

Item 1. Cover Page

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Constitution Capital Credit Partners LP**

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Part 2A of Form ADV: Firm Brochure
May 5, 2021

This brochure provides information about the qualifications and business practices of Constitution Capital Equity Partners LP and Constitution Capital Credit Partners LP. If you have any questions about the contents of this brochure, please contact us at 978-749-9600. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state securities authority.

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

Item 2. Material Changes

This Brochure dated May 5, 2021, serves as an update to Constitution Capital Equity Partners LP's and Constitution Capital Credit Partners LP's brochure dated March 30, 2021 (the "Prior Brochure"). This Brochure contains updates to the Prior Brochure regarding fees and compensation, risks, investment strategy and conflicts of interest. In addition, Constitution Capital Equity Partners LP and Constitution Capital Credit Partners LP routinely makes updates throughout the brochure to improve and clarify the description of its business practices, compliance policies, and procedures, as well as to respond to evolving industry best practices.

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Item 4. Advisory Business

For purposes of this brochure, “Adviser” or “CCP” means Constitution Capital Equity Partners LP, a Delaware limited partnership and Constitution Capital Credit Partners LP, a Delaware limited partnership (where the context permits) with their affiliated General Partners of the Funds (each as defined below) and other affiliates that provide advisory services to and/or receive Advisory Fees (as defined below) from the Clients (as defined below) Such affiliates may or may not be under common control with Constitution Capital Equity Partners LP and/or Constitution Capital Credit Partners LP, but possess a substantial identity of personnel and/or equity owners with Constitution Capital Equity Partners LP and Constitution Capital Credit Partners LP. These affiliates may be formed for tax, regulatory or other purposes in connection with the organization of the Funds, and some may serve as General Partners of the Funds.

Adviser provides investment supervisory services to investment vehicles that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”) (the “Funds”). The Funds offer an investment in limited partnership interests to sophisticated prospective investors. Certain Funds may have only a single investor or group of related investors.

In accordance with the Funds’ respective investment objectives, certain of the Funds (the “Partnership Funds”) make Partnership Investments (as defined below) in high quality, middle market buyout funds. These funds will be principally organized in North America and will primarily invest in portfolio companies located in or having a principal place of business in North America. In addition, certain of the Funds (the “Direct Investment Funds”) make Direct Investments (as defined below) in premium leveraged buyout and growth equity transactions in portfolio companies primarily located in or having a principal place of business in North America. Certain of the Funds (the “Opportunities Funds”) make Opportunities Investments (as defined below) in small to mid-cap companies primarily located in or having a principal place of business in North America. Adviser also provides investment supervisory services to one separate account client that make investments alongside the Partnership Funds and may, in the future, provide investment supervisory services to other separate account clients (the “Separate Accounts” and together with the Funds, the “Clients”).

The Partnership Funds and the Separate Accounts seek to make investments (“Partnership Investments”) primarily in private equity pooled investment vehicles (“Underlying Funds”). These Underlying Funds will be principally organized in North America and will primarily engage in leveraged buyouts of middle market companies located in or having a principal place of business in North America.

The Direct Investment Funds seek to make direct private equity investments (“Direct Investments”), generally sourced on a co-investment basis with Underlying Funds and with other private equity fund managers identified by Adviser. These Direct Investments will primarily have a principal place of business in North America. The Direct Investment Funds will primarily invest directly in equity securities of private companies on a side by side basis with private equity funds.

The Opportunities Funds seek to make opportunistic credit investments (“Opportunities Investments”) in corporate debt and equity instruments, including senior and unitranche loans,

corporate bonds, mezzanine securities, and equity securities such as warrants. The Opportunities Funds will initiate investments both through direct (or primary) investments in companies, as well as through the acquisition of existing securities in these companies from other debt and equity holders (on a secondary basis).

Adviser's advisory services consist of investigating, identifying and evaluating investment opportunities, structuring, negotiating and making investments on behalf of the Clients, managing and monitoring the performance of such investments and disposing of such investments. Adviser may serve as the investment adviser or General Partner to the Clients in order to provide such services.

Adviser provides investment supervisory services to each Client in accordance with the limited partnership agreement (or analogous organizational document) of such Client or separate investment and advisory, investment management or portfolio management agreements (each, an "Advisory Agreement").

With respect to the Funds, investment advice is provided directly to the Funds, subject to the discretion and control of the applicable General Partner, and not individually to investors in the Funds. Services are provided to the Clients in accordance with the Advisory Agreements with the Clients and/or organizational documents of the applicable Client. Investment restrictions for the Clients, if any, are generally established in the organizational or offering documents of the applicable Client, Advisory Agreements and/or side letter agreements negotiated with investors in the applicable Client (such documents collectively, a Client's "Organizational Documents").

The principal owners of Constitution Capital Equity Partners LP and Constitution Capital Credit Partners LP are Daniel M. Cahill and John J. Guinee, together the "Managing Partners". Adviser has been in business since 2008. As of December 31, 2020, Adviser manages approximately \$3,097.4 million of client assets, all of which is managed on a discretionary basis.

Item 5. Fees and Compensation

Adviser or its affiliates generally receive Advisory Fees and Incentive Allocation (each as defined below) or similar performance-based remuneration from a Client. A Client, and/or its portfolio companies may also make other payments to Adviser or its affiliates for services provided to the portfolio companies which, in certain circumstances, may reduce the Advisory Fees payable to Adviser. Additionally, consistent with the Organizational Documents of a Client, the Client typically bears certain out-of-pocket expenses incurred by Adviser in connection with the services provided to the Client and/or the portfolio companies. Further details about certain common fees and expenses are set forth below.

Advisory Fees

As compensation for investment supervisory services rendered to the Clients, Adviser receives from each such Client an advisory fee (each, an “Advisory Fee”). With respect to the Separate Account, Partnership Funds and Direct Investment Funds, Advisory Fees are typically calculated based on committed capital, or remaining invested capital, with respect to such Client. With respect to the Opportunities Funds, Advisory Fees are typically calculated based on invested capital with respect to such Fund. Advisory Fees may be reduced during the life of a Client. Advisory Fees paid by a Client may also be reduced by Other Fees (as defined below under “*Other Fees*”) or compensation received by Adviser or its affiliates that relate to such Client’s activities and investments, or by certain excess organizational or other expenses borne by such Client, as described in more detail below. Advisory Fees paid by a Fund are indirectly borne by investors in such Fund.

To the extent Advisory Fees are payable, such fees are generally payable quarterly in advance.

The precise amount of, and the manner and calculation of, the Advisory Fees for each Client are established by Adviser, as modified by negotiations with investors in the applicable Fund, and are set forth in such Client’s Advisory Agreement and/or Organizational Documents received by each investor prior to investment in such Fund. The Advisory Fees and Other Fees and distributions described above are generally subject to waiver, modification or reduction by Adviser in its sole discretion, both voluntarily and on a negotiated basis with selected investors via side letter and other arrangements, which may not be disclosed to other investors in the same Fund. The fee structures described herein may be modified from time to time. Fee may differ from one Client to another, as well as among investors in the same Fund. In addition, Adviser may enter into economic and/or other fee sharing arrangements with respect to one or more Clients and/or certain investors thereof, the rights of which will not generally be made available to other investors.

Certain investors in the Funds that are employees, business associates and other “friends and family” of Adviser or its personnel (which may include any related entity established by any of the foregoing, such as trusts, charitable programs, endowments or related programs, family investment vehicles and other estate planning vehicles), collectively, “Adviser Investors”) will not typically pay Advisory Fees or Incentive Allocation in connection with their investment in a Fund. Notwithstanding that Adviser Investors will generally not pay Advisory Fees, Adviser Investors will pay for their pro rata share of certain Fund expenses or the pro rata portion of such Adviser Investors’ expenses will be allocated to Adviser or the General Partner of the applicable Fund.

The Advisory Fees paid by a Client will generally be reduced by a percentage of: (1) the fees incurred by Adviser in connection with the organization of such Client that exceed a limit specified in such Client's Organizational Documents and/or (2) certain Other Fees received by Adviser or its affiliates. The amount and manner of such reduction, if any, is set forth in the Advisory Agreement and/or Organizational Documents of the applicable Client. To the extent a reduction relates to more than one Client, Adviser shall allocate the resulting Advisory Fee reduction among the applicable Client(s) in proportion to their interest (or prospective interest) in the portfolio company. Any such reduction of a Client's Advisory Fees will be limited to the extent of such Client's proportionate interest in any such portfolio company. As some Clients do not pay Advisory Fees, any such reduction will not benefit such Clients.

In addition, Adviser may waive or reduce all or a portion of the Advisory Fee paid by a Fund in full or partial satisfaction of any obligation of Adviser and certain employees and affiliates of Adviser to invest in such Fund, which could result in acceleration of investor capital contributions. Waived or reduced Advisory Fees may not be subject to various offsets or the reductions described above. Due to waived or reduced Advisory Fees and/or the timing of receipt of compensation subject to offsets, Fund investors may not receive the full benefit of reductions or offsets (e.g., during periods when Adviser no longer receives Advisory Fees and receives compensation that would otherwise be subject to offset, Adviser, depending on certain elections that may be made by Fund investors, may be entitled to retain such compensation without remitting any such amounts to the applicable Fund or its investments).

Upon termination of an Advisory Agreement, Advisory Fees that have been prepaid are generally returned on a prorated basis.

Other Fees

Fees Payable by Portfolio Companies

Adviser and its affiliates may perform transaction-related, financial advisory and other services for, and from time to time receive fees from, actual or prospective portfolio companies or other investment vehicles of the Clients, including cash, equity, and other non-cash fees in connection with structuring investments in such portfolio companies and prospective portfolio companies, as well as mergers, acquisitions, add-on acquisitions, refinancings, public offerings, sales, divestments or other dispositions and similar transactions with respect to such portfolio companies and prospective portfolio companies ("Transaction Fees"). Adviser and its affiliates may also receive "Monitoring Fees" pursuant to monitoring agreements with portfolio companies of the Clients governing the advice, consultation and other similar ongoing services provided by Adviser to such portfolio companies. The terms of a monitoring agreement may include (among other things) annual automatic renewals, the payment of Monitoring Fees (which may be fixed fees or calculated as a percentage of EBITDA or similar performance metric).

In addition, Adviser and its affiliates, or their personnel on behalf of the Adviser and its affiliates receive stock of a portfolio company and fees in connection with serving on the board of directors of a portfolio company ("Director Fees") and in connection with an unconsummated transaction ("Break-Up Fees" and, together with Transaction Fees, Monitoring Fees and Director Fees the "Other Fees"). The Adviser and its affiliates, or their personnel on behalf of the Adviser and its

affiliates also receive stock of a portfolio company as compensation for other services provided to a portfolio company. In such event, the recipient may act in their own interest with respect to the stock received as an Other Fee (including, for instance, determining to sell the distributed securities, or hold on to the distributed securities for such time as such recipient shall determine in its sole discretion). The ability of such recipients to act in their own interest with respect to the stock received as an Other Fee creates a conflict of interest between the Adviser, as an adviser to the Clients and its personnel on the one hand, and the Clients, on the other hand, because the recipient's interests may not be aligned with those of the Client and the recipient may determine to sell the stock received at a different time, or on different terms, than the Client would sell its interest.

The amount and timing of Other Fees received by Adviser are generally specified in the agreement or other documentation governing the transaction. Generally, under the terms of the applicable Organizational Documents, for purposes of calculating any Advisory Fee offset, Other Fees are net of out-of-pocket costs and expenses incurred by Adviser in connection with consummated or unconsummated transactions or in connection with generating any such fees. While Adviser believes that it will receive such Other Fees infrequently, if it does receive such fees, Other Fees may be substantial and may be paid in cash, in securities of the portfolio companies, prospective portfolio companies or investment vehicles (or rights thereto) or otherwise. Although Other Fees are in addition to the Advisory Fees, Adviser will, in some circumstances reduce the amount of Advisory Fees paid by the applicable Client in connection with the receipt of such Other Fees in accordance with the Advisory Agreement and/or Organizational Documents of the applicable Client. As some Clients do not pay Advisory Fees, any such reduction will not benefit such Clients.

The payment of Other Fees by portfolio companies will, in some, but not all, circumstances create a conflict of interest between Adviser, as an adviser to the Clients and its personnel, on the one hand, and the Clients and their investors, on the other hand because the amounts of these Other Fees and reimbursements (see "*Expense Reimbursement*" below) are often substantial and the Clients and their investors generally do not have a direct interest in these fees and reimbursements. Adviser determines the amount of these fees for the services provided and reimbursements in its own discretion, subject to agreements with sellers, buyers, and management teams, the board of directors of or lenders to portfolio companies, and/or third party co-investors in its transactions, and the amount of such fees and reimbursements often will not (except in connection with the reductions described below) be disclosed to investors in the Clients.

