocated to the capital accounts of the Limited Partners. The cash to pay such management fees are typically funded from drawdowns of Limited Partners' unfunded capital commitments. Management fees may also be paid from initial capital contributions or the operating capital of the Clients that includes interest, dividends, or portfolio company disposition proceeds.

Performance-Based Compensation

Activant's compensation for the investment advisory services it provides to Clients at times includes a carried interest allocation of realized gains, which at times is subject to a preferred return, and investment income (collectively "Performance-Based Compensation"). For the Private Funds, Activant or an affiliate receives a carried interest allocation from Limited Partners generally equal to 20%, but may vary, of all realized gains, typically subject to a preferred return (as more fully described in the Fund Governing Documents). For the Special Purpose Entities, Activant or an affiliate will receive carried interest from Fund Investors in certain of the Special Purpose Entities in an amount that varies though is typically 20% of the Special Purpose Entities' profits. Activant or an affiliate does not typically, but may in certain cases, receive a carried interest allocation from Co-Investment Vehicle Clients, but to the extent Activant, affiliates, or employees have an investment in the Co-Investment Vehicle Client, they will receive a proportional amount of the Co-Investment Vehicle Client's profits upon distribution (similar to other Limited Partners).

Please see **Item 6 Performance Based Fees and Side-by-Side Management** below for additional information regarding Performance-Based Compensation that Activant or an affiliate may receive. The precise amount of, and the manner and calculation of, the Performance-Based Compensation is set forth in the applicable Fund Governing Documents.

Activant or an affiliate may waive or reduce the management fee and performance-based compensation for certain Limited Partners in Activant's sole discretion. Current and former employees of Activant and certain affiliates including legal entities organized and controlled by employees and former employees do not pay management fees or carried interest to Activant. Activant may, in its sole discretion, agree to waive, reduce or calculate management fees and Performance-Based Compensation differently for other Fund Investors.

Other Types of Client Expenses

Activant shall bear normal operating expenses incurred in connection with the management of the Clients except for those expenses borne directly by the Clients. Such normal operating expenses shall include, without limitation, expenditures on account of salaries, wages, and other benefits provided to or expenses of Activant employees, or other persons rendering services related to

Private Fund portfolio investments, office rent, communications, equipment, supplies, website development, and maintenance expenses, and other similar administrative costs. Additionally, Activant shall bear or reimburse fees and expenses associated with travel and entertainment (including, without limitation, airfare, meals, lodging, etc.) to the extent that such fees and expenses are directly related to *unconsummated* prospective investments of the Private Funds. For the Co-Investment Vehicle Clients and Special Purpose Entities, Activant or an affiliate is not required to advance any funds to pay any operating expenses of the respective Client. If Activant or an affiliate does incur any costs for operating expenses in providing investment advisory services to the Co-Investment Vehicle Clients and Special Purpose Entities, Activant is entitled to be reimbursed by the Co-Investment Vehicle Client or Special Purpose Vehicle for such costs and expenses, and may initiate a capital call for such amounts. Except to the extent provided in the Fund Governing Documents or otherwise approved by the Limited Partners, Activant shall not, in its capacity as a general partner or otherwise, receive from the Co-Investment Vehicle Client any salary, fees, profits, reimbursements or distributions, except reimbursements of operating expenses.

The Fund Governing Documents of each Private Fund, including the private placement memorandum, set forth the particulars of the operating expenses that may be borne by the Fund, but such operating expenses may include (without limitation) the following: (i) all costs, fees and expenses directly related to investments or prospective investments of the Private Fund (whether or not consummated), including all costs and expenses attributable to researching, identifying, analyzing, evaluating, diligencing, pursuing, committing to, purchasing, investing, holding, monitoring, managing, seeking disposition opportunities for and disposing of, such investments; brokerage commissions and other execution and transaction costs; exchange, clearing and settlement charges; fees and expenses associated with travel and entertainment (including, without limitation, airfare, meals, lodging, etc.), provided that travel and entertainment expenses relating to unconsummated investments will be reimbursed to the Private Fund by Activant; appraisal fees; investment banking fees and expenses; commitment fees or other lending fees that become payable in connection with an investment; custody fees; expenses related to negotiating nondisclosure and confidentiality agreements; and fees of consultants and finders relating to investments or prospective investments of the Private Fund; (ii) any taxes, fees, duties or other government charges levied against the Private Fund or on its income or assets or in connection with its business operations; (iii) any expenses relating to organizing investment subsidiaries; (iv) any governmental, regulatory, licensing, filing or registration fees (including fees to consultants) incurred by the Private Fund, or Activant affiliates such as the general partner or the management company in compliance with the rules of any self-regulatory organization or any federal, state or local or other applicable laws; (v) to the extent permitted by applicable law, any legal fees and costs (including settlement costs) arising in connection with any litigation or regulatory investigation instituted against the Private Fund, or Activant affiliates such as the general partner or the management company in its capacity as such, or otherwise, involving Private Fund activities; (vi) the cost of the audit of the Private Fund's financial statements and the preparation of its tax returns; (vii) the fees and expenses for financial and tax accounting, reporting and administrative services performed; (viii) the fees and expenses of the Private Fund's counsel in connection with advice directly relating to the Private Fund's legal affairs and tax-related or regulatory-related issues; (ix) the costs of any litigation or investigation involving Private Fund activities; (x) the costs and fees of any valuation experts, outside appraisers, accountants, consultants, administrators, attorneys or other experts engaged by the Activant affiliates such as

the general partner or the management company, as well as other expenses directly related to the Private Fund's operations and investment program; (xi) specific expenses incurred in obtaining, maintaining or performing systems, research and other information, including information service subscriptions, utilized with respect to the Private Fund's investment programs; (xii) all costs, fees and expenses associated with the ongoing offering of interests in the Private Fund; (xiii) all debt service obligations, including principal, interest, premium, if any, fees, expenses and other amounts payable in respect of the indebtedness of the Private Fund, including without limitation, any fees and expenses incurred as a result of the implementation (including the negotiation and documentation), utilization, and refinancing of any credit facility or other indebtedness or credit support; (xiv) the costs and expenses associated with meetings between the general partner and the Limited Partners or meetings of the advisory committee, as well as any votes or consents of the Limited Partners or the advisory committee or any amendments to, or waivers of, the Private Fund's Governing Documents or any related agreement; (xv) the expenses incurred by Activant in serving as the tax matters partner; (xvi) the costs associated with maintaining "directors and officers" or similar or other liability insurance for the benefit of the Private Funds or an Activant affiliate; (xvii) all reasonable costs and expenses associated with reporting and providing information to existing and prospective Limited Partners and the advisor committee; and (xviii) all costs and expenses arising out of the Private Funds' indemnification obligation pursuant to the Fund Governing Documents.

Additionally, the Private Funds shall bear all organizational and syndication costs incurred by the Private Funds or Activant affiliates such as the general partner or the management company in connection with the formation and organization of such entities, and the offering of the interests in the Private Funds, including legal and accounting fees; marketing expenses and expenses incidental thereto (including travel and entertainment); accounting, administration and filing fees; other out-of-pocket expenses; and expenses attributable to compliance with any applicable federal and state laws ("Organizational Expenses"). A Private Fund's Organizational Expenses in excess of a set amount as set forth in the Fund Governing Documents (which may vary among Private Funds) will reduce the Management Fees otherwise payable by an identical amount. The Private Funds will bear all liquidation costs incurred in connection with the liquidation of the Private Funds, specifically including but not limited to legal and accounting fees and expenses.

Co-Investment Vehicle Clients and Special Purpose Entities shall bear all costs and expenses arising in connection with their operations. A non-exclusive list of such costs and expenses is set forth in the Fund Governing Documents, and includes, among others (i) the services of accountants; (ii) the services of appraisers engaged on behalf of the Client; (iii) the filing fees and related organizational expenses arising from the formation of the Client; (iv) the fees, costs and other expenses of legal counsel; (v) any broker's fees or commissions, underwriters discounts, commissions or fees, transfer taxes, depositary fees or similar fees and expenses necessary to hold, manage or dispose of the portfolio investments; and (vi) any other reasonable direct expenses incurred in connection with the operation of the Client. Notwithstanding the above, operating expenses will not include any fees or compensation paid to the general partner or any of its affiliates, or any rent expense or overhead allocation charged by the general partner or any of its affiliates.

Other Direct and Indirect Compensation

Activant at times will receive transaction fees, directors' fees, consulting fees, advisory fees, portfolio company monitoring fees and similar fees relating to the Client's investments in portfolio companies that either Activant, an affiliate, or employees receive in connection with the Client's investments in such portfolio companies. Clients will receive the benefit of any transaction fees, directors' fees, consulting fees, advisory fees, portfolio company monitoring fees and similar fees relating to the Client's investments in portfolio companies that either Activant, an affiliate, or employees receive in connection with a Client's investments in such portfolio companies. Clients may receive the benefit of this additional fee income in the form of an offset to all or a portion of the management fee paid by the Clients or Limited Partners, or, in certain circumstances set forth in the Fund Governing Documents, as a distribution on the Private Fund's termination. Activant employees' fees and expenses associated with portfolio company board travel and entertainment (including, without limitation, airfare which at times includes first class airfare allocated to the portfolio company at a coach-equivalent fare determined by Activant, meals, lodging, etc.) at times is allocated (or reimbursed to Activant) to the respective portfolio company subject to Activant's travel expense processes.

Expense Allocation

Activant's policy is to allocate expenses applicable to multiple Clients among such Clients in a fair and equitable manner, consistent with its fiduciary obligations. Any expense common to any Clients managed by us or our affiliates generally will be paid pro rata by such entities based on the eligible Client's committed or contributed capital or applicable position size (or in any other manner deemed fair and equitable by Activant, in our sole discretion). Notwithstanding the foregoing, Activant may specially allocate the expenses described herein in any other manner if Activant reasonably determines, in its sole discretion, that it is equitable to do so. Although Fund Investors who are affiliated with Activant do not pay management fees or performance-based compensation, they do pay their pro rata share of our Clients' operating costs. Co-Investment Vehicle Clients and Special Purpose Entities are generally formed in connection with the consummation of a transaction. Accordingly, where a proposed transaction is not consummated, no Co-Investment Vehicle Client or Special Purpose Entity generally will have been formed, and the full amount of any Broken Deal Expenses relating to any such proposed transaction would therefore be borne by the Private Fund(s) selected by Activant as the proposed investor for such proposed transaction. Any expenses of the Clients or Activant incurred in connection with any co-investment or proposed co-investment, which would not have been incurred but for the co-investment opportunity, shall be paid by the Co-investment Vehicle Clients or Activant, as the case may be, apportioned pro rata based on their co-investment or proposed co-investment in the investment or proposed investment to which such expenses or other expenses relate. To the extent that expenses to be borne by a Client are paid by Activant or its affiliates, the Client and at times a portfolio company as previously described will reimburse Activant or its affiliates for such expenses. We describe potential trading costs in greater detail in the subsequent **Item 12: Brokerage Practices** section of this brochure.

In certain instances, a Client may bear expenses in respect of an existing or prospective Portfolio Company that will not be borne by other owners or investors in such Portfolio Company (including co-investors or Co-Investment Vehicle Clients), where Activant has determined such arrangement

to be in the best interest of such Client (e.g., a Private Fund engages or pays for a consultant for services in respect of a Portfolio Company without reimbursement by other owners of the Portfolio Company). None of these expenses will offset any management fees.

Activant may from time to time enter into arrangements with service providers that provide for fee discounts for services rendered to the Clients and Activant Capital. For example, certain law firms retained by Activant discount their legal fees for advice in connection with operational, compliance and related matters with respect to Activant. To the extent such law firms provide services to the Clients, such Clients also enjoy the benefit of fee discount arrangements. In some cases discounts may be based on volume and so certain Clients or portfolio companies may receive a greater discount than others depending on the timing of their transactions (e.g., if a transaction occurs early in a year it may not receive the same discount as a transaction that occurs later in the year).

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

The fees and expenses described above are detailed, but do not include every possible expense a Client may incur. In addition, the discussion herein generally summarizes the management fees, Performance-Based Compensation, expenses and other fee and expense provisions applicable to the Clients; however, fees and expenses are negotiated on a vehicle-by-vehicle basis. Accordingly, investors should review the applicable Fund Governing Documents for further details.

Item 6: Performance Based Fees and Side-by-Side Management

Activant or its affiliates receive Performance-Based Compensation from Clients as previously described. Performance-Based Compensation may create an incentive for Activant to make more speculative investments than would otherwise be made, or make decisions regarding the timing and manner of realization of investments differently than if such compensation were not received. The terms of the Performance-Based Compensation among Clients vary, which creates an incentive to favor the Performance-Based Compensation Clients that are more economically advantageous to Activant when allocating or evaluating investment opportunities. The payment by Clients of Performance-Based Compensation may also create an incentive for Activant to disproportionately allocate time, services or functions to these Clients, or to allocate investment opportunities to such Clients. Finally, Activant's management fee compensation at times is based in part on unrealized gains and losses, so we may have an incentive to inflate the value of Client assets through fair valuation determinations. Despite the presence of these conflicts of interest, we seek to act fairly when we allocate investment opportunities and value Client assets. We have also adopted written policies and procedures that are designed to ensure fair allocations and valuations over time. Current and prospective Clients and Fund Investors are invited to discuss our allocation and valuation policies and procedures with us. Additional conflicts with respect to

Performance-Based Compensation and side-by-side management are discussed throughout this brochure and the Fund Governing Documents.

Additional information about the Performance-Based Compensation, and associated risks and conflicts of interest, can be found in greater detail below in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations**.”

Item 7: Types of Clients

Activant provides investment advisory services to the Private Funds, Special Purpose Entities, and Co-Investment Vehicle Clients. Details concerning applicable investor suitability criteria are set forth in the respective Fund Governing Documents. There is generally no minimum commitment for a Fund Investor, however, Activant and/or its affiliates may establish minimum investments in the future, though Activant will maintain discretion to accept less than any minimum investment threshold established and may increase or decrease such thresholds from time to time. Each Fund Investor is required to meet certain suitability qualifications, such as being an “accredited investor” within the meaning set forth in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended (the “Securities Act”), and with limited exceptions a “qualified purchaser” or “knowledgeable employee” as defined in the Investment Company Act of 1940, as amended (the “Investment Company Act”). This brochure is not an offer to invest in our Private Funds or in any private fund we may establish in the future. Any offer to invest in our Private Funds or in any private fund we may establish in the future will only be made through the provision of such entity’s confidential offering documents. Our Private Funds are not, and it is not anticipated that any private fund we may establish in the future will be, registered under the Securities Act or the Investment Company Act.

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

Our investment objective is to provide Clients with the opportunity to realize significant long-term capital appreciation through (i) the acquisition, holding and distribution or other disposition of securities issued by or relating to, primarily, private technology-enabled companies (each a “Portfolio Company” and collectively, the “Portfolio Companies”); (ii) the short-term investment of cash in debt securities issued or backed by the United States or a State of the United States, investment grade rated commercial paper, certificates or other evidence of deposit in any reputable commercial bank, money market or similar mutual fund interests and other highly liquid investments providing for the appropriate safety of principal (as determined by Activant in its reasonable discretion); (iii) engaging in such other activities as are customary or appropriate to venture capital or emerging growth investment funds; and (iv) engaging in any other lawful activities as determined by us to be necessary or advisable in furtherance of the foregoing activities. We will pursue a growth capital strategy. We will seek to achieve this objective by employing several focus areas of investment that include: (1) commerce, (2) infrastructure technology related to commerce, and (3) data centric-businesses using IoT technology.

When selecting prospective investment targets for Clients we intend to look for strong topline growth, industry leadership, and outstanding management teams. We use a three-phase investment-committee process, within which the final phase will involve a final memo and

additional investment-committee discussions that lead to consensus. We require that the investment committee members unanimously approve an investment for the Private Fund to make such investment. Our sourcing philosophy rests on a belief that a Client should invest in the best companies in its core sectors, while remaining value disciplined. Our sourcing model includes sector-focused sourcing, proprietary algorithms, and building and cultivating ecosystems associated with our core sectors. Business building is an attribute of our operating model, as we aim to help companies navigate the inflection from entrepreneurial venture to thriving enterprise. We also plan to at times assist the Clients' Portfolio Companies in building their businesses in several ways, potentially including building management teams, growing revenue, operational planning, strategic decision making, financing, active board memberships, and operational support.

AN INVESTMENT WITH ACTIVANT, OUR PRIVATE FUNDS, OR OUR OTHER CLIENTS INVOLVES A HIGH DEGREE OF RISK. THE FOLLOWING DISCUSSION DOES NOT PURPORT TO BE A COMPLETE DESCRIPTION OF THE INVESTMENT CONSIDERATIONS AND RISKS INVOLVED IN AN INVESTMENT WITH US OR OUR CLIENTS. PURCHASERS SHOULD READ IN THEIR ENTIRETY THESE RISK FACTORS AND APPLICABLE FUND GOVERNING DOCUMENTS, AND SHOULD CONSULT WITH THEIR OWN LEGAL, TAX AND FINANCIAL ADVISERS BEFORE DECIDING WHETHER TO INVEST. IF ANY OF THE RISKS DISCUSSED HEREIN OCCUR THEN OUR BUSINESS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS COULD BE MATERIALLY AND ADVERSELY AFFECTED AND FUND INVESTORS MAY LOSE ALL OR PART OF THEIR INVESTMENTS.

The value of the Client's assets is expected to fluctuate in response to fluctuations in the value of the Portfolio Companies. Discussed below are some risks that we believe are associated with an investment with Activant. These risks will, in turn, have an effect on the Client assets. We may not achieve our investment objectives and a loss of investment is possible.

Investment Activities. An investment in the Clients involves a high degree of risk, including the risk that the Limited Partner's entire investment may be lost. The Clients' performance depends upon Activant's selection of Portfolio Companies, the allocation of offering proceeds among Portfolio Companies, and the performance of the Portfolio Companies and the Clients' other investments. The Clients' investment activities involve the risks associated with venture capital and private equity investments generally. Risks include adverse changes in national or international economic conditions, adverse local market conditions, and adverse changes in the financial conditions of Portfolio Companies, which may be affected by changes in the availability or terms of financing; changes in interest rates, exchange rates, corporate tax rates and other operating expenses; environmental laws and regulations, and other governmental rules and fiscal policies; energy prices; changes in the relative popularity of certain industries; dependence on cash flow; acts of God, uninsurable losses, war, terrorism, earthquakes, hurricanes or floods; the quality of management; and other factors which are beyond the control of the Clients. Unexpected volatility or lack of liquidity could impair the Clients' performance and result in them suffering losses.

The value of the Clients' assets is expected to fluctuate. To the extent that the Clients' portfolios are concentrated in securities of a single issuer or issuers in a single sector, the investment risk may be increased.

Portfolio Company investments may not generate current income. Therefore, the return of capital and the realization of gains, if any, from a Portfolio Company investment generally will occur upon the partial or complete realization or disposition of such Portfolio Company investment. While a Portfolio Company investment may be realized or disposed of at any time, it is generally expected that the ultimate realization or disposition of most of the Clients' Portfolio Company investments will not occur for a number of years after such Portfolio Company investments are made. There can be no assurances that purchasers of, or realization opportunities for, the Clients' Portfolio Companies will be found. Further, the terms of any disposition or realization transaction will necessarily be affected by economic and other market conditions at the time. Similarly, the Clients generally will not be able to sell securities of a Portfolio Company publicly unless the issuer has gone public and such sale is registered under applicable securities laws or unless an exemption from such registration requirements is available. In addition, in some cases, the Client may be prohibited or limited by contract from selling certain Portfolio Company securities for a period of time and, as a result, may not be permitted to sell a Portfolio Company investment at a time it might otherwise desire to do so.

An investment in a Client is suitable only for certain sophisticated investors that have no need for immediate liquidity in their investment, who understand that they may lose all or a significant portion of their invested capital and who have the wherewithal to fund amounts due over time in respect of their capital commitments. Limited Partners must be willing to bear the economic risk of an investment in a Client for an indefinite period of time. Any person interested in an investment in a Client should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such an investment.

Limited Operating History. Certain Clients are newly formed private investment funds with limited performance history that a Limited Partner can use to evaluate such Clients' investment performance. The Clients may be unable to raise substantial capital, which could result in the Clients being unable to structure their investment portfolios as anticipated, and the returns achieved on these investments may be reduced as a result of allocating the Clients' expenses over a smaller asset base. The initial operating expenses for a new fund, including start-up costs, which may be significant, may be higher than the expenses of an established fund. In addition, Activant has limited experience managing the assets of investment funds as large as the Private Funds.

Limited Number of Investments. Each Client is expected to participate in a limited number of investments and, as a consequence, the aggregate return of such Client may be substantially affected by the unfavorable performance of a single investment. Limited Partners have no assurance as to the degree of diversification in a Client's investments. Co-Investment Vehicle Clients generally invest in one Portfolio Company of one Private Fund and therefore lack the potential benefit of diversification and will be particularly exposed to the legal and financial risks associated with that Portfolio Company, including the risk of loss.

Defaults. A Limited Partner's failure to make a required capital contribution to a Client could substantially impair such Client's ability to execute its investment strategy. A Limited Partner that

fails to timely make a required capital contribution to a Client will be subject to certain adverse financial and other consequences, as set forth in the Client's Fund Governing Documents. A defaulting Limited Partner will also remain liable to pay its pro rata share of the management fee. Subject to the applicable Fund Governing Documents, a Client's general partner may require that the remainder of the defaulting Limited Partner's capital commitment be cancelled, and may designate a person or entity to assume the entire unpaid balance of the defaulting Limited Partner's capital commitment and succeed to all of the rights of the defaulting Limited Partner's interest in the Client. In addition, the general partner may pursue any available legal or equitable remedies, with the expenses of collection of the unpaid amount including legal fees, to be paid by the defaulting Limited Partner. A Client's general partner will retain the discretion to employ such remedies in respect of a Limited Partner's default as it may determine on a case-by-case basis in its sole discretion. There is no requirement that remedies be applied consistently among defaulting Limited Partners, and a Client's general partner may determine for a variety of reasons to apply different remedies to different defaulting Limited Partners.

Further, should a Limited Partner of a Client with a substantial capital commitment fail to make a required capital contribution, this could also cause the Client to be unable to meet the Client's obligations when due, and such failure could seriously threaten the Client's ability to continue operations. In such event, the Client may be subjected to significant liabilities or penalties that could materially reduce the returns to the participating Limited Partners (including non-defaulting Limited Partners). Any such default by a Limited Partner would also limit the Client's ability to diversify its investments and could adversely affect the Client's performance. In addition, if a Limited Partner fails to make any contribution or payment to the Client for any reason, the other Limited Partners may be required to fund the shortfall, with the consequence that the non-defaulting Limited Partners may have greater exposure to the Client's investments or liabilities than they otherwise would.

Restriction on Transfer and Withdrawal; Lack of Liquidity for Interests. The Clients are closed-end investment funds designed for long-term investors. An investor should not invest in a Client if the investor needs a liquid investment. Investors in the Clients do not have the right to redeem their limited partnership interests. The limited partnership interests have not been, nor will they be, registered or qualified for sale under the Securities Act of 1933, the securities laws of any state of the United States or the securities laws of any other jurisdiction; and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws or an exemption from registration is available. It is not contemplated that registration of the Clients' interests under the Securities Act or other securities laws will ever be effected. In addition, the transferability of the Clients' limited partnership interests is subject to certain restrictions contained in the applicable Fund Governing Documents. The limited partnership interests of the Clients are not traded on any national or other securities exchange or other market. No market currently exists for the Clients' interests, and it is not contemplated that one will develop. Therefore, the interests are not readily marketable and should only be acquired by investors able to commit their funds for an indefinite period of time.

Competition. The Clients will face competition from other capital providers as the Clients acquire and develop interests in Portfolio Companies. Some of the Clients' competitors have more experience identifying, acquiring, and selling companies and have greater financial and

management resources, brand name recognition, or industry contacts than the Clients. There is no assurance that the Clients will be able to invest their capital on attractive terms.

Availability of Investment Opportunities. The business of identifying and structuring investments of the types contemplated by the Clients involves a high degree of uncertainty. The availability of investment opportunities generally is subject to market conditions as well as, in some cases, the prevailing regulatory or political climate. No assurance can be given that the Clients will be able to identify and complete attractive investments in the future or that they will be able to fully invest their capital commitments. Other investment vehicles sponsored, managed or advised by Activant or its affiliates may seek investment opportunities similar to those the Clients may be seeking. Even if Activant identifies an attractive investment opportunity, the Clients may not be permitted to take advantage of the opportunity to the fullest extent desired.

Co-Investment Risk. When a Client invests in a Portfolio Company alongside other investors, the realization of such Portfolio Company investment may take longer than would the realization of an investment under the sole control of such Client, because co-investors may require exit rights or procedures that such Client ordinarily would not require. Other investors may also have economic or business interests or goals that are inconsistent with those of such Client, or may be in a position to take or block action in a manner contrary to such Client's investment objectives.

Debt Facility. The Clients will have to pay interest on borrowings, if any, including under a debt facility, which will reduce such Clients' return. The costs associated with the debt facility may be greater than the Clients' return on the underlying investments.

Recourse to the Clients' Assets. The Clients' assets, including any investments made by such Clients, are available to satisfy liabilities and other obligations of such Clients including, without limitation, under any debt facility. If a Client becomes subject to a liability, parties seeking to have the liability satisfied may have recourse to such Client's assets generally and not be limited to any particular asset, such as the asset representing the investment giving rise to the liability.

Dependence on the Managers. The Clients will be particularly dependent upon the efforts, experience, contacts, and skills of the managers and other investment professionals of Activant (collectively, the "Managers"). The loss of any such individual could have a material adverse effect on the Clients. While the Clients are structured to incentivize the Managers to retain their management responsibilities for the life of the Clients, such loss could occur at any time due to death, disability, resignation, or other reasons. Moreover, except as specifically provided in the Fund Governing Documents, the Managers will not be required to devote their time and attention exclusively to the Clients. The Managers also spend time assisting other Clients with their investment activities and may work on other matters, including matters external to the business of Activant. Certain of the Managers may invest in other private investment vehicles managed by other advisers. Additionally, certain of the Managers have in the past and may in the future organize or sponsor other investment vehicles. Conflicts therefore may arise with respect to the allocation of time and resources of the Managers. Additional members may be admitted to Activant following the Clients' initial closings and the Limited Partners will not have the power to prevent any specific person from being admitted to Activant as a member thereof. Within Activant, the economic, voting and other rights of the individual members may be determined by

agreement among such members and will be subject to change, without notice to the Limited Partners, from time to time.

Some or all of the Managers may lack substantial prior experience managing an investment fund. Notwithstanding any prior experience that the Managers may have in making investments of the type expected to be made by the Clients, any such prior experience may have been obtained in different structures and under different market conditions and with different technologies at the forefront of development. There can be no assurance that the Managers will be able to duplicate prior levels of success, and there is no guarantee that the Managers' judgment will produce the desired results.

Activant may appoint or admit certain persons to advisory or other committees or boards intended to assist Activant by providing advice, industry contacts, deal flow, technical expertise or other benefits. Under most circumstances, such persons will have no contractual or other obligation to continue as members of such committees or boards or to provide any particular benefits. In evaluating an investment with Activant, prospective investors should not depend upon any specific benefits accruing to Activant or the Private Funds in respect of any such advisory or other committees or boards or the members thereof.

In-Kind Distributions. It is anticipated that the Clients will from time to time distribute Portfolio Company securities to the Limited Partners. Such securities may be subject to a variety of legal or practical limitations on sale. In particular, immediately following a distribution of such securities, Limited Partners may be required to satisfy a holding period under securities laws, and trading volume may be insufficient to support sales by the Limited Partners without such sales triggering a price decline which makes it difficult or impossible for all Limited Partners to sell such securities at the distribution price. In addition, such distributions may consist of securities for which there is no readily available public market.

Liability Exposure. The Limited Partners' limited liability for the Clients' obligations is not absolute. Under Delaware law, and in other contexts such as bankruptcy, Limited Partners of a Client could face personal liability in connection with such Limited Partners' receipt of distributions made by such Client under certain circumstances. Additionally, if it were determined that the right, or exercise of the right, by the Limited Partners as a group to authorize specified actions of such Client or to take other action under the Fund Governing Documents, constituted "participation in the control" for the purposes of Delaware law, then the Limited Partners could be held personally liable for such Client's obligations to the same extent as Activant. Limited liability may also be lost as a result of false statements in documents filed under, or other non-compliance with, legislation governing limited partnerships and in jurisdictions where there is a risk of non-recognition of the protection of limited liabilities with respect to creditors of a Client whose claims derive from liabilities incurred in such jurisdictions.

Limited Access to Information. Limited Partners' rights to information regarding the Clients will be specified, and strictly limited, in the Fund Governing Documents, although certain Limited Partners may have the right to additional information pursuant to rights in Side Letters or similar agreements. In particular, it is anticipated that the general partners of the Clients and their affiliates will obtain certain types of material information related to the Clients' investments and prospective investments that will not be disclosed to Limited Partners because such disclosure is prohibited by

contractual, legal or other obligations or the respective general partners determine not to disclose such information for other reasons. Decisions by the general partners to withhold information may have adverse consequences for Limited Partners in a variety of circumstances. Decisions to withhold information also may make it difficult for Limited Partners to monitor the general partners and their performance. Additionally, it is expected that Limited Partners who designate representatives to participate on a Private Fund's Advisory Committee may, by virtue of such participation, have more information about the Private Fund and investments in certain circumstances than other Limited Partners generally and may be disseminated information in advance of communication to other Limited Partners generally.