Certain other fees and reimbursements that are generally not considered "Other Fees" and do not reduce the Advisory Fee payable by a Client include (but are not limited to) the following: (i) the portion of any fees allocable to capital invested by a Client, co-investment vehicle, or third-party investor that does not pay Advisory Fees or to capital committed by a Client investor that does not pay Advisory Fees, (ii) fees or expenses borne by a Client directly, and (iii) any amounts paid by a former portfolio company, such as directors' fees a former portfolio company pays an Adviser professional who remains on the company's board of directors following the Client's disposition of its investment in the company.

To the extent an Other Fee relates to more than one Client participating (or expecting to participate) in an investment, the Other Fee is generally allocated in proportion to their interest (or prospective interest) in the portfolio company (or for an unconsummated investment, the proposed investment

of the Clients), or on such other basis that Adviser determines to be fair and reasonable in its sole discretion. However, in determining how to allocate an Other Fee among more than one participating Client, Adviser will also take into account, among other things, the type of transaction (e.g., original acquisition or follow-on), the consideration involved in the transaction (cash or in-kind) and the value of the consideration.

From time to time, Adviser (in its sole discretion) agrees to pay a portion of an Other Fee received from an actual or prospective portfolio company to a third party, such as a consultant, advisor, finder, broker, co-investor and/or investment bank. Adviser is not required to share the portion of the Other Fee paid to a third-party with the Clients (or their investors) and, therefore, the portion of an Other Fee paid to such third-party will not reduce the Advisory Fee.

From time to time, Adviser may, in its discretion, disclose to an investor the amount of Other Fees allocated to the Fund in which such investor has invested in account statements or other similar periodic reports delivered to investors.

Expense Reimbursement

Additionally, a portfolio company will typically reimburse Adviser for expenses (including without limitation travel and travel-related expenses, meals and entertainment expenses (including, as applicable, closing dinners and mementos, cars and meals, social and entertainment events with portfolio company management, customers, clients, borrowers, brokers and service providers), expenses relating to meetings or other events (to the extent such meetings or events are attended by portfolio company personnel), indemnification expenses, certain legal expenses (including legal costs associated with reviewing financing documents and agreements, whether on behalf of a portfolio company or a lender) and similar out-of-pocket expenses, as well as consulting fees and other cash and non-cash compensation and expenses) incurred by Adviser in connection with its performance of services for such portfolio company; such reimbursed expenses are generally not included in the definition of “Other Fees” under the terms of the applicable Organizational Documents, and such reimbursements do not reduce the Advisory Fee. As used throughout this brochure, “travel and “travel-related” expenses shall be deemed to include, without limitation, commercial and non-commercial transportation costs (including private plane, first class or business class travel and private car travel), lodging and accommodations.

Because certain expenses are paid for by a Client and/or its portfolio companies or, if incurred by Adviser, are reimbursed by a Client and/or its portfolio companies, Adviser may not necessarily, and is under no obligation to, seek out the lowest cost options when incurring (or causing a Client or its portfolio companies to incur) such expenses, which could result in lower returns to investors.

Expenses

Adviser Expenses

To the extent provided in the Advisory Agreements and the Organizational Documents of the Clients and except as described below as a “Fund Expense”, Adviser will pay out of Advisory Fees certain expenses and costs associated with the performance of its services, including expenses on account of rent, utilities, office supplies, office equipment, compensation and expenses of its

partners, officers, directors and employees (other than Incentive Allocation described in Item 6 below) and other normal and routine administrative expenses relating to the services and facilities provided by Adviser to the Clients.

Fund Expenses

Consistent with the Organizational Documents of the Funds, each Fund will bear all other expenses relating to it to the extent not borne by its portfolio companies, including (i) costs related to the acquisition, ownership and sale of investments (including hedging and derivative transactions), including, fees and expenses of accountants and counsel, brokerage commissions, transaction taxes, due diligence and research (including news and quotation subscriptions, market or industry research expenses, information technology subscription expenses and fees related to research and due diligence, consultant or expert expenses), travel (including all travel, entertainment, and accommodation expenses), investment banking, valuation, custodian and research expenses, including all such costs with respect to transactions that are not consummated to the extent that such costs are not reimbursed by entities in which the Funds invest or proposes to invest, and any administrative expenses (including the costs of any affiliated Fund administrators and consultants, as well as legal expenses incurred in connection with claims or disputes related to unconsummated or proposed investments); (ii) transfer, registration and similar expenses incurred by the Funds; (iii) expenses allocable to the Funds as a partner or investor in portfolio investments; (iv) all fees, costs and expenses generated in the course of sourcing, evaluating, investigating, developing, researching, structuring, negotiating, appraising, financing, refinancing or otherwise dealing with potential investments, financings, dispositions, or investments in progress (including any Dead Deal Costs (as defined below) or Break-Up Fees (including the portion of any such fees that would otherwise be borne any co-investor), structural and environmental studies, travel, legal, due diligence, investment banking, reporting (including expenses relating to the preparing, printing and distributing of investor reports physically or electronically (and including software used to electronically distribute such reports)), projections, valuation, tax and accounting expenses (including any fees and expenses related to in-house accounting services provided by an affiliate of Adviser) and Other Fees, costs or expenses of any third parties and Adviser, or any of its affiliates, related thereto, regardless of whether the potential investments, dispositions, improvements, or investments in progress are consummated; (v) any custodial expenses for the safekeeping of cash, securities and other property, making permitted temporary investments, interest expenses, brokerage commissions and other investment costs incurred by or on behalf of the Funds; (vi) the costs of forming, organizing and maintaining each subsidiary of the Funds; (vii) fees and expenses of the advisory boards of the Funds and expenses incurred in connection with meetings of the partners of a Fund, including meeting of a Fund's advisory board (including set-up costs, speaker fees, honorarium, dining, gifts, entertainment, travel and travel-related expenses) as well as other advisory board expenses (including legal counsel, accountants, auditors, financial advisors or any other advisors or experts retained to assist the advisory and other expenses incurred in connection with advisory board action); (viii) fees and expenses of consultants (including, but not limited to, consulting fees incurred by the applicable Fund for the benefit of its portfolio company and fees of affiliated consultants), contractors, experts or custodians retained by the Funds or by a General Partner on behalf of the Funds; (ix) auditing, reporting, compliance, tax preparation and similar expenses; (x) all interest non indebtedness of the Funds and Other Fees and expenses associated with any borrowing by the Funds (including but not limited to costs related to the setup of one or more credit facilities and the costs of upsizing such credit facilities,

as applicable); (xi) all extraordinary expenses, such as litigation, arbitration and indemnification costs and expenses, judgments and settlements (including the expenses of the General Partner related to its duties as the “tax matters partner” of the Funds and the “partnership representative,” (xii) all expenses incurred in connection with any tax or regulatory audit, examination, investigation, settlement or review of the Funds or any subsidiary (including regulatory filings as they relate to the Funds’ activities, out-of-pocket costs and expenses, if any, associated with any third-party examination or audits (including similar services) of a Fund or Adviser that are attributable to the operation of such Fund or requested by one or more investors); (xiii) insurance premiums of any director and officer liability or other insurance, and extraordinary administrative or operating expenses, including insurance of which Adviser and its affiliates are beneficiaries and cybersecurity insurance premiums and bond coverage requirements pursuant to the Employee Retirement Income Security Act (ERISA); (xiv) all expenses of liquidating a Fund; (xv) organizational expenses of the Fund’s General Partner; (xvi) research and other information (including but not limited to research costs allocated by the Adviser’s internal research team and third-party groups, and including data and information service subscriptions, related systems and services from data providers and data management software and including any research or other service that may be deemed to be bundled for the benefit of such Fund), as well as the information technology systems used to obtain such research and other information, third-party diligence software and service providers, (xvii) subject and industry-matter research and experts; (xviii) information technology system expenses (including the costs of acquiring, developing, implementing and maintaining computer software and hardware and other technological systems for the benefit of a Client, Fund investors, or a portfolio investment or potential investment)(including specialty and custom hardware and software); (xix) expenses of loan servicers and other service providers; (xx) expenses related to attending trade association meetings, conferences or similar meetings in connection with the evaluation of investment opportunities or business sector opportunities (including the evaluation of potential investments, regardless of whether such investment is ultimately consummated); and (xxi) the Advisory Fee.

Separate Accounts may bear similar expenses to the Funds, depending on the terms of the Organizational Documents with each applicable Separate Account, and such terms will differ from the Funds.

From time to time, the General Partner of a Fund creates certain “special purpose vehicles” or similar structuring vehicles for purposes of accommodating certain tax, legal and regulatory considerations of investors (“SPVs”). In the event the General Partner creates an SPV, consistent with the Organizational Documents of the Fund, the expenses related to its organization and formation and other expenses incurred solely for the benefit of the SPV will typically be borne by the SPV, and indirectly, the investors thereof. In addition, expenses of the types borne by a Fund but associated with any feeder fund or similar vehicle organized to facilitate the participation of certain investors in the Fund (including, without limitation, expenses of accounting and tax services) may be borne by the Fund and indirectly, the investors thereof (even if such investors do not participate in any such feeder fund or similar vehicle).

Certain Clients also bear their allocable portion (as determined by Adviser in its good faith discretion) of the compensation (including salary, bonus, payroll taxes and benefits), expenses and overhead (including rent, property taxes and utilities allocable to the workspaces) attributable to certain employees of Adviser and its affiliates, including in-house accountants, administrators,

legal, tax, compliance, human resources, information technology and system-support professionals, leveraged purchasing, valuation, ESG (environmental, social and governance) and other professionals whose functions may also include the preparation of financial statements, investor reports (including the costs associated with providing access to a database or other internet forum for distribution of such reports), tax returns, the administration of assets and expenses of the Clients (including with respect to co-investment vehicles and feeder funds) and legal and regulatory compliance with applicable laws and regulations. Such allocations require judgments as to methodology that Adviser makes in good faith but in its sole discretion. These allocation methodologies may include: requiring personnel to periodically record and allocate their time with respect to the Clients and/or the portfolio companies; Adviser approximating the portion of time a person has spent with respect to a particular Client and/or portfolio company; the assessment of an overall dollar amount (for instance, based on a fixed fee) that Adviser believes represents a fair recoupment of expenses and a market rate for such services; and any other similar methodology determined by Adviser to be appropriate under the circumstances. Any methodology chosen by Adviser involves inherent conflicts of interest and could result in a greater expense to the Clients and portfolio companies than would be the case if such services were provided by third parties. While Adviser may, in its discretion, obtain benchmarking data regarding third party rates for similar services, relevant comparisons may not be available for a variety of reasons, including as a result of lack of a substantial market of providers or users for such service, confidentiality reasons and the bespoke nature of certain services. As a result, market comparisons may not (and often do not) result in precise comparable data for certain services.

Adviser utilizes an affiliated fund administrator to perform certain functions in relation to a Client, which services may include coordination of the Clients' legal entity management function, execution and recordkeeping associated with applicable tax elections and filings, support for the valuation process and investor correspondence, investor data management and reporting requests as well as data collection required for various regulatory reporting which with the Clients are required to comply. In certain instances, employees of such administrator affiliate dedicate substantially all of their time to the Clients or spend all or a significant majority of their business time at Adviser's offices. The Clients pay an administration fee in exchange for the services of the affiliated fund administrator, which may result in a profit to Adviser. In addition, the expenses related to such administrator affiliate employees are borne by the Clients.

Co-Investment Vehicle Expenses

In certain cases, a co-investment vehicle, or other similar vehicle established to facilitate the investment by investors to invest alongside the Client may be formed in connection with the consummation of a transaction. Consistent with the Organizational Documents of a Client, in the event a co-investment vehicle is created, the investors in such co-investment vehicle will typically bear all expenses related to its organization and formation and other expenses incurred solely for the benefit of the co-investment vehicle. The co-investment vehicle will generally bear its pro rata portion of expenses incurred in the making an investment.

If a proposed transaction is not consummated, no such co-investment vehicle generally will have been formed, and the full amount of any expenses relating to such proposed but not consummated transaction ("Dead Deal Costs") would therefore be borne by the Client or Clients selected by Adviser as proposed investors for such proposed transaction. Similarly, co-investment vehicles are

not typically allocated any share of Break-Up Fees in connection with such an unconsummated transaction. Furthermore, to the extent a co-investment vehicle is formed in connection with a proposed transaction, costs and expenses relating to such co-investment vehicle may, in certain situations, be borne by another Client or Clients, regardless of whether such proposed transaction is consummated. Dead Deal Costs may include, among other things, legal, accounting advisory, consulting or other third-party expenses, any travel and travel-related and accommodation expenses, all fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for a proposed investments, any Break-Up Fees, reverse termination fees, topping, termination or other similar fees, extraordinary expenses such as litigation costs and judgments and other expenses, and any deposits or down payments of cash or other property which are forfeited in connection with a proposed investment that is not consummated.