Cyber Security Risk. With the increased use of the Internet and because information technology ("IT") systems and digital data underlie many of the Clients' operations, Activant, and other service providers and the vendors of each (collectively, "Service Providers") are exposed to the risk that their operations and data may be compromised as a result of internal and external cyber-failures, breaches or attacks ("Cyber Risk"). This could occur as a result of malicious or criminal cyber-attacks. Cyber-attacks include actions taken to: (i) steal or corrupt data maintained online or digitally, (ii) gain unauthorized access to or release of confidential information, (iii) shut down websites through denial-of-service attacks, or (iv) otherwise disrupt normal business operations. However, events arising from human error, faulty or inadequately implemented policies and procedures, or other systems failures unrelated to any external cyberthreat may have effects similar to those caused by deliberate cyber-attacks. Successful cyberattacks or other cyber-failures or events affecting the Clients or their Service Providers may adversely impact the Clients. A successful penetration or circumvention of the security of Activant's systems could result in the loss, theft or corruption of an investor's data, a loss of Client data, a loss of funds, the inability to access electronic systems, overall disruption in operations systems, loss, theft or corruption of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. These threats may also indirectly affect the Clients through cyber incidents with third-party service providers or counterparties. Data taken in such breaches may be used by criminals in identity theft, obtaining loans or payments under false identities, and other crimes that could affect the Clients' investors directly as well as affect the value of assets in which the Clients invest. These risks can disrupt the ability to engage in transactional business, cause direct financial loss and reputational damage, lead to violations of applicable laws related to data and privacy protection and consumer protection or incur regulatory fines or penalties or financial losses, reimbursement or other compensation costs and additional compliance costs, all or part of which may not be covered by insurance and contractual indemnification provisions may be insufficient to cover these losses. The Clients and their Service Providers may also incur significant costs to manage and control Cyber Risk. In addition, Activant and the Clients may incur substantial costs related to forensic analysis of the origin and scope of a cybersecurity breach, increased and upgraded cybersecurity, identity theft, unauthorized use of proprietary information and adverse reputational reaction or litigation. While the Clients and their Service Providers have established IT and data security programs and have in place business continuity plans and other systems designed to prevent losses and mitigate Cyber Risk, there are inherent limitations in such plans and systems, including the possibility that certain risks have not been identified or that cyber-attacks may be highly sophisticated. Cyber Risk is also present for many of the Clients' Portfolio Companies, which could result in material adverse consequences for such Portfolio Companies and may cause the Clients' investments in such Portfolio Companies to lose value.

Leverage. The Clients' investments may include companies whose capital structures may utilize significant amounts of leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. The leveraged capital structure of such investments will increase the exposure of the Portfolio Companies to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the Portfolio Companies or their respective industries. Additionally, the securities acquired by the Clients may be the most junior in what may be a complex capital structure and thus subject to the greatest risk of loss.

Credit Support. One or more of the Clients may make contingent funding commitments to its Portfolio Companies and provide credit support for such obligations ("Credit Support"). Such Credit Support may take the form of guarantees, letters of credit or pledges of a portion of such Client's capital commitments to a lender or other counterparty. Such funding commitments may be secured by an assignment of such Client's general partner's right to draw down capital from the Limited Partners. It is possible that the Limited Partners will be required to acknowledge and consent to any such pledge or Credit Support and provide certain information and legal opinions as required by the lender or other counterparty. Such Client's general partner or Activant may be required to segregate unfunded capital commitments sufficient to satisfy the Client's obligations with respect to any such Credit Support. Utilization of Credit Support will result in fees, expenses and interest costs to the Client, and may result in an under-utilization of the Client's capital. In the event that one or more Limited Partners fails to satisfy a drawdown or otherwise defaults on its contribution obligations pursuant to any such Credit Support, such amount would be drawn from non-defaulting Limited Partners.

Investments Longer than Term. The Clients may make investments that may not be advantageously disposed of prior to the date the Clients will be dissolved, either by expiration of the Clients' terms or otherwise. Although Activant expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, Activant has a limited ability to extend the terms of the Clients and the Clients may have to sell, distribute or otherwise dispose of investments at a disadvantageous time as a result of such dissolution. In addition, although upon the dissolution of a Client, such Client's general partner (or the relevant liquidator) will generally be required to attempt to reduce to cash and cash equivalents such assets of the Client as the general partner or such liquidator deems it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations. There can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the Limited Partners will occur.

Valuation of Assets. There is generally not an actively traded market for the investments owned by the Clients. When estimating fair value, the Adviser will apply a methodology they determine to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such investments and may differ from the prices at which such investments ultimately may be sold. The exercise of discretion in valuation by the Adviser may give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of Performance-Based Compensation and the calculation of Management Fees.

Reinvestment. Under certain circumstances, proceeds distributable (or previously distributed) to the Limited Partners that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by a Client or used (or recalled for use) by the Client for any other proper purpose. Amounts available for recall will be restored to the Limited Partners' respective unfunded capital commitments. Accordingly, a Limited Partner may be required to fund for investments or expenses during the term of the Client in an aggregate amount that significantly exceeds its capital commitment.

Risks Related to the Portfolio Companies

Nature of Portfolio Companies. The Clients may acquire investments in Portfolio Companies that involve a high degree of business or financial risk. Such Portfolio Companies may be startups in the early phases of development, which can be highly risky due to the lack of a significant operating history, fully developed product lines, experienced management, or a proven market for their products or services. The Clients' investments may also include Portfolio Companies that are in a state of distress or that have a poor record and that are undergoing restructuring or changes in management, and there can be no assurances that such restructuring or changes will be successful. The management of the Portfolio Companies may depend on one or two key individuals, and the loss of the services of any such individuals may adversely affect the Portfolio Companies' performance. Portfolio Companies may require substantial additional capital to support their operations, to finance expansion or to maintain their competitive position, or may otherwise have a weak financial condition. Portfolio Companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and other capabilities and a larger number of qualified managerial and technical personnel.

The Clients intend to invest primarily in companies seeking venture capital or growth-equity investments. The Clients have not established any minimum size for the companies in which they will invest. Such companies have limited operating histories, are attempting to develop or commercialize unproven technologies or implement novel business plans or are not otherwise developed sufficiently to be self-sustaining financially or to become public. Such investments involve a high degree of business and financial risk that can result in substantial losses, which risks generally are greater than the risks of investing in public companies that may be at a later stage of development. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in lower- and middle-market companies, could make it difficult for the Clients to react quickly to negative economic or political developments.

Special Situations and Distressed Investments. The Clients may invest in securities and other obligations of companies that are in special situations involving significant financial or business distress, including companies involved in bankruptcy or other reorganization and liquidation proceedings. These types of investments involve a substantial degree of risk. The level of analytical sophistication, both financial and legal, necessary for successful investment in distressed assets is very high. There is no assurance that the Clients will correctly evaluate the value of the assets collateralizing a distressed investment or the prospects for a successful reorganization or similar action in respect of any distressed investment. In any reorganization or liquidation

proceeding relating to a distressed investment in which a Client invests, the Client may lose its entire investment, may be required to accept cash or securities with a value less than the Client's original investment, or may be required to accept payment over an extended period of time. Troubled company investments and other distressed asset-based investments require active monitoring.

Reliance on Portfolio Company Management. In connection with making Portfolio Company investments, a Client may seek management rights, including board representation or other rights, where appropriate. However, there is no assurance that these rights, if sought, will be obtained. Furthermore, even in cases where the Clients may be represented on management boards or have other management rights, the Clients do not expect to have an active role in the day-to-day operations of their investments. The success or failure of many of the Clients' Portfolio Companies may depend to a significant extent on the financial and management talents and efforts of specific employees of such Portfolio Companies, whose death, disability or resignation could adversely affect the performance of the Portfolio Company. No assurance can be given that a Portfolio Company's management team will be able to operate the Portfolio Company successfully and there may be legal, contractual or practical limits on the Clients' or the Portfolio Company's abilities to affect changes in management on a timely basis and on the ultimate outcome of any such change. In addition, the Clients may co-invest with non-affiliated co-investors, management teams, or joint venturers whose ability to influence the day-to-day management and affairs of the Portfolio Companies' investments may be significant and even greater than that of the Clients.

Foreign Portfolio Companies. The Clients may invest in foreign Portfolio Companies that do not maintain internal accounts or adopt financial budgeting, internal audit, or internal control procedures to standards normally expected of companies in the United States. Accordingly, information supplied to the Clients may be incomplete, inaccurate, or significantly delayed. The Clients may therefore be unable to take or influence timely actions necessary to rectify management deficiencies in such Portfolio Companies, which may ultimately have an adverse impact on the value of the Clients. Additionally, investments in foreign securities may be affected by currency controls and exchange rates; different legal standards and practices; expropriation; changes in tax policy; social, political and economic instability; greater market volatility; differing securities market structures; higher transaction costs; and various administrative difficulties, such as delays in clearing and settling transactions or in receiving payment of dividends. Further, changes in government administrations or economic or monetary policies abroad could result in appreciation or depreciation of the foreign Portfolio Companies' securities. These risks may be heightened in connection with investments in emerging or developing countries. The effect of worldwide and regional economic and political instability on specific foreign markets or issuers may be difficult to predict or evaluate, and some national economies continue to show profound instability, which may in turn affect their international trading partners.

Hedging. A Client may enter into swaps, forward contracts and other arrangements and hedging transactions to seek to preserve a return on a particular investment or to seek to protect against currency or interest rate fluctuations. Such transactions have special risks associated with them, including the possible default by the counterparty to the transaction and the illiquidity of the instrument acquired by the Client relating thereto. Although such transactions may reduce the Client's exposure to currency or interest rate fluctuations or decreases in the value of investments,

the costs associated with these arrangements may reduce the returns that the Client would have otherwise achieved if it had not entered into these transactions.

Technology Sector. The Clients intend to invest primarily in the securities of private, technology-enabled companies. Certain technology companies may have limited product lines, markets or financial resources, or may depend on a limited management group. In addition, these companies are strongly affected by worldwide technological developments, and their products and services may require significant capital expenditure, may not be economically successful, or may quickly become outdated.

Sector Concentration. A Client may concentrate its investments in specific industry sectors. This focus may constrain the liquidity and the number of Portfolio Companies available for investment by such Client. In addition, the investments of such Client may be disproportionately exposed to the risks associated with the industry sectors of concentration.

Geographic Concentration. A Client may concentrate its investments in specific geographic regions. This focus may constrain the liquidity and the number of Portfolio Companies available for investment by such Client. In addition, the investments of such Client may be disproportionately exposed to the risks associated with the region of concentration.

Competition. The Clients' assets will be invested in pre-growth and growth-stage companies focused upon the highly competitive and rapidly changing technologies industries. There is intense competition in these industries, and Activant expects competition to intensify in the future. The Clients will be adversely affected if their Portfolio Companies are not able to compete successfully. Many of the present and potential competitors may have greater financial, technical, marketing, and other resources than those of the Clients' Portfolio Companies. Such competitors may be better able to adapt to the challenges presented by continuing rapid and major scientific, regulatory and technological changes. Additionally, the Clients' Portfolio Companies may be at a disadvantage in responding to the offerings of their competitors, technological changes or changes in client requirements. Also, the Clients' Portfolio Companies may be at a competitive disadvantage because many of their competitors have greater name recognition, more extensive client bases and a broader range of product offerings. The Clients' Portfolio Companies may also compete against one another in some circumstances.

Products and Services. Portfolio Companies' business strategies are often highly dependent upon the successful launch and commercialization of an innovative technology, device, process, service, system, etc. Despite a Client's efforts to review the research and development underlying the innovation or creation of such technologies, devices, processes, or services before such Client deploys capital to a Portfolio Company, there can be no assurance that the research or product development efforts of the Portfolio Companies or those of their collaborative partners will be successfully completed, that specific products or services can be manufactured or provided in adequate quantities at an acceptable cost and with appropriate quality, or that such products or services can be successfully marketed or achieve customer acceptance. In those situations, it is likely that such Client will incur a partial or total loss of the capital which it invested in such Portfolio Company.

Changing Marketplaces. If the Clients' Portfolio Companies fail to adapt to changes in technology and customer and supplier demands, they may not become or remain profitable. There is no assurance that the products and services of the Clients' Portfolio Companies will achieve or maintain market penetration or commercial success, or that the businesses of the Clients' Portfolio Companies will be successful. Generally, technology-related marketplaces are characterized by rapid changes, evolving industry standards, the frequent introduction of new products and services, shifting distribution channels, evolving governmental regulation, frequently changing intellectual property landscapes, and changing customer demands. A Client's success will depend on its Portfolio Companies' abilities to adapt to these influences, which are difficult to predict. They may not be able to adequately or economically adapt their products and services, develop new products and services, or establish and maintain effective distribution channels for their products and services. If a Client's Portfolio Companies are unable to offer competitive products and services or maintain effective distribution channels, they will sell fewer products and services and forego potential revenue, possibly causing them to lose money. In addition, the Clients' Portfolio Companies may not be able to respond to these influences in an economically efficient manner, and the Portfolio Companies may become or remain unprofitable.

Rapid Growth. Activant expects some of the Clients' Portfolio Companies to grow rapidly. Rapid growth often places considerable operational, managerial and financial strain on a business. To successfully manage rapid growth, the Portfolio Companies must, among other things: improve, upgrade, and expand their business infrastructures; scale up production operations; develop appropriate financial reporting controls; attract and maintain qualified personnel; and maintain appropriate levels of liquidity. If the Portfolio Companies are unable to manage their growth successfully, their ability to respond effectively to competition and to achieve or maintain profitability will be adversely affected.

Intellectual Property. Intellectual property may constitute an essential or important part of Portfolio Company assets and competitive strengths. Some of the Clients' Portfolio Companies will assert various forms of intellectual property protection, while other Portfolio Companies will have not acquired patents or other protections for their key inventions. Federal law, most typically, copyright, patent, trademark, and trade secret law, generally protects intellectual property rights. Generally, the Clients will review the adequacy of the Portfolio Companies' intellectual property protections, or ability to obtain such, prior to making investments. However, although the Clients expect that their Portfolio Companies will take reasonable efforts to protect the rights to their intellectual property, third parties may develop similar intellectual property independently. Moreover, the complexity of trade secret, copyright, trademark and patent law, coupled with the limited resources of the Portfolio Companies and the demands of quick delivery of products and services to market, create a risk that Portfolio Company efforts to prevent misappropriation of their technology will prove inadequate.

Some of the Portfolio Companies will license intellectual property from third parties and it is possible that they could become subject to infringement actions based upon their use of the intellectual property licensed from those third parties. Portfolio Companies generally obtain representations as to the origin and ownership of such licensed intellectual property. However, this may not adequately protect the Portfolio Companies. Any claims against the Portfolio Companies' proprietary rights, with or without merit, could subject them to costly litigation and divert their technical and management personnel from other business concerns. If the Portfolio

Companies incur costly litigation and their personnel are not effectively deployed, the expenses and losses incurred by the Portfolio Companies will increase and their profits, if any, will decrease.

Patent and intellectual property challenges are frequent within the technology industry. Third parties may assert infringement or other intellectual property claims against the Portfolio Companies based on their patents or other intellectual property claims. The Portfolio Companies may have to pay substantial damages, possibly including treble damages, if it is ultimately determined that they do. They may have to obtain a license to sell their products if it is determined that their products infringe another person's intellectual property. Portfolio Companies might be prohibited from selling their products before they obtain a license, which, if available at all, may require them to pay substantial royalties. Even if infringement claims against a Portfolio Company are without merit, defending these types of lawsuits takes significant time, is expensive and may divert management attention from other business concerns.

Illiquidity. There is no regular market for securities of privately held Portfolio Companies, which typically must be sold in privately negotiated transactions. If Activant determines to cause a Client to sell its interest in a Portfolio Company, such Client may be unable to sell such interest quickly, if at all, and could therefore be obligated to continue to hold such interest for an extended period of time, or to accept a lower price for a quick sale.

Control Positions. The Clients may take control positions in Portfolio Companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, failure to supervise, and other types of liability related to business operations. In addition, the act of taking a control position, or seeking to take such a position, may itself subject the Clients to litigation by parties interested in blocking it from taking that position. If those liabilities were to arise, or such litigation was to be resolved adversely to such Clients, such Clients likely would suffer losses. Furthermore, the exercise of control over a company imposes additional risks of liability in circumstances where the limited liability characteristic of business operations of the company may be ignored. In a US court ruling, the court held that a private equity fund was liable for the pension withdrawal liabilities of one of its portfolio companies because the private equity fund was engaged in a "trade or business" through its management and operational control of its portfolio company. Thus, the exercise of control over a Portfolio Company by a Client could expose the assets of the Client to claims by such Portfolio Company and its executives, employees, pension beneficiaries, security holders and creditors and liability for environmental damage or clean-up obligations, product defects, failure to supervise management, pension and other fringe benefits, violation of laws and governmental regulations (including securities laws), violation of fiduciary duties to minority owners and other types of liability. While Activant intends to conduct the affairs of the Clients in a manner that will minimize the exposure of these risks, the possibility of successful claims cannot be precluded.

Inside Information. From time to time, the Clients and their affiliates may come into possession of material, non-public information concerning an entity in which the Client has invested, or proposes to invest, or be restricted from initiating transactions in certain securities. The Client will not be free to act upon any such information. Due to these restrictions, the Client may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold. Additionally, Activant may be prohibited from taking action for the benefit of the Client due to confidential information acquired or obligations

incurred in connection with an outside activity permitted to Activant's Managers or their affiliates under the Fund Governing Documents, or in connection with activities undertaken by a Manager or its affiliate prior to the effective date of the Fund Governing Documents. No person shall be liable to a Client or any Limited Partner for any failure to act for the benefit of the Client in consequence of a prohibition described in the preceding sentence. See **Item 11, Code of Ethics, Participation or Interest in Client Transactions and Personal Trading** for information regarding Activant's Code of Ethics.

Uncertain Exits. The market for technology-enabled and other emerging growth companies is volatile. Such volatility may adversely affect (i) the Clients' ability to dispose of investments, and (ii) the value of investment securities on the date of sale or distribution by the Clients. In particular, the receptiveness of the public markets to initial public offerings by the Clients' Portfolio Companies or the private markets to acquisition of the Clients' Portfolio Companies may vary dramatically from period to period. An otherwise successful Portfolio Company may yield poor investment returns if it is unable to consummate an initial public offering or otherwise dispose of its securities through merger, consolidation, or similar transaction at an appropriate time. If a Portfolio Company affects a successful public offering, the Portfolio Company's securities may be subject to contractual "lock-up," securities law or other restrictions which may, for a material period of time, prevent the Clients or the Limited Partners from disposing of the Portfolio Company's securities. If the Portfolio Company's securities are disposed of via merger, consolidation, or similar transaction, any securities received by the Clients in such transaction may be subject to contractual "lock-up," securities law or other restrictions which may, for a material period of time, prevent the Clients or the Limited Partners from disposing of such securities. Generally, the investments made by the Clients will be illiquid and difficult to value, and there will be little or no collateral to protect an investment once made. At the time of a Client's investment, a Portfolio Company may lack one or more key attributes (e.g., proven technology, marketable product, complete management team, or strategic alliances) necessary for success. In most cases, investments will be long-term in nature and may require many years from the date of initial investment before disposition. There can be no assurance that any Portfolio Company investment will result in a liquidity event via public offering, acquisition, or otherwise.

Limited Control. Most or all of the Clients' interests in Portfolio Companies will likely be minority interests in the form of preferred stock. Preferred stock may include basic protective and preferential rights, including protection against decisions by Portfolio Companies that may adversely affect the interests of holders of preferred stock, and minority representation on the boards of directors of the Portfolio Companies. However, the Clients will not have ultimate control over the management and major decisions of the Portfolio Companies and it will be primarily the responsibility of the management of the Portfolio Companies to operate the Portfolio Companies on a day-to-day basis. Although it is the intent of the Clients to invest in Portfolio Companies with strong operating management that has a successful track record and with significant minority governance, there can be no assurance that a Portfolio Company's management team will be able to operate the Portfolio Company successfully or that the Client can exercise affirmative controls to effect decisions without the support of management. Managerial mistakes can be very costly, and the Clients will have a limited ability to prevent these mistakes within the Portfolio Companies.

Moreover, the Clients' strategy is to invest in Portfolio Companies with a view in most cases of making an exit by means of a merger or acquisition. The success of the Clients is largely dependent

upon the timing and strategy of these exit events. Because the Clients' control within Portfolio Companies is largely expected to be limited, the Clients cannot guarantee that an exit will take place in a manner or at a time that is in the best interests of the Clients. Directors, officers, and other stockholders within the Portfolio Companies whose interests may not be aligned with the Clients will have control over the timing and strategy of an exit event.

Global Economic Conditions; Market Dislocation. General global economic conditions may affect the Clients' activities. Interest rates, general levels of economic activity, fluctuations in the market prices of securities and participation by other investors in the financial markets may affect the value of investments made by the Clients. Instability in the securities markets may increase the risks inherent in Portfolio Company investments made by the Clients and instability in the fixed income markets may cause significant dislocations, illiquidity and volatility in the structured credit, leveraged loan and high yield bond markets, as well as in the wider global financial markets. To the extent the Clients' Portfolio Companies participate in such markets, the results of their operations may suffer. In addition, certain market events may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the US and global economies. Any resulting economic downturn could adversely affect the financial resources of the Clients' Portfolio Companies and their ability to make principal and interest payments on, or refinance, outstanding debt when due. In the event of such defaults, the Clients could lose both invested capital in and anticipated profits from such Portfolio Companies.

In addition, current global economic conditions may materially and adversely affect: (i) the ability of the Clients, their Portfolio Companies and their respective affiliates to access the credit markets on favorable terms or at all in connection with the financing or refinancing of investments; (ii) the ability or willingness of certain counterparties to do business with the Clients or their affiliates; (iii) the Clients' exposure to the credit risk of others in their dealings with various counterparties (for example, in connection with joint ventures or the maintenance with financial institutions of reserves in cash or cash equivalents); (iv) consumer spending and demand for the products and services offered by the Clients' Portfolio Companies; (v) growth opportunities for the Clients' investments; (vi) the Clients' abilities to exit their investments at desired times, on favorable terms or at all; (vii) availability of reliable insurance on favorable terms or at all; and (viii) the ability of the Limited Partners to meet their obligations to the Clients in a timely manner or at all.

National and global market and economic conditions may deteriorate during the term of the Clients, and such conditions could deteriorate materially and for an extended period of time. Market fundamentals across many continental European economies have worsened over the last several years, and it is possible that some period of market dislocation will exist during the term of the Clients. National and global concerns about future economic growth, lower consumer sentiment, rising unemployment, changes in demographics, market instability, inflationary pressures, fluctuating oil prices, adverse developments in the credit markets and mixed corporate earnings may present significant challenges to the national and global economies and equity markets. Any of the foregoing could have a material adverse impact on the Clients.

Public Health Concerns and Epidemics. The impact of disease and epidemics may have a negative impact on the Adviser, the Clients, Portfolio Companies and/or the performance and financial position of any of the foregoing. Coronavirus, renewed outbreaks of other epidemics or the outbreak of new epidemics could result in health or other government authorities requiring the

closure of offices or other businesses and could also result in a general economic decline. A resulting negative impact on economic fundamentals and consumer confidence may negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have a material adverse effect on the Adviser, the Clients, and Portfolio Companies. The duration of the business disruption and related financial and social impact caused by a widespread health crisis cannot be reasonably estimated.

Information Technology; Disaster Recovery. Information and technology systems of Activant, the Clients and the Portfolio Companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, Activant, the Clients, or the Portfolio Companies may have to make significant investments to fix or replace them. The failure of these systems or of disaster recovery plans for any reason could cause significant interruptions in Activant's, the Clients', and the Portfolio Companies' operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm Activant, the Clients and the Portfolio Companies' reputations, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Legal, Tax, and Regulatory Risks

General. At any time after the date hereof, legislation or additional regulations may be enacted that could negatively affect the Clients and the Portfolio Companies. There can be no assurance that future legislation, regulation, or deregulation will not have a material adverse effect on the Clients or will not impair the ability of the Clients to achieve their investment objectives. The Portfolio Companies and the Clients also may be adversely affected by changes in the enforcement or interpretation of existing statutes and rules. For example, from time to time, the market for private investment fund transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. In addition, private investment funds and their investment advisers may be subject to increased regulation, taxation or other scrutiny by regulators or other market participants. There can be no assurance as to whether any such scrutiny or initiatives will have an adverse impact on the private investment fund industry generally or on the Clients or Activant, including the ability of the Clients to take the measures necessary to effect operating improvements or restructurings of Portfolio Companies or otherwise achieve their objectives.

In general, Activant will seek to minimize the degree of governmental regulation and oversight to which Activant and the Clients are subject. While it is anticipated that this approach will reduce compliance and other costs, this approach will also eliminate a variety of investor protections (including certain protections arising under the Securities Act and the Investment Company Act as described below) that would be available if Activant were subject to greater regulatory and oversight burdens.

Regulatory Compliance; Portfolio Investments in Regulated Industries. The Clients may make investments in a number of different industries, some of which are or may become subject to regulation by one or more US federal agencies and by various agencies of the states, localities, counties and countries in which they operate. New and existing regulations, changing regulatory schemes, and the burdens of regulatory compliance all may have a material negative impact on the performance of Portfolio Companies that operate in these industries. For example, environmental laws regulating infrastructure projects could become more restrictive, as governments aim to limit the impact of infrastructure on the environment, wildlife and natural resources and reduce the emissions of greenhouse gases. Activant cannot predict whether new legislation or regulation governing those industries will be enacted by legislative bodies or governmental agencies, nor can it predict what effect such legislation or regulation might have. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on a Client's investment performance. In addition, acquisition by a Client of equity securities may result in reporting and compliance obligations under the Exchange Act, the US Hart-Scott-Rodino Antitrust Improvements Act of 1976, as amended, the US Communications Act of 1934, as amended, and other federal, state, local or non-US laws, rules and regulations. The costs of compliance of any such regulations will be borne by the Clients.

Furthermore, extensive government regulation of certain industries in which the Clients may invest creates additional uncertainty and risks for the Clients. Obtaining regulatory approval may be a lengthy and expensive process with an uncertain outcome. The Clients and existing or prospective Portfolio Companies may be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have an adverse effect on the success of the Portfolio Companies.

Withdrawal of the United Kingdom from the European Union.

The United Kingdom left the European Union on January 31, 2020 (commonly referred to as "Brexit"). In connection with Brexit the United Kingdom and the European Union agreed on the Trade and Cooperation Agreement ("TCA") that governs the future trading relationship between the UK and the EU in specified areas. There is no legal, political, regulatory and/or economic certainty as to the new relationship that will exist between the United Kingdom and the European Union under the TCA and it remains impossible to predict or definitively state the economic, tax, fiscal, legal, regulatory and other impacts on the asset management industry, the broader European and global financial markets generally and private funds such as the Clients and their investments. These developments, and the potential consequences of them, have had and may continue to have a material adverse effect upon global economic conditions and the stability of global financial markets and, further, could significantly reduce global market liquidity and restrict the ability of key market participants to operate in certain financial markets. Asset valuations, currency exchange rates and credit ratings have been and may continue to be subject to increased market volatility. Any of these factors may have a material adverse effect on the ability of the Clients and the Portfolio Companies to execute their respective strategies and to access capital.

The future application of European Union-based legislation to the private fund industry in the United Kingdom and the European Union will ultimately depend on how the United Kingdom negotiates its relationship with the EU as regards financial services. There can be no assurance that any laws, taxation and/or regulations will not have an adverse impact on the Clients and their

investments. The ongoing effects of Brexit may result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management (due in part to redenomination of financial assets and liabilities,) an adverse effect on the ability of Activant to manage, operate and invest the Clients and increased legal, regulatory or compliance burden for Activant, the Clients and/or their Portfolio Companies, each of which may have a negative impact on the operations, financial condition, returns or prospects of the Clients. While the most immediate impacts on corporate transactions will likely be related to changes in market conditions, the development of new regulatory regimes and parallel competition law enforcement may have an adverse impact on transactions, particularly those occurring in, or impacted by conditions in, the United Kingdom and Europe.

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

Where Activant has marketed the Clients in a member state in compliance with the national private placement regime and that marketing has resulted in investors in that member state investing in the Clients, Activant’s ongoing compliance with the laws of that member state will continue at least until all of such investors dispose of their interests in the Client. Compliance with these requirements may therefore result in significant additional costs over the life of the Client and may reduce returns to investors. The rules, regulations and guidance related to the marketing of interests to investors domiciled or having their registered office in the EEA continue to evolve. Each of Activant and its affiliates and agents has endeavored and will endeavor (as applicable) to comply with these evolving rules as interpreted as of the date of this brochure, but there is not absolute certainty as to their successful compliance. In the event that Activant or any of its affiliates or agents is found to have breached the provisions of the AIFMD or the national private placement regimes and other applicable rules of relevant EEA member states (inadvertently or

otherwise), Activant and the Clients may face regulatory sanctions as a result of such non-compliance. Such activities and sanctions may impact the enforceability of any subscriptions received from EEA Investors (including potential rescission rights with respect to such investors), result in significant costs and ultimately materially and adversely affect the Clients, their financial condition, liquidity, reputations and operations.

Certain EEA member states have indicated that they will cease to operate national private placement regimes when or shortly after the passport becomes available to non-EEA AIFMs, which would mean that non-EEA AIFMs to whom the passport is available would be required to comply with all relevant provisions of the AIFMD in order to market to professional investors in those jurisdictions. The abolition of such regimes would mean that non-EEA AIFMs to whom the passport is available would be required to comply with all relevant provisions of the AIFMD in order to market to professional investors in those jurisdictions. As a result, if in the future non-EEA AIFMs may only market in certain EEA jurisdictions pursuant to a passport, Activant may not seek to market interests in the Clients in those jurisdictions, which may lead to a reduction in the aggregate capital commitments made to the Clients. Alternatively, if Activant sought to comply with the requirements to use the passport, this could have adverse effects including, amongst other things, increasing the regulatory burden and costs of operating and managing the Clients and their investments, and potentially requiring changes to compensation structures for key personnel, thereby affecting Activant's ability to recruit and retain such personnel.

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

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

Potential Conflicts of Interest and Other Considerations

Generally. The structure and operation of the Clients involves several potential conflicts of interest between and among Activant Capital, the Affiliated Advisers, and their respective affiliates, and the Limited Partners in connection with the Clients' interests, assets or activities (including certain conflicts of interest as among the interests of different Client vehicles). Such

potential conflicts of interest include the following, each of which should be carefully considered. During a Client's term, many different types of conflicts of interest may arise and this brochure does not purport to identify all such conflicts, and Limited Partners ultimately will be heavily dependent upon the good faith of Activant Capital, the Affiliated Advisers, and the Managers.

The Fund Governing Documents will contain disclosures regarding certain protections for Limited Partners against conflicts of interest faced by Activant, the Managers, and their affiliates, but will not purport to address all types of conflicts that may arise. Moreover, as a practical matter, it may be difficult for Limited Partners to subject the behavior of Activant, the Managers, and their affiliates to close scrutiny.

Side Letters. In accordance with common industry practice, a Client's general partner may enter into one or more Side Letters or similar agreements with certain Limited Partners pursuant to which the general partner grants to such Limited Partners specific rights, benefits, or privileges that are generally not made available to other Limited Partners and do not require the approval of any other Limited Partners. Such Side Letters will be disclosed only to those actual or potential Limited Partners that have separately negotiated with the general partner for the right to review such agreements. This would have the effect of establishing rights under or supplementing the terms of the Fund Governing Documents with respect to such Limited Partner in a manner potentially more favorable to such Limited Partner than those applicable to other Limited Partners. Such rights or terms in any such Side Letter or other similar agreement may include, without limitation: (i) rights to designate a member of the Advisory Committee; (ii) reporting obligations of the general partner; (iii) waiver of certain confidentiality obligations; (iv) consent of the general partner to certain transfers by such Limited Partner; (v) rights or terms necessary in light of particular legal, regulatory or public policy characteristics of a Limited Partner; (vi) adjustments to fees or other economics (including, without limitation, management fees, carried interest, or distributions); (vii) access to certain information; (viii) consent rights of the Limited Partner; (ix) co-investment rights; (x) tax and structuring matters; and (xi) other representations, warranties or diligence confirmations.