In addition, the Adviser and its affiliates have discretion to (i) receive performance-based compensation, Advisory Fees or similar fees from co-investors and (ii) collect customary fees in connection with actual or contemplated investments that are the subject to co-investment arrangements.

Allocation of Expenses

From time to time the Adviser will be required to decide whether certain fees, costs and expenses should be borne by the Adviser, a Client, a portfolio company, co-investors and/or a third-party (each, an “Allocable Party”) and if so, how such fees costs and expenses should be allocated among the relevant Allocable Parties. Certain fees, costs and expenses may be the obligation of one particular Allocable Party and may be borne by such Allocable Party or, fees, costs and expenses may be allocated among multiple Allocable Parties. The Adviser allocates fees, costs and expenses in accordance with a Client’s Organizational Documents. To the extent not addressed in the Organizational Documents of a Fund and to the extent not allocated to a portfolio company, investment or an Underlying Fund, the Adviser will make allocation determinations among Allocable Parties on a fair and reasonable manner using its good faith judgment, notwithstanding its interest (if any) in the allocation (which such methodologies may include pro rata allocation based on the respective capital commitments of a Client, pro rata allocation based on the respective investment (or anticipated investment) of an Allocable Party in an investment, relative benefit received by an Allocable Party, or such other equitable method as determined by the Adviser in its sole discretion). The Adviser will make any corrective allocations and take any mitigating steps if it determines in its sole discretion that such corrections are necessary or advisable. Notwithstanding the foregoing, the portion of an expense allocated to a Client for a particular service may not reflect the relative benefit derived by such Client from that service in any particular instance.

There may be occasions when one Allocable Party (the “Payor Allocable Party”) pays an expense common to multiple Allocable Parties (the “Allocated Parties”) (e.g., legal expenses for a transaction in which multiple funds and/or co-investors participate). On such occasions, each Allocated Party will reimburse the Payor Allocable Party for its share of such expense, generally without interest, promptly after the payment is made by the Payor Allocable Party. In addition, there may be occasions where a Client procures borrowing through a subscription line or credit facility in order to make an investment, syndicating out a portion of the investment to another

Allocable Party. Subject to the Organizational Documents, the borrowing Client will bear the entire cost of interest from the borrowing, even though the investment may ultimately be made by other Allocable Parties. Furthermore, while highly unlikely, it is possible that one of the Allocated Parties could default on its obligation to reimburse the Payor Allocated Party.

Adviser will, from time to time, consider, and reject an investment opportunity on behalf of a Client and may subsequently determine to have another Client make a commitment to the same investment. A conflict of interest arises because one Client will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by Adviser on behalf of the Client. In such circumstances, the benefitting Client or Clients will not be required to reimburse the original Client for expenses incurred in connection with researching such investment.

Carried Interest

Please see Item 6 below regarding “Incentive Allocation” that Clients may pay.

Brokerage Fees

Although Adviser does not generally utilize the services of broker-dealers to effect portfolio transactions for the Clients, in the event that it chooses to use a broker-dealer for limited purposes relating to a particular Client, such as the disposition of portfolio securities received by a Client from an underlying investment, such Client will incur brokerage and other transaction costs. For additional information regarding brokerage practices, please see Item 12 below.

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

With respect to certain Funds, a portion of the profits of such Fund is distributed to its General Partner, if any, as “carried interest” (an “Incentive Allocation”). Each General Partner of a Fund is a related person of Adviser. See Item 5 above for more information about these fees. Incentive Allocation paid by a Fund is indirectly borne by the investors in such Fund. Certain Funds and investors in such Funds may incur lower or no Incentive Allocation. The Separate Accounts do not pay any Incentive Allocation.

The payment by some, but not all, Clients of an Incentive Allocation or the payment of Incentive Allocations at varying rates (including varying effective rates based on the past performance of a Fund) creates an incentive for Adviser to disproportionately allocate time, services or functions to Clients paying an Incentive Allocation or Funds paying Incentive Allocations at a higher rate, or allocate securities to such Clients. Generally, and except as may be otherwise set forth in the Organizational Documents of the Clients, this conflict is mitigated, at least in part, by (i) contractual provisions requiring certain Clients to purchase and sell investments contemporaneously and/or (ii) contractual provisions and procedures setting forth investment allocation requirements. Please also see Item 11 below regarding allocation for additional information relating to how conflicts of interests are generally addressed by Adviser.

Please also see Item 12 below regarding trade aggregation, as well as Item 11 below for additional information relating to how conflicts of interests are generally addressed by Adviser.

Item 7. Types of Clients

Adviser provides investment supervisory services to the Funds, most of which are structured as Delaware limited partnerships while others are exempted limited partnerships organized under the laws of the Cayman Islands.

Investment advice is provided directly to the Funds (subject to the direction and control of the General Partner of each such Fund, if applicable) and not individually to investors in such Fund.

Interests in the Funds are offered pursuant to applicable exemptions from registration under the Securities Act and the 1940 Act. Investors in the Funds are generally “accredited investors” and/or “qualified purchasers” as defined in the 1940 Act, and may include, among others, high net worth individuals, banks, thrift institutions, pension and profit-sharing plans, trusts, estates, charitable organizations, university endowments, corporations, limited partnerships and limited liability companies or other entities.

The Fund’s typically have a minimum required investment, but minimum investment commitments may be established for the investors in the Funds. The General Partner of each Fund may in its sole discretion permit investments below the minimum amounts set forth in the Organizational Documents of such Fund.

Adviser also provide investment supervisory services to the Separate Accounts. Adviser also provides investment advisory services for whom Adviser does not have regulatory assets under management.

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

For Partnership Investments, Adviser seeks to construct a high quality, diversified portfolio of underlying Partnership Investments. A team of investment professionals (the “Investment Partners”) evaluates potential Partnership Investments through a rigorous due diligence process and commits capital on a highly selective basis. Each new fund is assigned two investment professionals. Potential opportunities are reviewed on a weekly basis.

The Investment Partners maintain a forward calendar of future funds to track potential opportunities and proactively contact funds as they are expected to re-enter the market. Adviser focuses on the North American buyout market gives Adviser the expertise necessary to analyze market trends, understand the ideal strategies and identify the top managers.

For Direct Investments, Adviser actively pursues co-investment opportunities with General Partners and managers in its relationship network. Adviser’s direct deal experience provides it with the reputation to attract more deal flow and the ability to quickly respond to these transactions. Once an investment opportunity is received, a deal team will be assigned, and an initial deal notification memo is prepared. This memo will be reviewed by the Investment Partners to determine if further due diligence is required.

For Opportunities Investments, Adviser actively pursues direct opportunistic investments in the debt and equity of small to mid-cap primarily based in North America. The Opportunities Fund will invest in senior and unitranche loans, corporate bonds, mezzanine securities, and equity securities such as warrants, and will source investments in both the direct (primary) markets and in certain cases, the secondary credit markets. Once an investment opportunity is received, a deal team will be assigned, and an initial deal notification memo is prepared. This memo will be reviewed by the Investment Partners to determine if further due diligence is required.

For Partnership Investments, the process begins with a detailed questionnaire with over 100 unique inquiries. The Investment Partners analyze a private equity fund’s strategy and ensure that this strategy has the potential to deliver strong returns. Adviser uses quantitative tools to analyze and stress the fund’s track record. Adviser makes extensive reference checks to verify the team’s reputation and ability to add-value. To provide maximum investor/limited partner protection and value, Adviser negotiates key terms and investment provisions. The team also evaluates any potential conflicts of interest to ensure that the General Partner and investor’s interests are aligned. The due diligence items reviewed for Partnership Investments will include the following:

- Validation of the proposed Partnership Investment’s merits
- Quantitative evaluation of the fund manager’s track record
- Analysis of any changes from the fund manager’s prior strategy
- Extensive reference checks on the individuals in the fund manager
- Evaluation of the management team’s organizational depth and adequacy
- Review and negotiation of key terms and investment provisions
- Evaluation of any conflicts of interest

For any new fund manager relationships, the following additional due diligence steps are taken:

- Interviews with other investors
- Validate the documentation and actual cash flows for a sample of underlying investments
- Complete onsite visits to at least four underlying companies

For Direct Investments and Opportunities Investments, Adviser works intently with the lead manager to analyze the investment opportunity. The Investment Partners quickly mobilize their resources to understand the industry dynamics and market trends. In addition, certain of the Investment Partners of Adviser personally meet the portfolio company management team in order to evaluate management's ability to execute the investment thesis. Adviser conducts detailed financial analysis, including the creation of financial models and the generation of multiple scenarios to understand the risks. Once the key risks are identified, Adviser ensures that returns justify the risk and that the proper mitigants are in place to limit the downside. The due diligence items reviewed for each prospective Direct Investment include the following:

- Extensive review of company's history, current condition, and future prospects
- Industry analysis including an assessment of the company's competition and industry attractiveness - augmented by third party consulting firms, as required
- Management interviews
- Financial analysis of projections, valuation, and returns
- Creation of Adviser's own scenarios to understand balance between return and risk
- With respect to Direct Investment, review of legal due diligence
- With respect to Opportunities Investments, review of the applicable credit documentation, including credit agreements, intercreditor agreements, and bond indentures, as applicable
- Evaluation of deal sponsor

For Partnership Investments, Direct Investments and Opportunities Investments, the Investment Partners will implement closing procedures as soon as the transaction is approved. The Investment Partners will work with legal counsel to negotiate and execute the appropriate legal documentation. Several checklists are utilized to ensure that all investment procedures are properly completed prior to closing. The investment will be properly entered into Adviser's investment administration system. All key due diligence files and legal files will be stored for future reference.

Risks

Investing in securities involves a substantial degree of risk. A Client may lose all or a substantial portion of its investments.

In addition, material risks relating to the investment strategies and methods of analysis described above, and to the types of securities typically purchased by or for the Separate Accounts, the Partnership Funds or Direct Investment Funds (collectively, the "CCEP Clients") in connection with those strategies and methods, include but are not limited to the following:

Partial or Total Loss of Capital

A fundamental premise of private equity investing is the acceptance of illiquidity and a higher degree of risk than is inherent to public stock or bond investments, in expectation of higher returns. An investment in the CCEP Clients therefore involve a substantial degree of risk, and the purchase of partnership interests should be considered only by investors able to bear the risk of loss of all or a substantial portion of their investment. The success of each CCEP Client depends on the identification by, and the availability of suitable investment opportunities to, the General Partner and, in the case of the Partnership Fund and the Separate Accounts, the sponsors of the Underlying Funds. Sourcing suitable investment opportunities will be subject to market conditions and other factors outside Adviser. Past returns of funds and separate accounts managed by Adviser or its affiliates have benefited from investment opportunities and general market conditions that were different compared to today and such investment opportunities and conditions may not occur again. Accordingly, there can be no assurance that a CCEP Client (including, with respect to the Partnership Fund and the Separate Account, the Underlying Funds) will be able to avail themselves of suitable investment opportunities and market conditions. There can be no assurance that the CCEP Clients (and, in case of the Partnership Funds and the Separate Accounts, the Underlying Funds) will be able to identify sufficient attractive investment opportunities to meet their respective investment objectives, or that they will otherwise be successful in implementing their respective investment objectives or avoiding losses (which may include the loss of the entire amount invested). There is no assurance that the CCEP Clients will achieve their investment or performance objectives, including without limitation the location of suitable investment opportunities, or that the CCEP Clients will be able to fully invest their committed capital. The possibility of partial or total loss of capital in the CCEP Clients exists, and prospective investors should not subscribe unless they can readily bear the consequences of a complete loss of their investment.

Small to Mid-Cap Companies

Investments in small to mid-cap companies such as those that the CCEP Clients (directly or indirectly) target for investment, while often presenting greater opportunities for growth, may also entail larger risks than are customarily associated with investments in large companies. Medium-sized companies may have more limited product lines, markets and financial resources, and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in small- and medium-sized companies, could make it difficult for the CCEP Clients to react quickly to negative economic or political developments.

Risks Associated with Investing in Small to Mid-Market Funds

The Partnership Funds and Separate Accounts target investments in small and middle-market private equity funds. These funds may have less operating experience than larger funds, and often

have recently institutionalized their business or are in the process of doing so. Additionally, small funds may be highly dependent on a small number of key individuals and may be adversely affected by such individuals leaving their investment team.

Illiquidity of Investments

The CCEP Clients are intended for long-term investors who can accept the risks associated with making highly speculative, primarily illiquid investments in privately negotiated transactions. Illiquidity may result from the absence of an established market for investments as well as from legal or contractual restrictions on their resale by the CCEP Clients. The investments of the CCEP Clients are unlikely to provide current income, which is not an objective of the CCEP Clients. Even if the CCEP Clients' investments prove successful, they are unlikely to produce a realized return to investors for a period of several years from the date of initial investment. It is likely that no significant return from the disposition of the CCEP Clients' investments will occur for a significant period of time from the date an investor is admitted to a CCEP Client.

While not expected to occur often in some cases, a CCEP Client may dispose of one or more of its investments in one or more Underlying Funds and Portfolio Companies, as the case may be, in secondary transactions with third parties. The consent of the unrelated managers of Underlying Funds and Portfolio Companies will generally be required to affect any such secondary sale and such consent may not be granted. Moreover, the market for secondary transactions is illiquid and there is no guarantee that a secondary sale will be completed when most beneficial for such CCEP Client or that the price obtained in such a secondary sale will be affected at a price that reflects the valuation at which Adviser holds such portfolio investment.

Asset Valuations

Generally, there will be no readily available market for a substantial number of the investments and, hence, most of the CCEP Clients' investments will be difficult to value. Valuations of the investments will be determined by the applicable CCEP Client's General Partner in its discretion and will be final and conclusive to all of such CCEP Client's investors.

Nature of Investment

Direct Investments and indirect investments in portfolio companies through Underlying Fund investments will involve a high degree of business and financial risk. Certain of the CCEP Clients' investments may be in businesses with little or no operating history. In addition, many of the CCEP Clients' investments may be in businesses with high levels of debt or may be investments in leveraged buyouts; leveraged buyouts by their nature require companies to undertake a high ratio of fixed charges to available income. Leveraged investments are inherently more sensitive to declines in revenues and to increases in expenses. The amounts of a leveraged company's borrowings and the interest rates on those borrowings, which may fluctuate from time to time, as well as the fees and other costs of borrowing, may have a marked effect on a leveraged company's performance.

Limited Diversification of Investments

Each CCEP Client may make a limited number of investments, and each Underlying Fund may invest in a limited number of portfolio companies. Various factors, including prevailing market conditions, available investment opportunities, the timing of investments and the size of the CCEP Clients may prevent Adviser from diversifying the CCEP Clients' portfolios or may result in the CCEP Clients' portfolios being less diversified than Adviser wishes. For these and other reasons, the CCEP Clients could be concentrated in relatively few investments, regions or industries, and thus the benefits of diversification may not be realized. Because of the length of time typically needed to construct a private equity portfolio, the CCEP Clients' portfolios initially will not be diversified. Moreover, Direct Investments will be made in Portfolio Companies in which one or more Underlying Funds invest, thereby limiting the diversification of the CCEP Clients' portfolios. A consequence of a limited number of investments or of similar investments is that the aggregate returns realized by a CCEP Client may be substantially adversely affected by the unfavorable performance of a small number of these investments.

Restricted Securities

It is expected that a significant portion of the CCEP Clients' investments will be securities ("*restricted securities*") that have not been registered for sale to the public under the Securities Act pursuant to an exemption from registration. Restricted securities are generally only sold to institutional investors in private sales from the issuer or from an affiliate of the issuer. These securities may be less liquid than securities registered for sale to the general public. The liquidity of a restricted security may be affected by a number of factors, including: (i) the credit quality of the issuer; (ii) the frequency of trades and quotes for the security; (iii) the number of dealers willing to purchase or sell the security and the number of other potential purchasers; (iv) dealer undertakings to make a market in the security; and (v) the nature of the security and the nature of marketplace trades. Also, restricted securities may be difficult to value because market quotations may not be readily available.

Distressed Investments

Some of the CCEP Clients' direct or indirect investments may be in distressed companies. Investments in distressed companies, by their nature, are issued or relate to companies in unstable financial condition and entail substantial inherent risks. These risks include uncertainty about the performance of the companies in which the CCEP Clients or Underlying Funds will invest, the potential volatility of distressed securities markets (market risk), and uncertainties regarding the outcome and timing of the bankruptcy process. Market risk is affected both by changes in prevailing levels of interest rates, and by changes in the returns investors demand from distressed securities relative to other investment opportunities.

Real Estate Investments

Some of the CCEP Client's direct or indirect investments may have exposure to real estate (for example, as a landowner or a lender). Investments in real estate related securities are subject to the risks inherent to the ownership and operation of real estate generally. Some of the risks associated with investments in real estate are declines in the value of real estate, risks related to general and local economic conditions, dependency on management skill, heavy cash flow dependency,

possible lack of availability of mortgage funds, overbuilding, extended vacancies of properties, increased taxes and operating expenses, changes in zoning laws, losses due to costs resulting from the clean-up of environmental problems, liability to third parties for damages resulting from environmental problems, casualty or condemnation losses, limitations on rents, changes in neighborhood values and the appeal of properties to tenants and changes in interest rates.

Factors Affecting Financial Entities

The CCEP Clients or Underlying Funds may make investments in financial entities, including bank holding companies. Financial entities generally have asset and liability structures that are essentially monetary in nature and are directly affected by many factors, including domestic and international economic and political conditions, broad trends in business and finance, legislation and regulation affecting the national and international business and financial communities (including the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010 (the “Dodd-Frank Act”)), monetary and fiscal policies, interest rates, inflation, currency values, market conditions, the availability and cost of short-term or long-term funding and capital, the credit capacity or perceived creditworthiness of customers and counterparties, and the level and volatility of trading markets. Such factors affect customers and counterparties of banking entities and affect the value of financial instruments held by banking entities. Fluctuations in interest rates, which affect the value of assets and the cost of funding liabilities, are not predictable or controllable and affect economic activity in various regions or could have a material adverse effect on the CCEP Clients’ operating results and financial condition.

Financial Fraud

The value of an investment made by a CCEP Client may be affected by fraud, misrepresentation or omission on the part of a direct or indirect counterparty of such CCEP Client or any related parties to such counterparty, or by other parties to the investment (or any related collateral and security arrangements). Such fraud, misrepresentation or omission may adversely affect the value of the investment and/or the value of the collateral underlying the investment in question and may adversely affect such CCEP Client’s ability to enforce its contractual rights relating to that investment or the relevant obligor’s ability to repay the principal or interest on the investment.

Hedging Transactions May Adversely Affect Overall Performance

The CCEP Clients may, but are not required to, engage in hedging transactions. In particular, as many of the CCEP Clients’ investments are expected to consist of securities whose price behavior is not particularly correlated to general fixed income or equity index returns, such investments are expected to be difficult or expensive to hedge, and as such the CCEP Clients may not employ any hedging strategy in respect of such investments (including with respect to their credit risk).

To the extent Adviser employs a hedging strategy for a CCEP Client, the success of any such hedging strategy will depend, in part, upon Adviser’s ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of such CCEP Client’s hedging strategy will also be subject to Adviser’s ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While a CCEP Client may enter into hedging transactions to seek to reduce

risk, such transactions may result in a poorer overall performance for such CCEP Client than if it had not engaged in such hedging transactions. For a variety of reasons, Adviser may not seek to establish a precise correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imprecise correlation may prevent the CCEP Clients from achieving the intended hedge or expose the CCEP Clients to risk of loss. Additionally, Adviser might not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge or because it does not foresee the occurrence of the risk. Moreover, there is no guarantee that the CCEP Clients' intended hedging strategy will be successful in hedging out the subject risks.

Co-Investment with Third-Parties

The Direct Investment Funds intend to make direct investments in portfolio companies with third-parties (which may include affiliates of the applicable fund's General Partner) through partnerships, joint ventures or other arrangements. Such investments involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-investor or partner may at any time have economic or business interests or goals that are inconsistent with those of the Direct Investment Funds or may be in a position to take action contrary to the Direct Investment Funds' investment objectives. Because the Direct Investment Funds will hold minority or non-controlling positions in most, if not all, circumstances, the Direct Investment Funds may not have the ability to influence management or decisions about disposition of underlying investments. Although the Direct Investment Funds may seek management rights in Portfolio Companies in which it invests directly, the Direct Investment Funds expect to make minority equity investments in Portfolio Companies where it may not be able to control or influence effectively the business or affairs of such entities. The entity in which a Direct Investment Fund's investment is made may have economic or business interests or goals which are inconsistent with those of such Direct Investment Funds, and such Direct Investment Fund may not be in a position to limit or otherwise protect the value of its investment in the portfolio company. In addition, although a Direct Investment Fund may seek board representation in connection with its investments, there is no assurance that such representation, if sought, will be obtained. In addition, a Direct Investment Fund may under certain circumstances be liable for actions of its third-party co-investors or partners.

The Direct Investment Funds will be investing primarily in Portfolio Companies sponsored, controlled and managed by third parties. The Direct Investment Funds will not have an active role in the management of the assets of the Portfolio Companies, and a Direct Investment Fund's ability to withdraw from or transfer its interests in such Portfolio Companies will be limited. As a result, the performance of the Direct Investment Funds will depend significantly on the investment and other decisions made by third parties, which could have a material adverse effect on the returns achieved by investors in such Direct Investment Fund.

Underlying Fund Performance Dependent on Unrelated Managers

Some or all of the Underlying Funds will be managed by portfolio managers unrelated to Adviser, and the Direct Investment Funds may make Direct Investments sourced by these unrelated portfolio managers. While representatives of CCP may serve on the advisory boards of certain Underlying Funds, the Partnership Funds and Separate Accounts generally will not have the

opportunity to evaluate the specific investments made by any Underlying Fund and will not have an active role in the day-to-day management of the Underlying Funds. As a result, the returns of the Partnership Funds and the Separate Accounts will depend largely on the performance of these unrelated portfolio managers and could be substantially adversely affected by the unfavorable performance of these portfolio managers. The performance of an Underlying Fund may also rely on the services of a limited number of key individuals, the loss of whom could significantly adversely affect the Underlying Fund's performance.

Minority and Non-Controlling Investments

The Underlying Funds will be managed by managers unrelated to Adviser and most (if not all) of the Direct Investment Fund's Portfolio Companies will similarly be managed by unrelated third-party manager. Accordingly, such unrelated managers of the Underlying Funds and Portfolio Companies potentially have financial and other interests which are different from those of the CCEP Clients and such unrelated managers may be able to and may actually take, or omit to take, as the case may be, actions that are adverse to the CCEP Clients' interests. Each CCEP Client, due to the nature of its investment model, will generally be required to rely on the unrelated manager to make decisions with respect to an Underlying Fund or portfolio company, as the case may be, and such decisions may be contrary to the interests of such CCEP Client. As a result, each CCEP Client will be relying to a very significant extent on the unrelated managers to manage the Underlying Funds or Portfolio Companies, as the case may be.

Competitive Nature of the CCEP Client's Business

The market for investments in private equity is highly competitive, and successfully sourcing Partnership Investments and Direct Investments can be problematic given the high level of investor demand some investment opportunities receive. In addition, the current private equity environment is even more competitive as hedge funds and other institutional investors compete for investment opportunities. Similarly, identifying attractive investment opportunities is difficult and involves a high degree of uncertainty. Furthermore, Adviser is unlikely to obtain as favorable terms as it would otherwise in a less competitive investment environment. Although Adviser in the past has been successful in identifying suitable investments, the CCEP Clients will be competing for investments against other investors, including direct investment firms, merchant banks and industrial groups, there is no assurance that a CCEP Client will be able to invest fully its committed capital or that Adviser will be able to identify suitable investment opportunities. A CCEP Client's performance may be adversely affected if such CCEP Client is unable to invest its committed capital.

Risks upon Disposition of Investments

In connection with the disposition of an investment in a portfolio company, an Underlying Fund may be required to make representations about the business and financial affairs of the portfolio company typical of those made in connection with the sale of any business, and will likely be responsible for the contents of disclosure documents under applicable securities laws. The Underlying Fund may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents turn out to be incorrect, inaccurate or misleading. These arrangements may result in contingent liabilities for the

Underlying Funds and possibly for the Partnership Funds and Separate Accounts, depending upon recontribution obligations owed to the Underlying Funds. The Direct Investment Funds face similar risks with respect to dispositions of interests in Portfolio Companies in which the Direct Investment Funds invests directly. Similarly, the Underlying Funds and Separate Accounts may reserve the right to recall some or all of the distributions to the Partnership Funds and Separate Accounts, in order to make additional investments, pay expenses or for other purposes. The Organizational Documents contain provisions to the effect that if there is any such return obligation in respect of an Underlying Fund or claim in respect of a portfolio company, as the case may be, it will be funded by the partners to the extent that they have received distributions from the CCEP Clients, subject to certain limitations.

General Economic Conditions

The market for investments generally, and the success of a CCEP Client's investment activities in particular, will be affected by general economic and market conditions (particularly in Europe, as well as in other jurisdictions), as well as by changes in applicable laws, trade barriers, currency exchange controls, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and national and international political and socioeconomic circumstances in respect of the countries in which such CCEP Client may invest. These factors may affect the level and volatility of market prices and the liquidity of a CCEP Client's investments, which could impair such CCEP Client's profitability or result in losses. In addition, general fluctuations in market prices and interest rates may affect a CCEP Client's investment opportunities and the value of such CCEP Client's investments.