A Client's general partner may not be required to notify the other Limited Partners of any such Side Letters or of any of the rights or terms or provisions thereof, and some or all of the other Limited Partners may not be entitled to receive such additional benefits or other rights. The general partner may enter into such Side Letters with any party as the general partner may determine, in its sole and absolute discretion, at any time. Limited Partners will not necessarily have most-favored-nation rights in respect of all or any of the more favorable terms provided to others and Limited Partners will have no recourse against the Client, the general partner or the Activant or any of their respective affiliates in the event that certain Limited Partners receive additional benefits or other rights pursuant to Side Letters that are more favorable than the terms received by other Limited Partners.

As a result of certain Side Letters, Limited Partners holding the same interests may have different returns, bear different fees and expenses or receive different information, depending on any arrangements applicable to a given Limited Partner's interest in the Client. In addition, if the Client's general partner enters into a Side Letter entitling a Limited Partner to withdraw from the Client, any election to withdraw by such Limited Partner may increase the percentage interest of other Limited Partners in, and contribution obligations of other Limited Partners with respect to,

future investments, and reduce the overall size of the Client and the Client's ability to consummate certain investments may be inhibited.

Any co-investment rights granted to a Limited Partner in a Side Letter or other similar agreement may result in fewer co-investment opportunities (or reduced or no allocations) being made available to other Limited Partners.

It is also expected that a Client's general partner will from time to time confirm factual matters to incoming Limited Partners, make statements of intent or expectation to such Limited Partners or acknowledge statements by such incoming Limited Partners that relate to the Client's or the general partner's activities pertaining thereto in one or more respects. As a result, Side Letters or other similar agreements may permit such Limited Partners to take actions on the basis of information not available to other Limited Partners that do not have the benefit of such agreements. Any such statements, confirmations agreements or acknowledgements will not involve the granting of any legal right or benefit, and therefore generally will not be subject to any "most-favored-nations" process or election by the Limited Partners, and as a result Limited Partners will not typically receive notice thereof or copies of the documentation (if any) in which they are contained. There can be no assurance that any such arrangements will not have an adverse effect on the Client or that such arrangements will not influence Activant's activities or the operation of the Client.

Special Limited Partners. Because the percentage of profits allocated to a Private Fund's Special Limited Partners will exceed the capital contribution percentage of the Special Limited Partners, the Managers, as partners of a Special Limited Partner, may have an incentive to make investments that are riskier or more speculative than if the Special Limited Partners received allocations on a basis identical to that of the Limited Partners or the Private Fund or were compensated on a basis not tied to the performance of the Private Fund.

No Separate Counsel. Counsel to Activant ("Counsel") represents Activant in connection with the formation of the Clients and the issuance of interests therein. Counsel may also act as counsel to Activant's affiliates, Portfolio Companies, equity sponsors of Portfolio Companies, other creditors of Portfolio Companies or an agent therefor, a party seeking to acquire some or all of the assets or equity of a Portfolio Company, or a person engaged in litigation with a Portfolio Company. Separate counsel has not been engaged to act on behalf of Limited Partners in any Client. Counsel is not representing, and will not be deemed to owe any obligations or duties to, any Limited Partner or investor, absent an express agreement to the contrary with such Limited Partner or investor, in connection with such Limited Partner's or investor's investments in a Client, whether or not Counsel has in the past represented or is currently representing such Limited Partner or investor with respect to other matters. Representation by Counsel of Activant and its affiliates is limited to specific matters as to which they have been consulted by such persons. There may exist other matters which could have a bearing on the Clients, Activant, and their affiliates or Portfolio Companies as to which Counsel has not been consulted. In addition, Counsel does not undertake to monitor the compliance of Activant, the Advisory Committees, or their affiliates with the investment programs and other guidelines and terms of any Client, nor does Counsel monitor compliance with applicable laws.

Management Fee; Fees for Services. Activant will be entitled to receive management fees from the Clients and the Clients will bear all expenses related to their organization and operations. Such fees and expenses are expected to reduce the actual returns to investors. Activant may receive customary break-up and topping fees, commitment fees, advisory fees, consulting, monitoring fees, directors' fees and organizational, set-up, transaction, financing, divestment, investment banking, underwriting, syndication, and other similar fees from Portfolio Companies or prospective Portfolio Companies as compensation for financial advisory and similar services in connection with the consummating, monitoring, or disposition of investments or from unconsummated transactions, including warrants, options, derivatives and other rights, in each case valued as of the grant date and the terms thereof generally will be determined by the Activant in its sole discretion. All such fees and expenses will be paid regardless of whether the Client produces positive investment returns. If the Client does not produce significant positive investment returns, these fees and expenses could reduce the amount of the investment recovered by a Limited Partner to an amount less than the amount invested in the Client by such Limited Partner. In certain circumstances, non-affiliated co-investors or joint owners of such prospective Portfolio Companies may have the ability to influence the terms of the arrangements giving rise to any such fees, including, without limitation, the timing and amount of payments and the inclusion of acceleration provisions in circumstances in which the Client may not have otherwise included such provisions. Limited Partners (other than Contributing Affiliates and Contributing Employees) will receive the benefit of certain, but not all, of such fees by an offset of the management fees as set forth in the Fund Governing Documents. Further, any offsets to the management fees that would otherwise be allocable to the Client's general partner, an affiliate of Activant Capital that is Limited Partner (a "Contributing Affiliate"), an employee of Activant Capital or an affiliate thereof (a "Contributing Employee"), a Special Limited Partner or any of their respective affiliates, or to any co-investment vehicle, any co-investor or any other transaction participant (including Portfolio Company management) will not be applied to reduce the aggregate management fees payable in respect of the Limited Partners and will be retained by the recipient thereof or its designees. For the avoidance of doubt, any fees payable by or in respect of any co-investor shall not offset the management fees and shall be retained by the recipient thereof or its designees and will not be applied to reduce the aggregate management fees payable in respect of the Limited Partners. The management fee provisions and the arrangements relating to the allocation of any such fees and certain fee offsets between Activant and the Client may also create an incentive to seek out investments which would provide the opportunity to earn such fees and to make investments earlier during the term of the Client than would be the case in the absence of such arrangements. Further, Activant or its affiliates may be incentivized to hold on to investments that have poor prospects for improvement in order to receive ongoing management fees and any such other fees in the interim.

Contributing Affiliates and Contributing Employees. The Contributing Affiliates and the Contributing Employees have invested in certain Clients as Limited Partners. Unlike the Client's other Limited Partners, the Contributing Affiliate and the Contributing Employees will not be charged management fees or a "carried interest" in respect of their interests in the Client.

It is anticipated that the Contributing Affiliate and one or more Contributing Employees may finance a portion of their capital contributions to the Client using a professional loan program offered by a financial institution. The terms of such professional loan program will likely require the Contributing Affiliate and the participating Contributing Employees (collectively, the

“Borrowers”) to pledge their interests in the Client as security for such loans; the Client’s general partner and management company, the Client, and Activant Capital to become parties to the loan documents; and Activant Capital to guarantee the obligations of the Borrowers to the financial institution under such loan documents.

Fulfilling their obligations under the loan documents could serve to divert the attention of Activant and the Borrowers away from the Client’s business. Moreover, a default by a Borrower under such loan documents could result in substantial administrative burdens being placed on the Client and Activant. Additionally, any exercise of the guaranty against Activant Capital could diminish the resources ultimately available to Activant for the fulfillment of its obligations to the Client. Furthermore, Activant and the Client may face liability to the financial institution for breach of their obligations under the loan documents, which could result in a material adverse effect to the Client.

Outsourcing. Services that Activant has historically performed in house for the Clients may for certain reasons, including efficiency considerations, be outsourced in whole or in part to third parties at the discretion of Activant in connection with the operation of the Clients. Such outsourced services may include, without limitation, accounting, tax, compliance, trade settlement, information technology or legal services. The decision by Activant to initially perform particular services in house for the Clients will not preclude a later decision to outsource such services, or any additional services, in whole or in part to third parties. The costs, fees or expenses of any such third-party service providers will be treated as Client expenses borne by the Clients.

Moreover, certain advisors and other service providers (including, without limitation, accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms, developers or property managers and certain other advisors and agents) to the Clients, Activant, or certain entities in which a Client has an investment, or affiliates of such advisors or service providers, may also provide goods or services to or have business, personal, political, financial or other relationships with Activant, its affiliates, the Clients or their respective Portfolio Companies. Such advisors or service providers (or their employees) may be investors in the Clients or commercial counterparties or entities in which Activant or a Client has an investment, and payments by the Clients or such Portfolio Companies may indirectly benefit Activant. Additionally, certain employees of Activant may have family members or relatives employed by advisors and service providers. These service providers and their affiliates may contract or enter into any custodial, financial, banking, advising or brokerage, placement agency or other arrangement or transaction with the Clients, Activant, an investor in a Client, or a Portfolio Company in which a Client has made an investment. These relationships may influence Activant in deciding whether to select or recommend such a service provider to perform services for the Clients or a Portfolio Company (the cost of which will generally be borne directly or indirectly by the Clients).

Use of Service Providers or other Consultants. Activant may, from time to time, engage service providers, advisors, operating partners or other third-party consultants in connection with the Clients’ investment processes. Such persons may provide services to the Clients or directly to a Portfolio Company. Fees paid and expenses reimbursed with respect to such persons are expected to be allocated to or borne by the Clients or one or more Portfolio Companies depending on the particular services provided by such person and the terms of any agreement that may exist between

such person and a Portfolio Company. None of the Client, the Client's general partner, Activant, or any of their respective affiliates or related persons is entitled to all or any portion of the compensation or other amount payable to such persons (including, without limitation, any fees or any payments in respect of expense reimbursements), and such amounts shall not be considered fee offsets or otherwise offset or reduce management fees.

Service Provider Selection. Certain advisors, vendors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents), or their affiliates, to Activant, the Clients, the Portfolio Companies, or operating partners, may also provide services to or have business, personal, financial or other relationships with Activant, the Clients, or their affiliates. Such advisors, vendors and service providers and operating partners may also be investors in or co-investors alongside the Clients, sources of potential investment opportunities, or counterparties to or otherwise involved in transactions or matters with Activant, its affiliates, the Clients, the Portfolio Companies, or the personnel of any of the foregoing, for example. These relationships may influence, or have the appearance of influencing, the decision whether to select or recommend such advisor, vendor or service provider to perform services for Activant, the Clients, or a Portfolio Company (the cost of which will generally be borne directly or indirectly by the Clients or such Portfolio Company, as applicable).

In addition, advisors, service providers, and vendors often charge different rates, including discounted or below-market rates or no fee or otherwise have different arrangements for specific types of services. For example, the fee for a particular type of service may vary based on the complexity of the matter, the expertise required, demands placed on the service provider and the volume of various matters and services. Therefore, to the extent the types of services used by the Clients are different from those used by Activant, the Portfolio Companies or their respective affiliates, any of the foregoing may pay different or preferential amounts or rates with respect to any particular advisor or service provider.

Portfolio Company Relationships. Certain of the Clients' Portfolio Companies may be counterparties to or participants in agreements, transactions or other arrangements with or alongside other Portfolio Companies of other Clients. In addition, the Portfolio Companies of various Clients may transact amongst themselves in the ordinary course of their respective businesses on customary commercial terms.

Carried Interest. The general partners or Special Limited Partners, affiliates of Activant, will be entitled to receive a certain percentage (generally 20%) of all capital appreciation of the Clients' assets, notwithstanding the fact that, in their capacities as general partners or Special Limited Partners, they have committed to providing none of the Clients' capital. Activant may thus have an incentive to invest the Clients' capital in higher risk ventures designed to create higher returns than would be acceptable to the Limited Partners, because Activant's compensation is based on the Clients' performance. In addition, under the Tax Reform Bill, in order for gains that are attributable to the carried interest to qualify as long-term capital gain, the holding period for the asset giving rise to such gains generally must exceed three years. For Limited Partners, gains in respect of assets held for more than one year may qualify as long-term capital gain. Long-term capital gain recognized by non-corporate US taxpayers may be subject to US federal income tax at preferential rates. These disparate holding period requirements may give rise to conflicts of

interest. Activant may have an incentive to take actions intended to maximize the amount of gains from assets held for more than three years, even though Limited Partners may not derive any additional US federal income tax benefit from the longer holding period. For example, Activant may have an incentive to (i) refrain from making investments expected to generate gains within three years, (ii) refrain from selling or engaging in other transactions with respect to investments that would give rise to capital gain if the investment has not been held for more than three years or (iii) structure follow-on investments in a manner intended to maximize the amount of gain attributable to the Client's existing interests in such investments. Such actions could reduce the amount realized from the Client's investments and adversely affect the amount and timing of distributions to the Limited Partners.

In certain limited circumstances, the amount of carried interest could be calculated based on the fair market value of non-cash distributions, which could result in a valuation for purposes of determining the carried interest that exceeds any cash value ultimately achieved. The carried interest may be distributed prior to the final liquidation of all of the Client's investments and prior to returning all of the capital invested by the Limited Partners. If the Client experiences significant losses after having made distributions of the carried interest to the general partners or Special Limited Partners, then it is possible that the aggregate cumulative amount distributed to all of the Limited Partners upon final liquidation of the Client would be less than the Limited Partners' aggregate capital contributions plus the cumulative unpaid amount of the preferred return thereon. In such a case, the Client's general partners or Special Limited Partners (as applicable) may be required to contribute to the Client all or a portion of the carried interest distributions previously received to restore the deficiency; however, such clawback obligations will be computed on an "after-tax" basis. Such calculated amounts may not be sufficient to return to a Limited Partner its capital contributions or any return thereon.

Acceleration of Monitoring Fees. In certain limited circumstances, monitoring fee arrangements with Portfolio Companies may include provisions that permit the acceleration of monitoring fees upon certain events, such as the initial public offering or strategic sale of a Portfolio Company. These acceleration provisions typically require a termination payment by the Portfolio Company, which often reflects the net present value at the time of the termination of the fees that would have been payable for the remaining term of the agreement. Because certain monitoring agreements with Portfolio Companies may have prolonged terms (which may exceed the relevant Client's term), the effects of such acceleration and termination payment is often substantial.

Co-Investment Opportunities; Investments with Third Parties. Activant may, in its sole discretion, based on such factors as are deemed relevant by Activant, offer to one or more (but not necessarily all) Limited Partners and third parties, the opportunity to co-invest on substantially the same terms as a Client in Client investments. In circumstances where an entire investment could be made by the Client, Activant may still allocate a portion of such investment to one or more co-investment vehicles or other co-investors in accordance with the Fund Governing Documents. The allocation of any co-investment opportunities may or may not be in proportion to the commitments of the co-investors and may involve different terms, fee structures and economics. As such, the Client may receive a smaller allocation in a particular investment than it otherwise might have received if Activant had not provided the third party with the co-investment opportunity. Activant and any of its respective affiliates and investment professionals may, in the sole discretion of Activant, participate in any such co-investment opportunity. In addition, Activant and its affiliates

and investment professionals may, subject to the applicable Fund Governing Documents, make an investment in any vehicle formed in connection with any co-investment opportunity to the extent (x) it is necessary or advisable for legal, tax or regulatory considerations, or (y) other third parties are not able to make such co-investment on the terms offered and the Client cannot make such portion of the investment (in each case, without regard to such other investment limitation). Moreover, it is possible that certain terms and fee structures offered to co-investors may be more (or less) favorable to Activant or its affiliates than those offered to Limited Partners, which may incentivize Activant to make more (or less) of such co-investment opportunities available. The Fund Governing Documents generally require that unless otherwise approved by a majority in interest of the Client's Limited Partners, each co-investment will be made on or about the same time, and on terms and conditions no better than those available to, the Client (subject to any legal, tax or regulatory considerations).