The financial condition of Adviser may be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on Adviser's businesses and operations and thereby could impact the CCEP Clients. Moreover, continued periods of lackluster economic growth in Europe, the US and global economies (or any particular segments thereof) could have a pronounced impact on a CCEP Client and could adversely affect such CCEP Client's profitability, impede the ability of such CCEP Client's direct and indirect counterparties to perform under or refinance their existing obligations, and impair such CCEP Client's ability to effectively deploy its capital or realize its investments on favorable terms. A CCEP Client could also be affected by difficult conditions in the capital markets and the overall weakening of the financial services industry. It is possible that a further weakening of credit conditions could adversely affect a CCEP Client and that such CCEP Client could suffer other adverse consequences, including the ability to finance and consummate investments, any of which could adversely affect the business of such CCEP Client, restrict such CCEP Client's investment activities and impede such CCEP Client's ability to effectively achieve its investment objective.

Current Market Conditions and Regulatory Environment Related to Financial Markets

The range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. The effect of any such political, regulatory, economic or market outcomes on a CCEP Client could be adverse. For example, in reaction to economic events, regulators in the US and several other countries have undertaken in the past and may undertake in the future regulatory actions and implement other measures to ensure stability in the financial

markets. Despite these efforts and the efforts of securities regulators of other jurisdictions, global financial markets could become and remain extremely volatile.

Significant uncertainty remains in the market regarding the consequences of the change in administration, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. Uncertainty regarding the consequences of the change in administration may have an adverse effect or may cause volatility in the US or global economies and currency and financial markets in the short or long term, as well as the values of a CCEP Client's investments and a CCEP Client's ability to execute its investment strategy or the financial prospects of the investments. Such changes could impact the laws and regulations applicable to Adviser, the CCEP Clients, or a CCEP Client's investments. While certain of such changes could beneficially impact a CCEP Client or a CCEP Client's Investments, other changes may more beneficially impact competitors, or could adversely impact a CCEP Client, a CCEP Client's investment or such CCEP Client's investors.

Certain portfolio investments may be materially adversely affected by the foregoing events, or by similar or other events in the future. In the longer term, there may be significant new regulations that could limit the portfolio investments and a CCEP Client's activities and investment opportunities or change the functioning of capital markets. Consequently, a CCEP Client may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns or effectively managing their risks.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

The CCEP Clients are subject to the risk that war, terrorism, global health crises or similar pandemics, and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of the investments. War, terrorism, global health crises and similar pandemics and related geopolitical events have led, and in the future, may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, health and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors affecting the value of the investments. At such times, a CCEP Client's exposure to a number of other risks described herein can increase.

Coronavirus Outbreak Risks.

The global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. COVID-19 has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect the Fund's investments and the industries in which they operate. Furthermore, the Adviser's ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent

necessary to carry out the Funds' investment strategies and objectives and the Adviser's business and to satisfy its obligations to the funds, their investors, and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among the Adviser's personnel and its service providers would also significantly affect the Adviser's ability to properly oversee the affairs of the Funds (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a Fund's investment activities or operations. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve.

Tax Treatment

There may be changes in tax laws or interpretation of such tax laws adverse to the CCEP Clients or their respective partners. There can be no assurance that the structure of the CCEP Clients or of any investment will be tax-efficient to any particular partner.

Unspecified Use of Proceeds

The CCEP Clients have not selected all the investments that they will make. Purchasers of Interests will not have an opportunity to evaluate for themselves the relevant economic, financial and other information regarding the investments to be made by the CCEP Clients and, accordingly, will be dependent upon the judgment and ability of a CCEP Client's General Partner and Adviser in investing and managing the capital of the CCEP Clients. No assurance can be given that the CCEP Clients will be successful in obtaining suitable investments, or that if such investments are made, the objectives of the CCEP Clients will be achieved.

Follow-On Investments

Following its initial investment in a given portfolio company, a Direct Investment Fund may have the opportunity to increase its investment in such portfolio company. There is no assurance that a Direct Investment Fund will make follow-on investments or that a Direct Investment Fund will have sufficient funds to make all or any such investments. Any decision by a Direct Investment Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment, may result in a lost opportunity for such Direct Investment Fund to increase its participation in a successful portfolio company, may result in such Direct Investment Fund's investment in such portfolio company becoming diluted and in circumstances where the follow-on investment is offered at a discount to market value, may result in a loss of value for such Direct Investment Fund.

Failure by Other Investors to Meet Capital Calls of Underlying Funds

The Partnership Funds and Separate Accounts, directly or indirectly, may be one of many investors in Underlying Funds, many of which will have capital contribution obligations over an extended period of time. Failure by one or more other investors to meet a capital call of an Underlying Fund could have adverse consequences for the Partnership Funds and the Separate Accounts. The Underlying Fund may be permitted to require the Partnership Funds or the Separate Accounts and other investors in the Underlying Fund to contribute additional capital to satisfy such a shortfall. If the Underlying Fund is unable to raise sufficient capital to consummate the proposed investment,

the portfolio manager may not be able to diversify its portfolio, which could adversely affect results of the Underlying Fund and could also result in the investments of the Underlying Fund being concentrated in relatively few industries and regions. Furthermore, the Underlying Fund may not have sufficient capital to contribute capital to existing portfolio companies necessary to ensure their ongoing financial stability. If multiple investors fail to meet capital calls from a particular Underlying Fund, the Underlying Fund could default in its obligations, which could result in the termination of such Underlying Fund, causing a lower return, or potentially a loss, on the Partnership Fund's or the Separate Account's investments.

Limited Due Diligence

The Direct Investment Funds may acquire an interest in a prospective portfolio company without direct discussions with the management of the portfolio company. Therefore, the due diligence information on which the Direct Investment Funds rely may be difficult to obtain, limited in scope or inaccurate.

Valuation of Assets

There is no actively traded market for most of the securities owned by the CCEP Clients. When estimating fair value, Adviser will apply a methodology based on its best judgment that is appropriate in light of the nature, facts and circumstance of the investments. Valuations are subject to multiple levels of review for approval and ensuring that portfolio investments are fairly valued is an important focus of Adviser. 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 securities and will differ from the prices at which such securities may ultimately be sold. Third-party pricing information may at times not be available regarding certain of a CCEP Client's assets. With respect to the CCEP Clients, the exercise of discretion in valuation by Adviser will give rise to conflicts of interest, valuations impact Adviser's track record and the performance allocation in certain CCEP Clients is calculated based, in part, on these valuations and such valuations affect the amount and timing of performance fees calculation of Advisory Fees.

European Regulation

The European Union Alternative Investment Fund Managers Directive (2011/61/EU) (the "AIFMD") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area ("EEA"). If a CCEP Client is actively marketed to investors domiciled or having their registered office in the EEA in circumstances where no transitional relief is available: (i) such CCEP Client may be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which may result in the CCEP Client incurring additional costs and expenses; (ii) such CCEP Client, its General Partner and/or Adviser may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which may result in the CCEP Client incurring additional costs and expenses or otherwise affect the management and operation of the CCEP Client; and (iii) such General Partner and/or Adviser may be required to make detailed information relating to the CCEP Client and their investments available to regulators and third parties. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the

marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the CCEP Client to raise its targeted amount of capital commitments.

Cybersecurity Risk

Adviser, the CCEP Clients' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect a CCEP Client and its investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Adviser, a CCEP Client's service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Adviser's systems to disclose sensitive information in order to gain access to Adviser's data or that of a CCEP Client's investors. A successful penetration or circumvention of the security of Adviser's systems by unauthorized third parties could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause a CCEP Client, Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss. In addition, Adviser 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, adviser investor reaction or litigation.

Similar types of operational and technology risks are also present for the companies in which a CCEP Client invests, which could have material adverse consequences for such companies, and may cause such CCEP Client's investments to lose value.

Material risks relating to the investment strategies and methods of analysis described above with respect to the Opportunities Funds, and to the types of securities typically purchased by or for the Opportunities Funds in connection with those strategies and methods, include the following:

Private Credit and Equity Investing Generally/Risk of Partial or Total Loss of Capital

A fundamental premise of private credit and equity investing is the acceptance of illiquidity and a higher degree of risk than is inherent to public stock investments, in expectation of higher returns. An investment in an Opportunities Fund therefore involves a substantial degree of risk, and the purchase of interests should be considered only by investors able to bear the risk of loss of all or a substantial portion of their investment. There is no assurance that an Opportunities Fund will achieve its investment or performance objectives, including without limitation the location of suitable investment opportunities, or that an Opportunities Fund will be able to fully invest its committed capital.

Small to Mid-Cap Companies

The Opportunities Funds will invest in the debt obligations or securities of small to mid-cap companies. While such companies may have potential for rapid growth, they often involve higher risks than larger companies. Small to mid-cap companies have more limited financial resources than larger companies and may be unable to meet their obligations under their debt obligations

that the Opportunities Funds hold, which may be accompanied by a deterioration in the value of any collateral and a reduction in the likelihood of the Opportunities Funds und realizing any guarantees it may have obtained in connection with its investment. Small to mid-cap companies also typically have shorter operating histories, narrower product lines and smaller market shares than larger businesses, which tend to render them more vulnerable to competitors' actions and market conditions, as well as general economic downturns. Less publicly available information may be available about these companies and they may not be subject to the financial and other reporting requirements applicable to public companies. They are more likely to depend on the management talents and efforts of a small group of persons; therefore, the death, disability, resignation or termination of one or more of these persons could have a material adverse impact on the company and, in turn, on the Opportunities Funds. Small to mid-cap companies may also have less predictable operating results and may require substantial additional capital to support their operations, finance expansion or maintain their competitive position. They may also have difficulty accessing the capital markets to meet future capital needs, which may limit their ability to grow or to repay their outstanding indebtedness upon maturity.

Illiquidity of Investments

The Opportunities Funds are intended for long-term investors who can accept the risks associated with making highly speculative, primarily illiquid investments in privately negotiated transactions. Illiquidity may result from the absence of an established market for investments as well as from legal or contractual restrictions on their resale by an Opportunities Fund. Even if the Opportunities Funds' investments prove successful, they are unlikely to produce a realized return to investors for a period of several years from the date of initial investment. It is likely that no significant return from the disposition of the Opportunities Funds' investments will occur for a significant period of time from the date that investors are admitted to the Opportunities Funds.

Valuation of Investments

The Opportunities Funds expect to hold securities or other financial instruments or obligations which are very thinly traded, for which no market exists, or which are restricted as to their transferability under applicable securities laws. These investments may be difficult to value accurately. 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 a ready market existed for such securities, from values placed on such securities by other investors and from prices at which such securities may ultimately be sold. In addition, third-party pricing information may at times not be available regarding certain of the Investments. In particular, past disruptions in the credit markets have resulted in a severe lack of liquidity for many securities or other instruments, making them more difficult to value and, in many cases, putting significant downward pressure on prices. Further, because of overall size or concentration in particular markets of positions held by the Opportunities Funds, the value of the Opportunities Funds' investments which can be liquidated may differ, sometimes significantly, from their valuations. Certain investments to be held by the Opportunities Funds may trade with significant bid-ask spreads and, as a result, the Opportunities Funds may sell or buy Investments at a price that overvalues the asset such that the Opportunities Funds' business, financial condition, results of operations and/or the value of the interests may be materially adversely affected.

A component of Adviser's analysis of the desirability of making a given investment relates to the estimated residual or recovery value of such investments in the event of the insolvency of the obligor. This residual or recovery value will be driven primarily by the value of the anticipated future cash flows of the obligor's business and by the value of any underlying assets constituting the collateral for such investment. The anticipated future cash flows of the obligor's business and the value of collateral can, however, be extremely difficult to predict as in certain circumstances market quotations and third-party pricing information may not be available. If the recovery value of the collateral associated with the Opportunities Fund's investments decreases or is materially worse than expected by the Opportunities Funds, such a decrease or deficiency may affect the value of the investments made by the Opportunities Funds. Accordingly, there may be a material adverse effect on the performance of the Opportunities Funds, and, by extension, the Opportunities Funds' business, financial condition, results of operations and the value of the Interests.

Nature of Investment

Investments will involve a high degree of business and financial risk. Certain of the Opportunities Funds' investments may be in businesses with little or no operating history. In addition, many of the Opportunities Funds' investments may be in businesses with high levels of debt or may be investments in leveraged buyouts; leveraged buyouts by their nature require companies to undertake a high ratio of fixed charges to available income. Leveraged investments are inherently more sensitive to declines in revenues and to increases in expenses. The amounts of a leveraged company's borrowings and the interest rates on those borrowings, which may fluctuate from time to time, as well as the fees and other costs of borrowing, may have a marked effect on a leveraged company's performance.

Limited Diversification of Investments

The Opportunities Funds will make a limited number of investments. Various factors, including prevailing market conditions, available investment opportunities, the timing of investments and the size of the Opportunities Funds may prevent Adviser from diversifying the Opportunities Funds' portfolio or may result in the Opportunities Funds' portfolio being less diversified than Adviser wishes. For these and other reasons, the Opportunities Funds could be concentrated in relatively few investments, regions or industries, and thus the benefits of diversification may not be realized. Because of the length of time typically needed to construct a portfolio, the Opportunities Funds' portfolio initially will not be diversified. A consequence of a limited number of investments or of similar investments is that the aggregate returns realized by the Opportunities Funds' investors may be substantially adversely affected by the unfavorable performance of a small number of these investments.

Restricted Securities

It is expected that a significant portion of the Opportunities Funds' investments will be securities ("*restricted securities*") that have not been registered for sale to the public under the Securities Act pursuant to an exemption from registration. Restricted securities are generally only sold to institutional investors in private sales from the issuer or from an affiliate of the issuer. These securities may be less liquid than securities registered for sale to the general public. The liquidity

of a restricted security may be affected by a number of factors, including: (i) the credit quality of the issuer; (ii) the frequency of trades and quotes for the security; (iii) the number of dealers willing to purchase or sell the security and the number of other potential purchasers; (iv) dealer undertakings to make a market in the security; and (v) the nature of the security and the nature of marketplace trades. Also, restricted securities may be difficult to value because market quotations may not be readily available.

In addition, a debtor in a reorganization case may be granted a trading restriction order by a bankruptcy court in order to protect such debtor's net operating losses (a "NOL Order"). Such an order may prohibit or severely restrict the ability of some creditors to sell their claims and interests in the debtor. The Opportunities Funds' ability to transfer its interests in such a debtor may be impaired, delayed or prohibited as a consequence of a NOL Order. The Opportunities Funds may also incur added expenses if it attempts to challenge or limit the scope of a NOL Order, and such an attempt may not be successful. Similarly, issuers with net operating losses sometimes adopt shareholder rights plans or similar arrangements in order to preserve the ability to utilize such net operating losses in the future; any such actions could also limit or otherwise adversely impact the Opportunities Funds' ability to transfer or dispose of its interests in any such issuer.

Mezzanine and Subordinated Debt Securities

The Opportunities Funds may invest in the debt securities of highly leveraged companies and debt securities that may be unsecured and/or subordinated to substantial amounts of senior indebtedness, all or a significant portion of which may be secured. The ability of the holder of the subordinated debt securities to influence a portfolio company's affairs, especially during periods of financial distress or following an insolvency, is likely to be substantially less than that of senior creditors. For example, under terms of typical subordination agreements, senior creditors are able to block the acceleration of the mezzanine debt or the exercise by mezzanine debt holders of other rights they may have as creditors. Accordingly, the Opportunities Funds may not be able to take the steps necessary to protect its mezzanine investments in a timely manner or at all. Although the Opportunities Funds may, where possible, work with sponsors to attempt to structure mezzanine investments to include protective terms and conditions, the Opportunities Funds' investments may not always be protected by financial or other covenants or limitations upon additional indebtedness, may have limited liquidity and may not be rated by a credit rating agency. Subordinated notes and other securities in which the Opportunities Funds may invest have speculative characteristics and involve substantial financial risk. The prices of these lower credit quality securities have been found to be less sensitive to interest rate changes than more highly rated investments but more sensitive to adverse economic conditions or individual issuer developments.

High Yield Debt and Unrated Securities

The Opportunities Funds intend to invest in high yield securities, which are typically junior to the obligations of companies to senior creditors, trade creditors and employees. High yield securities and unrated securities (which are not rated by a rating agency) may be more susceptible to real or perceived adverse economic and competitive industry conditions than investment-grade securities. A projection of an economic downturn or of a period of rising interest rates, for example, could cause a decline in the prices of high yield securities and unrated securities, because the advent of

a recession could lessen the ability of an issuer to make principal and interest payments on its debt obligations. In addition, such securities have historically experienced greater default rates than investment grade securities. The ability of holders of high yield debt to influence a company's affairs will be substantially less than that of senior creditors, especially during periods of financial distress or following insolvency.

As with other investments, there may not be a liquid market for certain high yield debt which is held by the Opportunities Funds, which could result in the Opportunities Funds being unable to sell such securities for an extended period of time, if at all. In addition, as with other types of Investments, the market for high yield debt has historically been subject to disruptions that have caused substantial volatility in the prices of such securities. Consolidation in the financial services industry has resulted in there being fewer market makers for high yield debt, which may result in further risk of illiquidity and volatility with respect to high yield debt held by the Opportunities Funds, and this trend may continue in the future. Furthermore, high yield debt which is held by the Opportunities Funds may not be registered under the Securities Act, and, unless so registered, the Opportunities Funds will not be able to sell such high yield debt except pursuant to an exemption from registration under the Securities Act. Unrated securities may be less liquid than comparable rated securities and may also involve the risk that Adviser may not accurately evaluate the security's comparative credit rating.

Analysis of creditworthiness of issuers of high yield and unrated securities may be more complex than for issuers of higher-quality fixed income securities. Since it is currently anticipated that most of the Opportunities Funds' assets will not be rated by any rating agency or will be rated below investment grade, the Opportunities Funds will be more dependent on Adviser's creditworthiness analysis than if the Opportunities Funds invested exclusively in higher-quality and rated securities.

Senior Secured Loans

When an Opportunities Fund acquires and/or originates a senior secured loan made to a company, it generally shall take a security interest in the available assets of such company, which should mitigate the risk that such Opportunities Fund will not be repaid. However, there is a risk that the collateral securing an Opportunities Fund's loans may decrease in value over time, may be difficult to sell in a timely manner, may be difficult to appraise, and may fluctuate in value based upon the success of the business and market conditions, including as a result of the inability of the company to raise additional capital. In some circumstances, an Opportunities Fund's lien could be subordinated to claims of other creditors. In addition, deterioration in a company's financial condition and prospects, including its inability to raise additional capital, may be accompanied by deterioration in the value of the collateral for the loan. Consequently, the fact that a loan is secured does not guarantee that an Opportunities Funds will receive principal and interest payments according to the loan's terms, or at all, or that such Opportunities Fund will be able to collect on the loan should it be forced to enforce its remedies.

Bank Loans and Participations

The Opportunities Fund may have exposure to bank loans and participations. These obligations are subject to unique risks, including, without limitation: (i) the possible invalidation of an investment transaction as a fraudulent conveyance under relevant creditors' rights laws; (ii) so-

called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; (iv) adverse consequences resulting from participating in such instruments with other institutions with lower credit quality; and (v) limitations on the ability of the Opportunities Fund to directly enforce its rights with respect to participations. The bank loans invested in by the Opportunities Fund may include term loans and revolving loans and may pay interest at a fixed or floating rate and may be senior or subordinated to other first-lien and/or second-lien senior bank debt, super-senior facilities and hedging liabilities, and may also include investments in unitranche loans and “first-out/last-out” structures.

Successful claims by third parties arising from these and other risks, absent bad faith, may be borne by the Opportunities Fund. Bank loans are frequently traded on the basis of standardized documentation which is used in order to facilitate trading and market liquidity. There can be no assurance, however, that future levels of supply and demand in bank loan trading will provide an adequate degree of liquidity or that the current level of liquidity will continue or that the same documentation will be used in the future. The settlement of trading in bank loans often requires the involvement of third parties, such as administrative or syndication agents, and there presently is no central clearinghouse or authority which monitors or facilitates the trading or settlement of all bank loan trades. Often, settlement may be delayed based on the actions of any third party or counterparty, and adverse price movements may occur in the time between trade and settlement, which could result in adverse consequences for the Opportunities Fund.

The Opportunities Fund may have exposure to bank loans either directly (by way of transfer or assignment) or indirectly (by way of participation). The purchaser of an assignment typically succeeds to all the rights and obligations of the assigning institution and becomes a contracting party under the credit agreement or agreement among lenders with respect to the debt obligation; however, its rights can be more restricted than those of the assigning institution. In addition, if the Opportunities Funds acquire bank loans pursuant to an assignment it is possible that the Opportunities Funds’ claims may be subject to attack (i.e., equitable subordination or disallowance) on account of the conduct of the transferee. Participation interests in a portion of a debt obligation typically result in a contractual relationship only with the institution participating out the interest and not with the borrower. In purchasing participations, the Opportunities Funds may have no right to enforce compliance by the borrower with the terms of the loan agreement, may have limited or no voting rights on the basis that the Opportunities Funds in such circumstances will not be the lender of record in respect of the relevant loan and certain loan agreements may restrict participation voting rights, or any rights of set-off against the borrower, and the Opportunities Funds may not directly benefit from the collateral supporting the debt obligation in which it has purchased the participation. As a result, the Opportunities Funds may assume the credit risk of both the borrower and the institution selling the participation to the Opportunities Funds. In certain circumstances, investing in the form of a participation may be the most advantageous or only opportunity for the Opportunities Funds to make or hold any such investment, including in light of limitations relating to local laws or the willingness of administrative agents or borrowers to allow the Opportunities Funds to become a direct lender. Even in circumstances where an Opportunities Funds is a lender of record, it may have limited influence on voting and decision making under the relevant loan agreement, and the degree of control that an Opportunities Fund has will depend on debt holdings in the particular investment and the commitment thresholds required to effect amendments and waivers under the relevant loan documentation. Some of the bank loans acquired by the Fund may be below investment grade. In

terms of liquidity with respect to such investments, there can be no assurance that levels of supply and demand in bank loan trading will provide an adequate degree of liquidity for the Opportunities Funds' investments therein. In addition, the Opportunities Funds may make investments in stressed or distressed bank loans which are often less liquid than performing bank loans.

Loan Origination

The Opportunities Funds expect to originate loans, which could subject the Opportunities Funds, the applicable fund's General Partner or Adviser to various regulatory regimes. As a result of complying with such regulatory regimes, restrictions may be placed on the Opportunities Funds', the applicable fund's General Partner's or Adviser's ability to take certain actions to protect the value of its investments in such assets and impose compliance costs. To the extent an Opportunities Fund engages in loan origination, the Opportunities Funds will also be subject to enhanced risks of litigation, regulatory actions and other proceedings. As a result, the Opportunities Funds may be required to pay legal fees, settlement costs, damages, penalties or other charges, any or all of which could materially adversely affect the Opportunities Funds and its investments.

Credit Risk

Performance and investor yield on the Interests may be affected by the default or perceived credit impairment of investments made by an Opportunities Fund and by general or sector specific credit spread widening. Credit risks associated with the investments include (among others): (i) the possibility that earnings of the obligor may be insufficient to meet its debt service obligations; (ii) the obligor's assets declining in value; and (iii) the declining creditworthiness, default and potential for insolvency of the obligor during periods of rising interest rates and economic downturn. An economic downturn and/or rising interest rates could severely disrupt the market for the investments and adversely affect the value of the Investments and the ability of the obligors thereof to repay principal and interest. In turn, this could have a material adverse effect on the performance of the Opportunities Funds, and, by extension, the Opportunities Funds' business, financial condition, results of operations and the value of the Interests. In the event of a default by a borrower, the Opportunities Funds will bear a risk of loss of principal and accrued interest on that Investment. Any such investment may become defaulted for a variety of reasons, including non-payment of principal or interest, as well as breaches of contractual covenants. A defaulted investment may become subject to workout negotiations or may be restructured by, for example, reducing the interest rate, a write-down of the principal, and/or changes to its terms and conditions. Any such process may be extensive and protracted over time, and therefore may result in substantial uncertainty with respect to the ultimate recovery on the defaulted investment. In addition, significant costs might be imposed on the lender, further affecting the value of the investment. The liquidity in such defaulted investments may also be limited and, where a defaulted Investment is sold, it is unlikely that the proceeds from such sale will be equal to the amount of unpaid principal and interest owed on that Investment. This would have a material adverse effect on the value of the Opportunities Funds' portfolio, and, by extension, the Opportunities Funds' business, financial condition, results of operations and the value of the interests. In the case of secured loans, restructuring can be an expensive and lengthy process which could have a material negative effect on the Opportunities Funds' anticipated return on the restructured loan. By way of example, it would not be unusual for any costs of enforcement to be paid out in full before the

repayment of interest and principal. This would substantially reduce the Opportunities Funds' anticipated return on the restructured loan.