From time to time, for strategic and other reasons, a Co-Investment Vehicle Client or co-investor may subsequently purchase a portion from a Private Fund. The co-invest buy-down generally occurs shortly after the applicable Private Fund's completion of the investment to avoid any changes in valuation of the investment. Such co-investors or Co-Investment Vehicle Clients typically dispose of their investments in the applicable Portfolio Company at the same time and on the same terms as the Private Fund making the investment.

Activant has discretion in determining to whom and in what relative amounts to allocate co-investment opportunities, whether through an entity it or one of its affiliates controls or directly into a Portfolio Company, subject only to conditions set forth in the Fund Governing Documents. In exercising its discretion, Activant may consider certain factors including (but not limited to): (i) the aggregate amount of co-invest opportunity available; (ii) the magnitude and nature of a potential recipient's relationship with Activant and its affiliates, if any; (iii) Activant's assessment of which potential co-investors may be willing and able to pursue and complete the particular co-investment if offered and its understanding of the nature and size of opportunities in which the potential co-investor is particularly interested; (iv) Activant's views as to whether the involvement of any particular potential co-investor(s) could directly or indirectly benefit the Client generally, its pursuit of and investment in the particular Portfolio Company opportunity and the future business, activities or prospects of the Portfolio Company; (v) whether the potential recipient is expected to provide expertise or other advantages in connection with a particular co-investment; (vi) any relevant considerations made known to Activant by the Portfolio Company management team; and (vii) any further legal, regulatory or tax considerations, timing issues, and other special considerations arising as a result of the industry, sector, business or activities of the Portfolio Company that may affect or be affected by allocation decisions. Furthermore, as Activant may allocate co-investment opportunities in accordance with the Fund Governing Documents, the recipients thereof may include no Limited Partners, or one or more Limited Partners and not others (including others that may be similarly situated to those receiving allocations of co-investment opportunities), Clients or potential Clients of Activant or its affiliates, or funds or accounts established for any such persons. No Limited Partner shall have any right to participate in, or acquire any interest in, such opportunity by virtue of the Fund Governing Documents.

In addition to allocating co-investment opportunities on a case-by-case basis as they arise as described above, Activant may determine to provide priority rights with respect to future co-investment opportunities generally to certain Limited Partners (but not to other Limited Partners,

including similarly situated Limited Partners) or other persons, including those described above, pursuant to commitments, arrangements or agreements between Activant and Limited Partners or other persons or through the formation of one or more funds or other vehicles in which such Limited Partners or other persons would invest.

Activant may, in its sole discretion, require such co-investors to bear a carried interest, management fee and other costs and fees with respect to any co-investment, and such charges may be different from the carried interest, management or other costs and fees charged to investors in the Client. As a result of these differences, the returns to the Limited Partners may differ from the returns to the co-investors. In particular, such investors' net returns with respect to co-investment opportunities may differ from Limited Partners' net returns with respect to the Client, particularly for those investors in co-investment opportunities whose investment will not be subject to any (or will be subject to reduced) management fees, or carried interest payable to Activant or its affiliates. Co-investors will typically bear their pro rata share of fees, costs and expenses related to their co-investments and may be required to pay their pro rata share of Broken Deal Expenses (as defined below) related to potential co-investments that they have committed to make but that are not consummated but only to the extent a co-investment vehicle has been formed. Subscription credit facility fees and expenses are generally allocated entirely to the applicable Client that is the borrower under such facility. Activant will not be obligated to provide any specific items of information or access to any co-investment participant and shall not be required to make any representations or warranties to any co-investment participant with respect to such co-investment, the Portfolio Company or any of the information provided to the co-investment participant.

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

The economic participation of co-investors in an investment opportunity may be substantial and may involve greater risks than an investment in which there are no co-investors. It is possible that a co-investor may at any time have interests that are inconsistent with those of Activant or the Client. In addition, co-investors may be in a position to obtain additional information regarding the applicable Portfolio Company that may not generally be available to Limited Partners in the Client.

In addition, the Client may co-invest with third-parties, including strategic investors and management team members, whose ability to influence the day-to-day management and affairs of the Portfolio Companies' investments may be significant and even greater than that of the Client 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 investor may have financial, legal or regulatory difficulties resulting in a negative impact on such investment, may have economic or business interests or goals that are inconsistent with those of the Client or may be in a position to take (or block) action in a manner contrary to the Client's investment objectives.

In addition, the Client may in certain circumstances be liable for the actions of such third-party investors. In those circumstances where such third-parties involve a management group, such third-parties may receive compensation arrangements relating to such investments, which may involve incentive compensation arrangements, including carried interest and other fees payable to such third-parties. There can be no assurance that minority rights will be available or that such rights will provide sufficient protection of the Client's interests.

Broken Deal Expenses. In connection with pursuing investment opportunities in furtherance of the Clients' investment strategies, the Clients, Activant, and their respective affiliates expect to incur fees, costs and expenses in connection with prospective investments and other transactions that are not consummated, including, without limitation, all due diligence fees, costs and expenses; legal and accounting fees, costs, and expenses; fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for such prospective investment or other transaction; deposits or draw-down payments that are forfeited in connection therewith; and reverse break-up fees or termination fees, expense reimbursement amounts or other amounts payable to the sellers, targets, advisors, service providers or other counterparties or third-parties, related to such transaction; or other liabilities or obligations in respect of such unconsummated transactions or investment opportunities, and travel costs and ancillary expenses (which may include first or business class commercial airfare) in connection therewith (including, without limitation, airfare, ground transportation, accommodations, meals and travel agency fees); and costs and expenses of any representation and warranty insurance and other similar insurance (collectively, "Broken Deal Expenses"). Broken Deal Expenses could be significant, and accordingly, the Clients could incur substantial costs and expenses with no opportunity for a return.

Activant has the discretion to require the Clients to pay 100% of the amount of any Broken Deal Expenses (other than travel and entertainment expenses, which are borne or reimbursed by the Client's general partner) whether or not there are co-investors that are committed or expected to participate in such investment or transaction or a potential co-investment opportunity or a syndication to third-parties or other transaction participants (including, without limitation, the target company management) are contemplated in connection with such investment or transaction. In the event that any potential investment or transaction of a Client results in Broken Deal Expenses and all or a portion of such Broken Deal Expenses are not paid or reimbursed by any potential co-investment vehicles, co-investors or other third-parties or transaction participants, as applicable, the Client (together with any parallel funds and alternative investment vehicles of such Client, as applicable) may be required to bear all of such Broken Deal Expenses.

Relationship with New Funds. The Clients may compete with one another for similar investments, and, subject to compliance with the Fund Governing Documents, Activant may create new clients that compete for investments with existing Clients. Subject to compliance with the Fund Governing Documents, allocations of investment opportunities among the Clients are made in the Managers' sole discretion. Managing multiple funds may make it difficult for the Managers to devote their full time and attention to managing any one Client.

Activant may organize new investment funds in accordance with the Fund Governing Documents (any such investment fund, a "New Fund"). If a New Fund is organized before the commitment period of one or more existing Clients has terminated, amounts for investment may be allocated between the existing Clients and the New Fund in Activant's reasonable discretion, subject to

available capital, including reasonable reserves, or other investment limitations applicable to the existing Clients and the New Fund. The existing Clients may have differing or conflicting interests with such New Fund in respect of any such investment.

Allocation of Shared Expenses. Activant expects that a number of resources will be shared among the Clients and one or more Portfolio Companies to, among other things, enhance efficiency and reduce the cost for the Clients and Portfolio Companies. Activant takes into account a variety of considerations when allocating such expenses. Activant uses methods that it believes, at the time such determinations are made, are fair and reasonable in making the allocations in its discretion. These methods vary depending on the type of expense, including, without limitation, allocations based on assets under management, net asset value, holdings percentages, number of positions held by different Clients, number of Clients and other investment vehicles, number of users of such resource, relative benefits of such resource and time spent. Despite Activant's good faith judgment to arrive at a fair and reasonable expense allocation methodology, the use of any particular methodology may lead a particular Client to bear relatively more expense in certain instances and relatively less in other instances compared to what such Client would have borne if a different methodology had been used. However, Activant seeks to make allocations that are equitable on an overall basis in its good faith judgment. From time to time, Activant in its good faith judgment may revise or change previously determined allocation methodologies in an effort to ensure that such expenses remain fairly and reasonably allocated among the Clients and one or more Portfolio Companies.

General Partner Expenses. Certain fees and expenses incurred by a Client's general partner and its affiliates will be charged to the Client. The general partner will face a conflict of interest in determining whether to allocate a particular expense to the Client or the general partner.

Management Team Expenses. From time to time, a Private Fund may recruit a management team to pursue a new or "platform" opportunity expected to lead to a future Portfolio Company investment. Typically, the expenses associated with the activities of such a team, including their overhead and due diligence and related expenses incurred in pursuing acquisition opportunities, will constitute Private Fund expenses and be borne by the Private Fund. There can be no assurance that such management team will lead to a new platform or other Portfolio Company investments. Any expenses in connection with such "platform" opportunities will not offset the management fees.

Portfolio Company Board Participation. Employees of Activant may serve as officers or directors of Portfolio Companies, and, as such, they may have duties to persons other than the Clients. Although such positions in certain circumstances may be important to the Clients' investment strategies and may enhance Activant's ability to manage investments, they may also have the effect of impairing the Clients' abilities to sell the related securities when, and upon the terms, it may otherwise desire, and may subject Activant and the Clients to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims and other director-related claims. For example, a Client may be unable to sell a Portfolio Company's securities if an employee of Activant is in possession of inside information relating to such Portfolio Company. Nevertheless, the Fund Governing Documents do not preclude employees of Activant from serving as officers or directors of Portfolio Companies. In general, the Clients will indemnify Activant and its employees from such claims.

Electronic Delivery of Certain Documents. Pursuant to the Fund Governing Documents, certain Limited Partners have consented to the electronic delivery of investor communications, investor reports, proposed amendments or waivers, privacy notices and any other documents or information to be provided to such Limited Partner that relate to the Client or an investment therein (collectively, the “Investment Documents”) and have agreed that such electronic delivery will be in place of delivery of such documents in paper form.

The term of this consent will be indefinite, but Activant will not be obligated to deliver communications, reports or other documents electronically. This consent to electronic delivery will extend to delivery of Investment Documents now and in the future, whether such delivery is (now or in the future) required by law, or is not required but is made by the Client to provide a Limited Partner with additional information. Investment Documents may be delivered via one or more designated websites (access information for which is provided to Limited Partners); by e-mail to the address provided by such Limited Partner in its subscription agreement; or via facsimile.

There are certain costs (e.g., internet access) and possible risks (e.g., slow downloading time and system outages) associated with electronic delivery. Moreover, Activant cannot provide any assurance that these communication methods are secure, and neither Activant nor its affiliates will be responsible for any computer viruses, problems or malfunctions resulting from any computer viruses or related problems that may be associated with the use of an internet-based system.

Allocation of Investment Opportunities. While it is the intention of Activant that investment opportunities will be apportioned among its Clients on a fair and reasonable basis, there is no assurance that any particular Client will be offered any specific investment opportunities that come to the attention of Activant or that any particular Client will be permitted to invest the full amount it desires to invest in any such opportunity that is made available.

In addition, as further described below, Activant and the Managers may participate in such other activities as further described in the Fund Governing Documents. Subject to compliance with the Fund Governing Documents, Activant, its affiliates, equityholders and other related persons, and their respective clients are or may be involved in other financial, investment and professional activities, including management of or participation in other investment funds; venture capital, private equity, public equity and real estate investing; purchases and sales of securities; investment and management counseling; investment banking, underwriting and brokerage activities; leasing and lending activities; providing mergers and acquisitions, restructuring and other financial advisory services and serving as officers, directors, advisors and agents of other companies. Subject to certain restrictions set forth in the Fund Governing Documents, Activant, its affiliates, equityholders and other related persons, and their respective clients may engage for their own accounts and for the accounts of others in any such ventures and activities (without regard to whether the interests of such ventures and activities conflict with those of the Clients or Private Funds). None of any Client or any Limited Partner shall have any right by virtue of the Fund Governing Documents or the existence of the Client in or to such other ventures or activities or to the income or profits derived therefrom, and Activant and its affiliates, equityholders and other related persons and their respective clients shall have no duty or obligation, except as otherwise required by law, to make any reports to the Limited Partners or any Client with respect to any such other ventures or activities. Activant and its affiliates’ pursuit of certain other permitted

investment activities as described in the Fund Governing Documents may create conflicts of interest.

Other Business Activities of Activant and its Affiliates. Among other things, Activant and the Managers are permitted to be involved as an advisor, manager, consultant, advisory board member, investor, partner, member, director, owner, equityholder and debtholder in connection with: (i) the investments of Clients and related future acquisitions and follow-on investments in respect of such investments Clients; (ii) personal and family investments; (iii) investments, or in investment entities, accounts or vehicles formed for the primary purpose of making investments, which do not meet the investment objectives of one or more of the Clients; (iv) investments which meet the investment objectives of a Client where the Client is unable to pursue such investments due to the application of the investment limitations set forth in the Fund Governing Documents; and (v) any New Funds and their respective parallel funds, feeder funds, alternative investment vehicles, co-investment vehicles, blocker corporations, and intermediate entities, and their respective Portfolio Companies and other vehicles organized in connection with the making of investments. It is possible that Activant, the Managers, the Clients, and their respective affiliates will compete or have clients who compete (as applicable) with other Clients, Portfolio Companies, and prospective investments.

The performance and operation of such other businesses and investments could conflict with and adversely affect the performance and operation of Portfolio Companies, and may adversely affect the prices and availability of business opportunities or transactions available to such Portfolio Companies. Further, in certain circumstances, such other businesses and investments may, in the ordinary course of business, transact with one or more Clients or their Portfolio Companies. Activant will seek to resolve conflicts in a manner that it determines in its sole discretion to be fair and equitable.

Other Transactions. Apart from transactions specifically contemplated by the Fund Governing Documents, Activant, the Managers, and their respective affiliates will not engage in any transaction with a Client or any Portfolio Company unless the terms of the transaction are on an arm's-length basis and on terms which are no less favorable to the Client or such Portfolio Company than would be obtained in a transaction with an unaffiliated party. Any transaction approved by the Advisory Committee will be deemed approved on behalf of all Limited Partners of such Client as being on an arm's-length basis, and any such transaction will be subject to such policies and procedures as are in effect from time to time applicable to Activant.

Diverse Investor Group. Limited Partners of the Clients may have conflicting investment, tax and other interests with respect to their investments. These conflicting interests may relate to or arise from, among other things, the nature of investments in Portfolio Companies made by the Client, the structuring or the acquisition of investments and the structure, timing or manner of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by Activant, including with respect to the nature or structuring of investments or dispositions, that may be more beneficial for one Limited Partner or for one Client investment vehicle than for another Limited Partner or Client investment vehicle, especially with respect to Limited Partners' individual tax situations and the tax treatment of the different Client vehicles. In selecting and structuring investments appropriate for a Client, Activant will consider the investment and tax objectives of the Client and its Limited Partners as a whole, not the investment,

tax or other objectives of any Limited Partner individually or of any Client investment vehicle individually.