Spread-Widening Risk

For reasons not necessarily attributable to any of the risks set forth herein (for example, supply/demand imbalances or other market forces), the prices of the debt instruments and other securities in which the Opportunities Funds invest may decline substantially. In particular, purchasing debt instruments or other assets at what may appear to be "undervalued" or "discounted" levels is no guarantee that these assets will not be trading at even lower levels at a time of valuation or at the time of sale. It may not be possible to predict, or to hedge against, such "spread widening" risk. Additionally, the perceived discount in pricing from previous environments described herein may still not reflect the true value of the assets underlying debt instruments in which the Opportunities Funds invest.

Prepayment Risk

The terms of loans in which the Opportunities Funds invest may permit the borrowers to voluntarily prepay loans at any time, either with no or a nominal prepayment premium. This prepayment right could result in the borrower repaying the principal on an obligation held by the Opportunities Funds earlier than expected. This may happen when there is a decline in interest rates, when the borrower's improved credit or operating or financial performance allows the refinancing of certain classes of debt with lower cost debt. The yield of the Opportunities Funds' investment assets may be affected by the rate of prepayments differing from Adviser's expectations. Assuming an improvement in the credit market conditions, early repayments of the debt held by the Opportunities Funds could increase. To the extent early prepayments increase, they may have a material adverse effect on an Opportunities Fund's investment objectives and profits. In addition, if the Opportunities Funds are unable to reinvest the proceeds of such prepayments received in investments expected to be as profitable, the proceeds generated by the Opportunities Funds will decline as compared to Adviser's expectations.

Unsecured Loans or Debt

The Opportunities Funds may invest in unsecured loans which are not secured by collateral. In the event of default on an unsecured loan, the first priority lien holder has first claim to the underlying collateral of the loan. It is possible that no collateral value would remain for an unsecured holder and therefore result in a loss of investment to the Opportunities Funds. Because unsecured loans are lower in priority of payment to secured loans, they are subject to the additional risk that the cash flow of the borrower may be insufficient to meet scheduled payments after giving effect to the secured obligations of the borrower. Unsecured loans generally have greater price volatility than secured loans and may be less liquid.

Collateral Risk

The collateral and security arrangements in relation to such secured obligations as the Opportunities Funds may invest in will be subject to such security or collateral having been correctly created and perfected and any applicable legal or regulatory requirements which may restrict the giving of collateral or security by an obligor, such as, for example, thin capitalisation,

over-indebtedness, financial assistance and corporate benefit requirements. If the investments do not benefit from the expected collateral or security arrangements, this may adversely affect the value of or, in the event of default, the recovery of principal or interest from such Investments made by the Opportunities Funds. Accordingly, any such a failure to properly create or perfect collateral and security interests attaching to the Investments could have a material adverse effect on the performance of the Opportunities Funds, and, by extension, the Opportunities Funds' business, financial condition, results of operations and the value of the Interests.

A component of Adviser's analysis of the desirability of making a given investment relates to the estimated residual or recovery value of such Investments in the event of the insolvency of the obligor. This residual or recovery value will be driven primarily by the value of the anticipated future cash flows of the obligor's business and by the value of any underlying assets constituting the collateral for such Investment. The anticipated future cash flows of the obligor's business and the value of collateral can, however, be extremely difficult to predict as in certain circumstances market quotations and third-party pricing information may not be available. If the recovery value of the collateral associated with the investments in which the Opportunities Funds invest decreases or is materially worse than expected by the Opportunities Funds, such a decrease or deficiency may affect the value of the Investments made by the Opportunities Funds. Accordingly, there may be a material adverse effect on the performance of the Opportunities Funds, and, by extension, the Opportunities Funds' business, financial condition, results of operations and the value of the Interests.

Risks Associated with Distressed/Credit Investments

The Opportunities Funds may make investments in nonperforming or other troubled assets that involve a greater degree of financial risk than other types of investments. These investments may involve risks of borrower default, contested foreclosures, bankruptcy of the debtor, claims for lender liability, equitable subordination, recharacterization, violations of usury laws and the imposition of common law or statutory restrictions on the exercise of remedies. For example, under certain circumstances, lenders who have inappropriately exercised control of the management and policies of a debtor may have their claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions.

Volatility; Interest Rate Risk

General fluctuations in the market prices of securities and interest rates may affect the Opportunities Funds' investment opportunities and the value of the Opportunities Funds' investments. Instability in the securities market may also increase the risks inherent in the Opportunities Funds' debt and mezzanine investments. Generally, if interest rates rise, the value of fixed rate debt securities will decline.

Corporate Debt Securities

The Opportunities Funds may invest a significant portion of its assets in a variety of bonds and related debt obligations of varying maturities issued by US and non-US companies, banks, savings and loan holding companies, insured depository institutions and other corporate entities. Corporate debt securities include bills, notes, debentures, money market instruments and similar instruments

and securities, and are generally used by corporations and other issuers to borrow money from investors for such purposes as working capital or capital expenditures. The issuer pays the investor a variable or fixed rate of interest and normally must repay the amount borrowed on or before maturity. Certain bonds are “perpetual” in that they have no maturity date.

The investment return of corporate debt securities reflects interest earnings, changes in the market value of the security and the expected principal recovery amount. The market value of a corporate debt obligation may be expected to rise and fall inversely with interest rates generally. Debt securities with longer maturities tend to be more sensitive to interest rate movements than those with shorter maturities. In addition to interest rate risk, corporate debt securities also involve the risk that the issuers of the securities may not be able to meet their obligations on interest or principal payments at the time called for by an instrument. The rate of return or return of principal on some debt securities may be linked or indexed to the level of exchange rates between the US dollar and a foreign currency or currencies. Corporate debt securities are subject to the risk of the issuer’s inability to meet principal and interest payments on the obligation and may also be subject to price volatility due to such factors as interest rate sensitivity, market perception of the creditworthiness of the issuer and general market liquidity.

Preferred Equity

The Opportunities Funds may invest in preferred equity securities. In addition to the risks generally applicable to credit investments, investment in preferred stocks, preferred trusts and other preferred securities involves certain other risks. Preferred securities often are subject to legal provisions that allow for redemption in the event of certain tax or legal changes or at the issuer’s call. In the event of redemption, the Opportunities Funds may not be able to reinvest the proceeds at comparable rates of return. Preferred securities are subordinated to loans, bonds and other debt securities in an issuer’s capital structure in terms of priority for corporate income and liquidation payments and, therefore, will be subject to greater credit risk than those debt securities. Accordingly, if the borrower defaults on the Opportunities Funds’ investment, the Opportunities Funds would only be able to proceed against such borrower in accordance with the terms of the preferred security, and not against any property owned by such entity. Furthermore, in the event of bankruptcy or foreclosure, the Opportunities Funds would only be able to recoup its investment after all lenders to, and other creditors of, such entity are paid in full. As a result, the Opportunities Funds may lose all or a significant part of its investment, which could result in significant losses. Preferred securities trade less frequently and in a more limited volume (if at all) and may be subject to more abrupt or erratic price movements than many other securities, such as common stocks, corporate debt securities and US government securities.

Convertible Securities

The Opportunities Funds may invest in convertible securities, which are bonds, debentures, notes, preferred stocks or other securities that may be converted into or exchanged for a specified amount of common stock of the same or different entity within a particular period of time at a specified price or formula. A convertible security entitles the holder to receive interest that is generally paid or accrued on debt or a dividend that is paid or accrued on preferred stock until the convertible security matures or is redeemed, converted or exchanged. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but

lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed income characteristics and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. A convertible security may be subject to redemption at the option of the Opportunities Funds at a price established in the convertible security's governing instrument. If a convertible security held by the Opportunities Funds is called for redemption, the Opportunities Funds will be required to redeem the security, convert it into the underlying common stock or sell it to a third-party. Any of these actions could have an adverse effect on an Opportunities Fund's ability to achieve its investment objective.

Lender Liability Considerations and Equitable Subordination

In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories (collectively termed "lender liability"). Generally, lender liability is founded upon the premise that an institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in a creation of a fiduciary duty owed to the borrower or its other creditors or shareholders. Because of the nature of certain of the Investments, the Opportunities Funds could be subject to allegations of lender liability.

In addition, under common law principles that in some cases form the basis for lender liability claims, if a lending institution (i) intentionally takes an action that results in the undercapitalization of a borrower to the detriment of other creditors of such borrower, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence as a stockholder to dominate or control a borrower to the detriment of other creditors of such borrower, a court may elect to subordinate the claim of the offending lending institution to the claims of the disadvantaged creditor or creditors, a remedy called "equitable subordination." Because of the nature of certain of the Opportunities Funds' investments, including situations in which the Opportunities Funds has both debt and equity interests in an Investment, the Opportunities Funds could be subject to claims from creditors of an obligor that the Opportunities Funds' investments issued by such obligor that are held by the Opportunities Funds should be equitably subordinated. A significant number of the Opportunities Fund's investments will involve investments in which the Opportunities Funds would not be the lead creditor. It is, accordingly, possible that lender liability or equitable subordination claims affecting the Opportunities Funds' investments could arise without the direct involvement of the Opportunities Funds.

Fraudulent Conveyance and Legislative Risks

Various laws enacted for the protection of creditors may apply to certain investments that are debt obligations, although the existence and applicability of such laws will vary between jurisdictions. For example, if a court were to find that an obligor did not receive fair consideration or reasonably equivalent value for incurring indebtedness evidenced by an investment and the grant of any security interest securing such investment, and, after giving effect to such indebtedness, the obligor: (i) was insolvent; (ii) was engaged in a business for which the assets remaining in such obligor constituted unreasonably small capital; or (iii) intended to incur, or believed that it would

incur, debts beyond its ability to pay such debts as they mature, such court may: (a) invalidate such indebtedness and such security interest as a fraudulent conveyance; (b) subordinate such indebtedness to existing or future creditors of the obligor; or (c) recover amounts previously paid by the obligor (including to the Opportunities Fund) in satisfaction of such indebtedness or proceeds of such security interest previously applied in satisfaction of such indebtedness. In addition, if an obligor in whose debt the Opportunities Funds has an investment becomes insolvent, any payment made on such investment may be subject to avoidance, cancellation and/or clawback as a “preference” if made within a certain period of time (which for example under some current laws may be as long as two years) before insolvency.

In general, if payments on an investment are avoidable, whether as fraudulent conveyances, extortionate transactions or preferences, such payments may be recaptured either from the initial recipient or from subsequent transferees of such payments. To the extent that any such payments are recaptured from the Opportunities Funds, there may be a material adverse effect on the performance of the Opportunities Funds, and, by extension, the Opportunities Funds’ business, financial condition, results of operations and the value of the interests.

Factors Affecting Financial Entities

The Opportunities Funds may make investments in financial entities, including bank holding companies. Financial entities generally have asset and liability structures that are essentially monetary in nature and are directly affected by many factors, including domestic and international economic and political conditions, broad trends in business and finance, legislation and regulation affecting the national and international business and financial communities (including the Dodd-Frank Act), monetary and fiscal policies, interest rates, inflation, currency values, market conditions, the availability and cost of short-term or long-term funding and capital, the credit capacity or perceived creditworthiness of customers and counterparties, and the level and volatility of trading markets. Such factors affect customers and counterparties of banking entities and affect the value of financial instruments held by banking entities. Fluctuations in interest rates, which affect the value of assets and the cost of funding liabilities, are not predictable or controllable and affect economic activity in various regions or could have a material adverse effect on an Opportunities Fund’s operating results and financial condition.

Financial Fraud

The value of an investment made by the Opportunities Funds may be affected by fraud, misrepresentation or omission on the part of a direct or indirect counterparty of the Opportunities Funds or any related parties to such counterparty, or by other parties to the investment (or any related collateral and security arrangements). Such fraud, misrepresentation or omission may adversely affect the value of the investment and/or the value of the collateral underlying the investment in question and may adversely affect the Opportunities Fund’s ability to enforce its contractual rights relating to that investment or the relevant obligor’s ability to repay the principal or interest on the investment.

Hedging Transactions May Adversely Affect Overall Performance

The Opportunities Funds may, but are not required to, engage in hedging transactions. In particular, as many of the Opportunities Funds' investments are expected to consist of securities whose price behavior is not particularly correlated to general fixed income or equity index returns, such investments are expected to be difficult or expensive to hedge, and as such the Opportunities Funds may not employ any hedging strategy in respect of such investments (including with respect to their credit risk).