In addition, it is anticipated that Limited Partners or their affiliates, which may be, or have meaningful interests in or relationships with, companies with significant business interests within a Client's targeted industry sector, insurance and other risk management companies, financial institutions and governmental or other pension plans, may have direct or indirect interests in one or more of the investments of the Clients. For example, one or more Limited Partners or their affiliates may be senior or subordinated lenders to one or more of the Portfolio Companies or a Limited Partner may also act as a co-investor or otherwise participate in the financing of a Portfolio Company in which a Client has made an investment or where such co-investor has a direct or indirect interest in such investment. One or more of a Client's investors could hold Portfolio Company securities or provide risk management services. This could result in the Client becoming involved in disputes and litigation with one or more of its Limited Partners or affiliates.

Additionally, certain Limited Partners or their respective affiliates are financial institutions, banks or other providers of financing, and the ordinary course of their respective business may include providing financing to investment funds and Portfolio Companies. Accordingly, from time to time, certain investors or their respective affiliates may provide loans to the Clients or their Portfolio Companies in the ordinary course of business. Any such loans are negotiated on an arm's length basis.

Limited Partner Advisory Committee. Although the Advisory Committee is intended to act as the representative of the Limited Partners in respect of certain matters, including reviewing valuations of the Client's assets and addressing potential conflicts of interest (including being authorized to provide consent on behalf of a Client in connection with certain affiliate transactions, Advisers Act "assignments" or as otherwise requested by Activant), the Advisory Committee may not have the same interests as all Limited Partners. Furthermore, the Advisory Committee cannot be expected to be an expert in such matters, and certain of its determinations may, in fact, adversely affect the performance of the Client. In addition, members of the Advisory Committee may have conflicts of interest that do not disqualify them from voting on or consenting to matters submitted for consideration or review. The Client will indemnify the members of the Advisory Committee, any affiliate or employer of any such members and any Limited Partner represented on the Advisory Committee by any member, in connection with any involvement with the Advisory Committee, respectively, subject to the terms of the Fund Governing Documents. In addition, the Advisory Committee generally does not owe a fiduciary obligation to a Client.

Credit Facility. A Client's general partner may establish one or more credit facilities for the Client with one or more financial institutions to cover working capital requirements and fees and expenses, and to provide interim financing to the extent necessary to consummate investments, prior to receipt of capital contributions from the Limited Partners. Certain of the Clients may further be authorized to guarantee loans, lines of credit, or other extensions of credit made to their Portfolio Companies and to any vehicle formed to effect the acquisition of any investment. Implementation and utilization of any credit facility may result in fees and expenses to the Client. In order to obtain a credit facility, Activant may be required to assign or pledge to each such credit facility issuer a Client's general partner's right to call capital from the Limited Partners as may be required to honor any credit facility draws or repay any loans, including any interest accrued

thereon, and (ii) the Limited Partners may be required to acknowledge and consent to the assignment of the general partner's rights in respect thereof. If the Client does not honor its obligations pursuant to any credit facility, the provider(s) of such credit facility may have the right to take action against any Limited Partner or its interests, including directly drawing capital from the Limited Partners. Limited Partners may also be required to provide certain representations, legal opinions and other documents and information as required by (and for the benefit of) credit facility lenders in connection with any credit facility, at the investor's own expense. Such costs will not be reimbursed by the Client. The interest expense and other costs of any such credit facilities will be borne by the relevant Client and, accordingly, may decrease net returns and total distributable profits of such Client. The Client and any other entities formed to facilitate investments by any of the foregoing may be co-borrowers under any credit facility or any other indebtedness or credit support, in which event the Client and such other entities may be jointly and severally liable for all obligations under such credit facility or any other indebtedness or credit support. In addition, the use of a subscription-based credit facility may present conflicts of interest because the interest rate on such borrowings are typically less than the rate of the preferred return and such preferred return does not accrue on such borrowings but only accrues on capital contributions when made. As a result, use of such interim leverage arrangements with respect to investments may reduce or eliminate the preferred return received by the Limited Partners and accelerate or increase distributions of carried interest to the Special Limited Partners, providing the Client's general partner with an economic incentive to fund investments through longer-term borrowings in lieu of drawing down capital commitments. As a general matter, use of borrowings in lieu of drawing down capital commitments amplifies IRRs (either negative or positive) to Limited Partners. Subject to any limitations in the Fund Governing Documents, the use of a subscription-based credit facility by a Client is within Activant's discretion.

Other Benefits. Activant and its employees can be expected to receive certain benefits, rebates, discounts, and perquisites arising or resulting from their activities on behalf of the Clients that will not be considered fee offsets and will not offset or reduce the management fees or otherwise be shared with the Limited Partners or the Portfolio Companies. For example, airline travel or hotel stays incurred as Client expenses may result in "miles" or "points" or credit in loyalty/status programs, and such benefits and amounts will, whether or not de minimis or difficult to value, inure exclusively to Activant and its employees (and not the Clients or Portfolio Companies) even though the cost of the underlying service is borne by the Client or its Portfolio Companies. Activant and its employees also receive discounts on products and services provided by Portfolio Companies and customers or suppliers of Portfolio Companies. Such other benefits or fees may give rise to conflicts of interest in connection with the Clients' investment activities, and while Activant will seek to resolve any such conflicts in a fair and equitable manner, there is no assurance that any such conflicts will be resolved in favor of the Clients.

Use of Placement Agents or Other Advisors. Activant may determine to engage one or more placement agents or other advisors in respect of the offering of interests to certain prospective Limited Partners. Any such placement agents or advisors would act for Activant and the particular Client, and not as an investment adviser to prospective Limited Partners in connection with the offering of interests. Prospective Limited Partners must independently evaluate any such offering and make their own investment decisions. In making those decisions, prospective Limited Partners should be aware that a placement agent will be paid a placement fee, generally based upon the amount of capital commitments to the particular Client made by the prospective Limited Partners

introduced to such Client by the placement agent. All of these placement fees will be borne or reimbursed by the Client's general partner. In the event any placement agent or other advisor is engaged in respect of a Client, prospective Limited Partners should also note that at various times such placement agent or other advisor may act as placement agent or advisor for other fund sponsors and funds, including fund sponsors and funds that are not affiliated with Activant, which may offer interests that are similar to the interests in the Client. Such unaffiliated fund sponsors may pay placement fees on terms different from the fees placement agents may receive in respect of the Client, and such differences in fees may influence a placement agent's decision to introduce prospective Limited Partners to the Client. Furthermore, a placement agent or other advisor may seek to do business with and earn fees or commissions from Portfolio Companies and affiliates of Activant (e.g., in connection with financing or investment banking services, or lending or arranging credit). Accordingly, prospective Limited Partners should recognize that each placement agent's participation as a placement agent for the interests and each other advisor's participation as an advisor to Activant may be influenced by its interest in such current or future fees and commissions. Prospective Limited Partners should also be aware that affiliates or employees of a placement agent or other advisor could invest in a Client on their own behalf and on behalf of their clients.

Limited Remedies Against the General Partners. There can be no assurance that adequate remedies will be available to any Limited Partner if Activant or the Managers fail to perform their respective duties, and the Fund Governing Documents do not afford the Limited Partners rights to remove a Client's general partner except in very limited circumstances. The Fund Governing Documents include provisions for exculpation and indemnification of Activant and its affiliates and the members, partners, managers, officers, directors, shareholders, employees, agents, representatives, investors, affiliates, advisors and other personnel of Activant and its affiliates. Therefore, Limited Partners may have more limited rights of action than they would have absent such limitation.

Limits of Risk Disclosures

The above discussions of the various risks associated with the Clients are not, and are not intended to be, a complete enumeration or explanation of the risks involved in an investment in any Client. The risk factors described above are the principal risk factors associated with an investment in a Client, as well as those risk factors generally associated with an investment fund with investment objectives, investment policies, capital structure, or investment strategies similar to those of the Clients. Prospective Limited Partners should read these risk factors and the entire brochure carefully and consult with their own advisors. In addition, as Activant's investment program changes or develops over time, an investment in a Client may be subject to risk factors not described in these risk factors or not yet known.

The descriptions of specific investment strategies and methods that may be engaged in by us should not be understood as in any way to limit our investment activities. For example, we may move client assets to cash equivalents or Treasuries for defensive purposes or in an effort to preserve capital in the event we have identified what we feel is a widespread market disruption. We may engage in investment strategies and methods not described that we consider appropriate; provided, however, we will keep Clients' investors informed of any material change in our overall strategy or approach. There can be no assurance that the investment objective of a Client will be achieved.

Fund Investors must be prepared to lose their entire investment. Investing in private securities involves risk of loss that the Clients' investors should be prepared to bear. An investment with Activant is not a complete investment program and should represent no more than a portion of a Fund Investor's portfolio management strategy. By investing with Activant, investors are relying on the discretionary market judgment of Activant, without any meaningful diversification, leverage, or strategy concentration limitations. An investment with Activant is speculative and involves substantial risks, including, without limitation, general market and investment risks, risks associated with certain instruments, trading techniques and strategies, capital structure risks, structural risks and tax risks. Prospective investors are encouraged to consult their own financial, legal, and tax advisers regarding their individual circumstances and the suitability of an investment. Please refer to each Client's Fund Governing Documents for a more detailed description of such risks.

Item 9: Disciplinary Information

Neither Activant, nor any of its employees or other management persons has been involved in any legal or disciplinary events that would require disclosure in response to this Item.

Item 10: Other Financial Industry Activities and Affiliations

The Affiliated Advisers (i.e., Activant Ventures Management, LLC, Activant Ventures Advisors I, LLC, Activant Ventures Advisors II, LLC, and Activant Ventures Advisors III, LLC) are substantially controlled by the same owners as Activant Capital. An Affiliated Adviser at times also serves as the general partner of the Private Funds, Special Purpose Entities, or Co-Investment Vehicle Clients. The general partners of the Clients and Affiliated Advisers possess substantially the same personnel as Activant and are under common control with Activant Capital. General partner affiliates or relying advisers are typically formed for legal, tax, regulatory, or other purposes. This brochure also describes the business practices of the Affiliated Advisers or relying advisers which operate as a single advisory business together with Activant Capital. Our Clients do not have independent management. Although this arrangement may give us heightened control and discretion, we manage any potential conflicts of interest by strictly adhering to the investment strategy and investment allocation policy discussed in each Client's Fund Governing Documents.

Advisory Committee

Activant's Private Funds have formed advisory committees (the "Advisory Committees") composed of Limited Partners (or their designees). The size of each Advisory Committee is determined by Activant. Certain Limited Partners (as determined by Activant in its sole discretion) shall be granted rights to designate members of the Advisory Committees. The duties of the Advisory Committees shall be to: (i) be available to offer advice to Activant regarding the activities of the Private Funds; (ii) review and approve transactions involving potential conflicts of interest; (iii) review matters for which approval is required under the Advisers Act; and (iv) undertake such other duties as are required by the Fund Governing Documents or reasonably requested by Activant. Additional information about the Advisory Committees, and associated risks and conflicts of interest, can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading "**Potential Conflicts of Interest and Other Considerations**."

Co-Investment Arrangements

Activant may, in its sole discretion, offer certain Limited Partners or third parties (collectively, the “Co-investment Partners”) the opportunity to invest, outside of the Private Funds, in the securities in which the Private Funds propose to make an investment. Activant will not be obligated to provide any specific items of information or access to any Co-investment Partner and shall not be required to make any representations or warranties to any Co-investment Partner with respect to such co-investment, the Portfolio Company or any of the information provided to the Co-investment Partner. Each Co-investment Partner will typically enter into a confidentiality agreement with respect to such proposed investment on the same terms as any such agreement entered into by the Private Fund. Unless otherwise approved by a majority in interest of the Limited Partners, each co-investment will be made on or about the same time, and on terms and conditions no better than those available to the Private Funds. Existing and prospective Fund Investors should note that Activant may offer co-investment opportunities in its sole discretion, is not expected to offer co-investment to all existing Fund Investors and may allocate any such opportunities in its sole discretion. Activant will also determine, in its sole discretion, whether a Fund Investor that did not participate in the original Portfolio Company co-investment will be entitled to participate in a follow-on Portfolio Company co-investment. The allocation of co-investment opportunities and follow-on investments may involve a benefit to Activant including, without limitation, fees and additional investments in Private Funds or a new Fund Investor relationship. Current and prospective Fund Investors are invited to discuss our co-investment policies and procedures with us. Additional information about the co-investment arrangements, and associated risks and conflicts of interest, can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations.**”

Board Memberships

Employees of Activant are anticipated to serve as officers or directors of Portfolio Companies. In their capacity as officers or directors of Portfolio Companies, such individuals may become subject to fiduciary or other duties which adversely affect the Clients. For example, Clients may be unable to sell a Portfolio Company’s securities if an Activant employee is in possession of inside information relating to such Portfolio Company. Additional information about board memberships, and associated risks and conflicts of interest, can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations.**”

Special Limited Partners, Contributing Affiliate and Contributing Employees

Special Limited Partners of the Private Funds designated by Activant will not be required to make capital commitments or capital contributions to the respective Private Fund. Activant has the sole discretion to admit additional Special Limited Partners. Affiliates of Activant Capital Group LLC own a Special Limited Partner interest. Contributing Affiliates have been admitted to the Private Funds as a Limited Partner. The Contributing Affiliate will be required to make capital commitments to the Private Fund as described in the Fund Governing Documents. Contributing Employees may also make capital commitments to the Private Funds and be admitted as Limited Partners. Unlike other Limited Partners, the Contributing Affiliate and the Contributing

Employees will not be charged management fees or a “carried interest.” The Contributing Affiliate and one or more Contributing Employees may finance a portion of their capital contributions using a professional loan program offered by a financial institution. The terms of such professional loan program require (i) the Contributing Affiliate and the participating Contributing Employees (collectively, the “Borrowers”) to pledge their interests in the Private Fund as security for such loans, (ii) Activant or the Private Fund to become parties to the loan documents, and (iii) Activant to guarantee the obligations of the Borrowers to the financial institution under such loan documents. Fulfilling their obligations under the loan documents could serve to divert the attention of Activant’s employees away from the Private Fund’s business. Moreover, a default by a Borrower under such loan documents could result in substantial administrative burdens being placed on the Private Fund and Activant. Additionally, any exercise of the guaranty against Activant could diminish the resources ultimately available to Activant for the fulfillment of its obligations to the Clients. Activant or its affiliates may also face liability to the financial institution for breach of their obligations under the loan documents, which could result in a material adverse effect to the Clients. Current and prospective Limited Partners are encouraged to discuss the financed capital contributions with us. Additional information about Special Limited Partners, Contributing Affiliates, and Contributing Employees, and associated risks and conflicts of interest, can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations.**”

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

Activant has adopted a written Code of Ethics (the “Code”) that is applicable to all employees and access persons. The Code is designed to ensure that our firm and our supervised persons understand the need to act with competence, dignity, integrity, and in an ethical manner, when dealing with Clients, Fund Investors, the public, prospects, third-party service providers and fellow supervised persons. Among other things, the Code requires Activant and our supervised persons to act in the Clients’ best interests, abide by all applicable regulations, report conflicts of interest, report suspected violations of the Code, and pre-clear and report on various types of personal securities transactions. Activant has also imposed restrictions on personal securities trading activity that applies to access persons, as well accounts in which access persons have any beneficial ownership interest, which typically include accounts held by immediate family members sharing the same household. A copy of Activant’s Code is available to any Fund Investor or prospective Fund Investor upon request.

Activant, its employees, supervised and access persons, and affiliates (collectively “Related Persons”) have investments in Clients managed by Activant. Employees of Activant and their affiliates directly or indirectly own an interest in the Private Funds and Special Purpose Entities and may own interests in subsequent co-investment vehicles or special purpose entities. Co-investment vehicles will typically invest in one or more of the same Portfolio Companies as a Client or Clients. Co-investments may also be effected through co-investment vehicles or directly in a particular portfolio company. In addition, under certain circumstances, employees may hold personal investments in the same Portfolio Companies that our Clients hold. These personal investments could be in the same security, a related derivative, or in different parts or issues of the same issuer’s capital structure. If such an investment poses a conflict of interest, we will seek to

act in a way that favors the interests of our Clients. The trading records of trades by Activant, our access persons, or members of their immediate households will not typically be available for review by current or prospective Fund Investors. We have also established procedures designed to ensure that personal securities transactions including co-investment activities of the supervised persons and access persons of Activant will not interfere with making decisions in the best interest of Clients while, at the same time, allowing employees to invest for their own accounts. Under the Code, certain types of securities are permitted without prior approval based upon our determination that these securities would not materially interfere with the best interest of Clients. Although our personal trading policy allows employees to invest in Clients managed by Activant, we require pre-clearance from the Chief Compliance Officer or designee for any security that is an initial public offering or private placement. We will not typically permit any proposed transaction by an employee if the transaction appears to pose a conflict of interest or is not adequately disclosed. Access persons are also required to provide reports regarding transactions and holdings in "Reportable Securities" as defined in the Advisers Act.

Furthermore, the Clients may invest in the same projects or portfolio companies with other Clients. Such investments may be in different parts of the capital structure of a company in which one or more Clients have an investment in a debt and/or equity tranche. Consequently, given the differing tranches and corresponding priorities in the capital structure of a single company, Activant may in certain circumstances face a conflict of interest in respect of the advice they have given to, and the actions they take on behalf of, the Clients. In addition, where one or more Client invest in different parts of the capital structure, their respective interests may diverge significantly in the case of financial distress of the company. Activant will determine allocation of investment opportunities in a manner that it believes is fair and equitable to the Clients consistent with Activant's obligations to each such Client, including as set forth in the Fund Governing Documents and Activant's allocation policy. Where necessary, Activant may consult and receive consent to conflicts from an advisory committee consisting of limited partners of the Client or Clients subject to any conflict of interest.

Activant employees (and their families) may, directly or through investments in other investment funds or otherwise, have personal or other interests in the securities in which a Client invests as well as interests in investments in which a Client does not invest. Activant and its affiliates (and their families) also have personal or business relationships with brokers, service providers (including service providers of Portfolio Companies), Fund Investors, corporate management, directors or other parties with whom Activant or the Clients themselves have relationships. As a result, Activant and employees may have conflicts of interest in allocating their time and activity between the Clients and other entities, in allocating investments among the Clients and other entities, and in effecting transactions, evaluating investments or potential investments, or retaining or evaluating services for the Clients and other entities including Portfolio Companies, including ones in which Activant (and their families) may be employed or have a greater financial interest. Although Activant will seek to limit any such conflicts and will act in a manner that is in accordance with its fiduciary duties to the Clients, these potential conflicts of interest may have an impact on an employee's ability to perform his responsibilities on behalf of a Client.

Certain supervised persons of Activant may serve on the board of directors of private or public corporations. In certain circumstances, such services may result in the receipt of material nonpublic information. Our firm and our officers and employees are strictly prohibited from

engaging in insider trading. Under certain circumstances, we may determine that we, or one of our employees, have obtained, or may have obtained, material non-public information. Our firm maintains a “restricted list” that is designed to prevent our Clients, officers, and employees from engaging in insider trading. Our firm’s use of a restricted list and caution in connection with potential exposure to material non-public information may limit the Clients’ investment opportunities. For example, a Client may not be able to initiate a transaction that it otherwise might have initiated and/or may not be able to sell an investment that it otherwise might have sold.

Section 206(3) of the Advisers Act makes it unlawful for any investment adviser, directly or indirectly, acting as principal for its own account, knowingly to sell any security to or purchase any security from a Client without disclosing to the Client in writing the capacity in which the adviser is acting and obtaining the Client’s consent to the transaction. The SEC has indicated that when an investment adviser and/or its controlling persons own more than 25% of a private fund client’s outstanding securities, a trade with another Client account or private fund client should be treated as a principal transaction. We do not anticipate engaging in principal transactions with Clients. Should we decide to engage in a principal transaction with a Client, we will affect the transaction in compliance with Section 206(3) of the Advisers Act.

Additional information about the conflicts of interest discussed in this Item 11 can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations.**”

Item 12: Brokerage Practices

We focus on securities transactions of private companies and generally purchase and sell such companies through privately-negotiated transactions in which the services of an executing broker are not typically used. When investing in privately-negotiated transactions, we satisfy our best execution responsibilities through careful negotiation of the terms of the investment. Although we do not intend to regularly engage in public securities transactions, to the extent we do so, we expect to follow the brokerage practices described below. If a Client transacts in publicly traded securities, Activant is responsible for directing orders to broker-dealers to effect securities transactions for Clients. Activant has complete discretion in deciding which securities are bought and sold, the amount and price of those securities, the broker-dealers or counterparties to be used for a particular transaction, and commissions or markups and markdowns paid. In such an event, Activant will seek to select brokers on the basis of a variety of factors, including execution capability, commission rates, financial responsibility, the value of research provided, and responsiveness. Activant need not solicit competitive bids and does not have an obligation to seek the lowest available commissions and other costs. Accordingly, if Activant determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the brokerage and products or services provided by such broker, Clients may pay commissions to such broker in an amount greater than the amount another broker might charge for effecting the same transaction. We also maintain policies and procedures to review the quality of executions, including periodic reviews by our investment professionals.

Activant does not enter into soft dollar arrangements or receive soft dollar credits from broker dealers. Activant may periodically receive proprietary research from broker-dealers used to execute securities transactions. To the best of our knowledge, these services are generally made

available to all comparable customers doing business with such broker-dealers. Activant does not separately compensate such broker-dealers for this research and does not pay higher transaction costs to receive such services. These bundled services are made available to Activant on an unsolicited basis and without regard to the rates of commissions charged or paid by Clients or the volume of business we direct to such broker-dealers. Nevertheless, we may have an incentive to select a broker-dealer based on our interest in receiving the research or other products or services offered by such broker-dealer, rather than on the Clients' interests in receiving the most favorable execution. Such research services could include economic research, market strategy research, industry research, and sector or company research. As a general matter, research provided by these broker-dealers would be used to service all of our Clients. However, each and every research service may not be used for the benefit of each and every Client proportionately.

Research services may be shared among Activant and affiliates. We also at times engage other financial intermediaries and counterparties, such as investment banks, to provide services to Clients and/or Portfolio Companies. In selecting or evaluating such service providers, we take into account a variety of considerations, including, without limitation, price, quality of services, financial stability and overall reputation and integrity. As a result, although we generally will seek reasonable rates for such services, the market for such services involves more subjective evaluations than public securities brokerage transactions; consequently, Clients may not pay the lowest commission or fees for such services.

Our Clients generally do not direct us to trade through any particular counterparty. A Client's insistence on the use of one or more particular counterparties in connection with the trading of its account can have a materially adverse effect on the quality of execution that is available to the Client. Among other things, Clients that direct our use of trading counterparties may pay higher transaction costs, be excluded from aggregated orders, and trade after our other Clients have traded.

Activant will generally execute transactions on an aggregated basis when aggregation is expected to be in the best interest of all participating Clients. When aggregating listed-security orders as well as allocating the executions, Activant will treat all participating Clients in a fair and equitable manner taking into account relevant factors that could include, without limitation, each Client's account size, diversification, cash availability, and investment objectives. Generally each Client that participates in an aggregated order will participate at the average price for all of the transactions in that security on a given business day, with transaction costs shared pro rata based on each applicable Client's participation in the transaction. We typically allocate partially filled orders pro rata in proportion to the size of the orders placed for each applicable Client to the extent practicable. However, we may deviate from our general allocation policy to avoid de minimis position sizes, or in other circumstances if we determine that a deviation is fair to all affected Clients. Instances in which client orders may not be aggregated include, but are not limited to, the following: (1) Activant determines that the aggregation is not appropriate because of market conditions; (2) situations where Activant must effect the transactions at different times or prices, making aggregation unfeasible; and (3) a determination is made by Activant not to aggregate orders because of tax, legal, regulatory or administrative reasons.

Additional information about the conflicts of interest discussed in this Item 12 can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading “**Potential Conflicts of Interest and Other Considerations**.”

Item 13: Review of Accounts

The Investment Committee and Mr. Sarracino continuously review the Clients’ portfolios for internal portfolio management and risk management purposes. A review of a Client’s account may also be triggered by any unusual activity or special circumstance. The CCO or designee also reviews Activant’s accounts periodically to ensure compliance with the Clients’ investment objectives and any investment restrictions.

Quarterly, each Fund Investor will generally be provided the following information pertaining to its Private Fund investment: (i) an overview of the Private Fund’s investments; (ii) unaudited financial information; (iii) a statement of such Limited Partner’s capital account; (iv) a statement of such Limited Partner’s uncalled capital commitments; (v) the management fees charged to the account of such Limited Partner; and (vi) a statement of such Limited Partner’s accrued and unpaid preferred return amount and unrepaid capital contributions. Annually, each Fund Investor will generally be provided the following information pertaining to its Private Fund investment: (i) the items set forth in clauses (i) through (vi) above except that the financial statements will be audited; (ii) a statement setting forth any management fees and organizational expenses incurred for such year and the allocations of net profits and net losses for such year; (iii) a certification of the general partner as to certain items; and (iv) a current valuation of the Private Fund’s investments and net asset value. In addition to the information provided to all investors, Activant may provide certain investors with additional information or more frequent reports that other investors will not receive.

Item 14: Client Referrals and Other Compensation

During a fundraising for a Private Fund, Activant may compensate placement agents who introduce new limited partners to commit capital. The amount paid to third party unaffiliated placement agents is typically structured as a percentage of the capital committed by limited partners introduced by the placement agent. All such fees to placement agents are borne by Activant and not the Private Funds. Placement agents that solicit or refer potential investors to our Private Funds are subject to a conflict of interest because they will be compensated in connection with their solicitation activities. Although Activant does not have any cash solicitation arrangements, to the extent it enters into any such arrangements they will be made in compliance with Rule 206(4)-3 under the Advisers Act if applicable.

As described in **Item 5: Fees and Compensation** above, Portfolio Companies may pay Activant or its affiliates other direct and indirect compensation (e.g., transaction fees, directors’ fees, consulting fees, advisory fees, Portfolio Company monitoring fees and similar fees relating to the Client’s investments in Portfolio Companies that either Activant or its affiliates or employees receive in connection with the Client’s investments in such Portfolio Companies). Clients will receive the benefit of any transaction fees, directors’ fees, consulting fees, advisory fees, Portfolio Company monitoring fees and similar fees relating to the Client’s investments in Portfolio Companies that either Activant or its affiliates or employees receive in connection with the Client’s investments in such Portfolio Companies. The benefit to Clients associated with this other direct

and indirect compensation often will manifest in the form of an offset to all or a portion of the management fee paid by the Clients or Limited Partners, or, in certain circumstances set forth in the Fund Governing Documents, as a distribution on the Client's termination. Other direct and indirect compensation does not include compensation due or received by non-employees of Activant from Portfolio Companies such as members of the Advisory Committee, board members, or senior executives nominated or recommended by Activant to Portfolio Companies. Therefore, such fees will not offset management fees payable by Clients and Fund Investors.

Additional information about the conflicts of interest discussed in this Item 14 can be found in greater detail above in **Item 8, Methods of Analysis, Investment Strategies and Risk of Loss**, under the heading "**Potential Conflicts of Interest and Other Considerations**."

Item 15: Custody

Activant is deemed to have custody of Clients' assets because of the authority that Activant and/or its affiliates have over those assets. Our Clients' financial statements are subject to an annual audit by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and the audited financial statements are distributed to each Fund Investor. The audited financial statements are prepared in accordance with generally accepted accounting principles and distributed within 120 days of the Clients' fiscal year end. Our Clients' cash and securities are generally held by banks and broker/dealers that meet the definition of a "qualified custodian" under the SEC's "custody rule." Certain Client assets, such as certificated private equity investments may not be reflected on the books and records of our Clients' qualified custodians though these assets would be subject to the aforementioned annual audit.

Item 16: Investment Discretion

Our Fund Governing Documents grant Activant full discretionary authority to determine, without typically obtaining specific consent from Fund Investors, the securities and the amounts to be bought or sold on behalf of a Client, to conduct the day-to-day investment operations of Clients, and to invest our Clients' assets and call capital as we believe is appropriate and in the Client's best interests. Fund Investors generally do not have authority to impose restrictions on Activant's investment discretion. By completing subscription documents to acquire an interest in one of our Clients, investors give us complete authority to manage their investments in accordance with the Fund Governing Documents they each received. However, as previously described, Activant may enter into Side Letters with certain Fund Investors whereby the terms applicable to such Fund Investor may be altered or varied, including, in some cases, to provide for reduced fees or the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons.

Item 17: Voting Client Securities

Activant is responsible for voting Client proxies. The terms of the Fund Governing Documents determine if Activant has authority to vote proxies on behalf of the Client, although most of the companies in which Activant invests are private companies that typically do not issue proxies. However, if Activant is issued a request to vote on certain matters, including, without limitation,

proposals, amendments, consents, or resolutions on behalf of a Client, Activant has adopted proxy voting policies and procedures and will vote proxies on behalf of the Clients in a manner that serves the best interests of the Clients, as determined by Activant in its discretion. In exercising its voting discretion, Activant will attempt to avoid conflicts of interest raised by such voting decision. If a material conflict of interest is identified it will be reviewed by the Chief Compliance Officer. As necessary, when a material conflict of interest exists, we may (a) delegate the voting decision for such proxy proposal to an independent third party; (b) delegate the voting decision to an independent committee of partners, members, directors, or other representatives of the Clients; (c) inform the Client of the conflict of interest and obtain consent to vote the proxy as recommended by Activant; or (d) obtain approval of the decision from the CCO. As previously mentioned, Activant's investment professionals typically serve as board members or directors of Portfolio Companies. In situations where Activant votes the proxy for a company in which an employee of Activant serves on the board of directors, Activant has determined that such board participation does not inherently present a material conflict of interest, as the purpose for serving on the board is to maximize the return of a Client's investment and to ensure that Clients' interests are protected. Under certain circumstances, we may abstain from voting specific proxies if we believe that doing so is in the best interests of the Client(s). For example, we generally will abstain from voting proxies where (i) Clients no longer hold the securities at the time of the vote (whether or not they held them on the record date of the vote), (ii) the costs associated with exercising the proxy are deemed prohibitive (e.g., translation or travel costs); (iii) any legal restrictions on trading resulting from the exercise of a proxy, or (iv) voting in certain countries involves "share blocking," which limits Activant's ability to sell the affected security during a blocking period. A copy of Activant's proxy voting policies and procedures is available to Fund Investors upon written request.

Item 18: Financial Information

Activant does not requires prepayment of management fees more than six months in advance. Activant has never filed for bankruptcy and is not aware of any financial condition that is expected to affect our ability to manage Client assets.