To the extent Adviser employs a hedging strategy for the Opportunities Funds, the success of any such hedging strategy will depend, in part, upon Adviser's ability to correctly assess the degree of correlation between the performance of the instruments used in the hedging strategy and the performance of the investments being hedged. Since the characteristics of many securities change as markets change or time passes, the success of the Opportunities Funds' hedging strategy will also be subject to Adviser's ability to continually recalculate, readjust and execute hedges in an efficient and timely manner. While the Opportunities Funds may enter into hedging transactions to seek to reduce risk, such transactions may result in a poorer overall performance for the Opportunities Funds than if it had not engaged in such hedging transactions. For a variety of reasons, Adviser may not seek to establish a precise correlation between the hedging instruments utilized and the portfolio holdings being hedged. Such an imprecise correlation may prevent the Opportunities Fund from achieving the intended hedge or expose the Opportunities Funds to risk of loss. Additionally, Adviser might not hedge against a particular risk because it does not regard the probability of the risk occurring to be sufficiently high as to justify the cost of the hedge or because it does not foresee the occurrence of the risk. Moreover, there is no guarantee that the Opportunities Funds' intended hedging strategy will be successful in hedging out the subject risks.

General Economic Conditions

The market for investments in credit investment opportunities and other investments generally, and the success of the Opportunities Funds' investment activities in particular, will be affected by general economic and market conditions (particularly in Europe, as well as in other jurisdictions), as well as by changes in applicable laws, trade barriers, currency exchange controls, rate of inflation, currency depreciation, asset reinvestment, resource self-sufficiency and national and international political and socioeconomic circumstances in respect of the countries in which the Fund may invest. These factors may affect the level and volatility of market prices and the liquidity of the Opportunities Funds' investments, which could impair the Fund's profitability or result in losses. In addition, general fluctuations in market prices and interest rates may affect the Opportunities Funds' investment opportunities and the value of the Fund's investments.

The financial condition of Adviser may be adversely affected by a significant general economic downturn and it may be subject to legal, regulatory, reputational and other unforeseen risks that could have a material adverse effect on Adviser's businesses and operations and thereby could impact the Opportunities Fund. Moreover, continued periods of lackluster economic growth in Europe, the US and global economies (or any particular segments thereof) could have a pronounced impact on the Fund and could adversely affect the Fund's profitability, impede the ability of the Opportunities Funds' direct and indirect counterparties to perform under or refinance their existing obligations, and impair the Opportunities Funds' ability to effectively deploy its capital or realize its investments on favorable terms. The Opportunities Funds could also be affected by difficult conditions in the capital markets and the overall weakening of the financial

services industry. It is possible that a further weakening of credit conditions could adversely affect the Opportunities Funds and that the Opportunities Funds could suffer other adverse consequences, including the ability to finance and consummate investments, any of which could adversely affect the business of the Opportunities Funds, restrict the Opportunities Funds' investment activities and impede the Opportunities Funds' ability to effectively achieve its investment objective.

Current Market Conditions and Regulatory Environment Related to Financial Markets

The range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. The effect of any such political, regulatory, economic or market outcomes on the Opportunities Funds could be adverse. For example, in reaction to economic events, regulators in the US and several other countries have undertaken in the past and may undertake in the future regulatory actions and implement other measures to ensure stability in the financial markets. Despite these efforts and the efforts of securities regulators of other jurisdictions, global financial markets could become and remain extremely volatile.

Significant uncertainty remains in the market regarding the consequences of the change in administration, and the range and potential implications of possible political, regulatory, economic and market outcomes are difficult to predict. Uncertainty regarding the consequences of the change in administration may have an adverse effect or may cause volatility in the US or global economies and currency and financial markets in the short or long term, as well as the values of the investments and the Opportunities Funds' ability to execute its investment strategy or the financial prospects of the investments. Such changes could impact the laws and regulations applicable to Adviser, a General Partner of an Opportunities Fund, an Opportunities Fund, and the investments. While certain of such changes could beneficially impact the Fund or the investments, other changes may more beneficially impact competitors, or could adversely impact an Opportunities Fund, the investments or the investors of an Opportunities Fund.

Certain investments may be materially adversely affected by the foregoing events, or by similar or other events in the future. In the longer term, there may be significant new regulations that could limit the investments and the Opportunities Funds' activities and investment opportunities or change the functioning of capital markets. Consequently, the Opportunities Funds may not be capable of, or successful at, preserving the value of its assets, generating positive investment returns or effectively managing their risks.

Market Disruption, Health Crises, Terrorism and Geopolitical Risk

The Opportunities Funds are subject to the risk that war, terrorism, global health crises or similar pandemics and related geopolitical events may lead to increased short-term market volatility and have adverse long-term effects on world economies and markets generally, as well as adverse effects on issuers of securities and the value of the investments. War, terrorism, global health crises or similar pandemics and related geopolitical events have led, and in the future, may lead, to increased short-term market volatility and may have adverse long-term effects on world economies and markets generally. Those events as well as other changes in world economic, health, and political conditions also could adversely affect individual issuers or related groups of issuers, securities markets, interest rates, credit ratings, inflation, investor sentiment and other factors

affecting the value of the investments. At such times, the Opportunities Funds' exposure to a number of other risks described herein can increase.

Coronavirus Outbreak Risks

The global outbreak of the 2019 novel coronavirus ("COVID-19"), together with resulting voluntary and U.S. federal and state and non-U.S. governmental actions, including, without limitation, mandatory business closures, public gathering limitations, restrictions on travel and quarantines, has meaningfully disrupted the global economy and markets. COVID-19 has and is expected to continue to have ongoing material adverse effects across many, if not all, aspects of the regional, national, and global economy. In particular, the COVID-19 outbreak has already, and will continue to, adversely affect the Fund's investments and the industries in which they operate. Furthermore, the Adviser's ability to operate effectively, including the ability of its personnel or its service providers and other contractors to function, communicate and travel to the extent necessary to carry out the Funds' investment strategies and objectives and the Adviser's business and to satisfy its obligations to the funds, their investors, and pursuant to applicable law, has been, and will continue to be, impaired. The spread of COVID-19 among the Adviser's personnel and its service providers would also significantly affect the Adviser's ability to properly oversee the affairs of the Funds (particularly to the extent such impacted personnel include key investment professionals or other members of senior management), which could result in a temporary or permanent suspension of a Fund's investment activities or operations. The full effects, duration and costs of the COVID-19 pandemic are impossible to predict, and the circumstances surrounding the COVID-19 pandemic will continue to evolve.

Tax Treatment

There may be changes in tax laws or interpretation of such tax laws adverse to the Opportunities Funds or their respective partners. There can be no assurance that the structure of the Opportunities Funds or of any investment will be tax-efficient to any particular partner.

Follow-On Investments

Following its initial investment in a given underlying issuer, an Opportunities Fund may have the opportunity to increase its investment in such underlying issuer. There is no assurance that such Opportunities Fund will make follow-on investments or that such Opportunities Funds will have sufficient funds to make all or any such investments. Any decision by an Opportunities Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on an underlying issuer in need of such an investment, may result in a lost opportunity for the Opportunities Fund to increase its participation in a successful underlying issuer, may result in an Opportunities Fund's investment in the relevant underlying issuer becoming diluted and in circumstances where the follow-on investment is offered at a discount to market value, may result in a loss of value for the Opportunities Funds.

Limited Due Diligence

When conducting due diligence and making an assessment regarding a potential investment, Adviser will be required to rely on resources available to it, including internal sources of information as well as information provided by existing and potential obligors, any equity

sponsor(s), lenders or other counterparties or independent sources, and, in some circumstances, third-party investigations. Adviser will typically conduct due diligence that it deems appropriate based on the facts and circumstances applicable to each investment. The due diligence process may at times be required to rely on limited or incomplete information.

European Regulation

The AIFMD regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the EEA. If an Opportunities Fund is actively marketed to investors domiciled or having their registered office in the EEA in circumstances where no transitional relief is available: (i) such Opportunities Fund may be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which may result in an Opportunities Fund incurring additional costs and expenses; (ii) such Opportunities Fund, its General Partner and/or Adviser may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which may result in an Opportunities Fund incurring additional costs and expenses or otherwise affect the management and operation of an Opportunities Fund; and (iii) such General Partner and/or Adviser may be required to make detailed information relating to the Opportunities Fund and their investments available to regulators and third parties. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the Opportunities Fund to raise its targeted amount of capital commitments.

Cybersecurity Risk

Adviser, the Opportunities Funds' service providers and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Opportunities Funds and their investors. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to these systems of Adviser, the Opportunities Funds' service providers, counterparties or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers or other users of Adviser's systems to disclose sensitive information in order to gain access to Adviser's data or that of the Opportunities Funds' investors. A successful penetration or circumvention of the security of Adviser's systems by unauthorized third parties could result in the loss or theft of an investor's data or funds, the inability to access electronic systems, loss or theft of proprietary information or corporate data, physical damage to a computer or network system or costs associated with system repairs. Such incidents could cause the Opportunities Funds, Adviser or their service providers to incur regulatory penalties, reputational damage, additional compliance costs or financial loss.

Similar types of operational and technology risks are also present for the companies in which the Opportunities Funds invest, which could have material adverse consequences for such companies, and may cause the Opportunities Funds' investments to lose value.

Environmental, Social and Governance Matters

While ESG is only one of the many factors the Adviser will consider in making an investment, there is no guarantee that the Adviser will successfully implement and make investments in companies that create positive environmental, social or governance (“ESG”) impact while enhancing long-term shareholder value and achieving financial returns. To the extent that the Adviser engages with companies on ESG-related practices and potential enhancements thereto, such engagements may not achieve the desired financial and social results, or the market or society may not view any such changes as desirable. Successful engagement efforts on the part of the Adviser will depend on the Adviser’s skill in properly identifying and analyzing material ESG and other factors and their impact-related value, and there can be no assurance that the strategy or techniques employed will be successful. Considering ESG qualities when evaluating an investment may result in the selection or exclusion of certain investments based on the Adviser’s view of certain ESG-related and other factors, carries the risk that the Adviser may underperform funds that do not take ESG-related factors into account because the market may ultimately have a different view of a particular company’s performance than that anticipated by the Adviser.

Consideration of ESG factors may affect the Adviser’s exposure to certain companies, sectors, regions, countries or types of investments, which could negatively impact the Adviser’s performance depending on whether such investments are in or out of favor. Applying impact investing goals to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by the Adviser or any judgment exercised by the Adviser will reflect the beliefs or values of any particular investor. In evaluating a company, the Adviser is dependent upon information and data obtained through voluntary or third-party reporting that may be incomplete, inaccurate or unavailable, which could cause the Adviser to incorrectly assess a company’s ESG practices and/or related risks and opportunities. ESG-related practices differ by region, industry and issue and are evolving accordingly, and a company’s ESG-related practices or the Adviser’s assessment of such practices may change over time.

Possibility of Fraud and Other Misconduct of Employees and Service Providers

Misconduct by employees of the Adviser, service providers to the Adviser or the Clients and/or their respective affiliates could cause significant losses to such Clients. Misconduct may include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by such Clients, the improper use or disclosure of confidential or material non-public information, which could result in litigation, regulatory enforcement or serious financial harm, including limiting the business prospects or future marketing activities of such Clients and noncompliance with applicable laws or regulations and the concealing of any of the foregoing. Such activities may result in reputational damage, litigation, business disruption and/or financial losses to such Clients. The Adviser has controls and procedures through which they seek to minimize the risk of such misconduct occurring. However, no assurances can be given that the Adviser will be able to identify or prevent such misconduct.

Item 9. Disciplinary Information

Item 9 is not applicable to Adviser.

Item 10. Other Financial Industry Activities and Affiliations

Related General Partners

An affiliate of Adviser acts as the general partner of each Fund.

Various limited liability companies (the “General Partners”) serve as general partners of the Funds. The General Partners are subsidiaries of or otherwise controlled by Adviser. For a description of material conflicts of interest created by the relationship among Adviser and the General Partners, as well as a description of how such conflicts are addressed, please see Item 11 below.

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

Code of Ethics

Adviser has adopted a written Code of Ethics that is applicable to all of its partners, officers and employees, as well as officers and employees of its affiliates and certain independent contractors (collectively, “Adviser Personnel”). The Code of Ethics, which is designed to comply with Rule 204A-1 under the Investment Advisers Act of 1940 (as amended, the “Advisers Act”), establishes guidelines for professional conduct and personal trading procedures, including certain preclearance and reporting obligations.

Adviser Personnel and their families and households may purchase investments for their own accounts, including the same investments as may be purchased or sold for a Client, subject to the terms of the Code of Ethics. Under the Code of Ethics, Adviser Personnel are also required to file certain periodic reports with Adviser’s Chief Compliance Officer as required by Rule 204A-1 under the Advisers Act. The Code of Ethics helps Adviser detect and prevent potential conflicts of interest.

Adviser Personnel who violate the Code of Ethics may be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, demotion, suspension or dismissal. Adviser Personnel are also required to promptly report any violation of the Code of Ethics of which they become aware. Adviser Personnel are required to annually certify compliance with the Code of Ethics.

A copy of the Code of Ethics is available to any client or prospective client upon written request to: Constitution Capital Equity Partners LP: Attention: Chief Compliance Officer.

Participation or Interest in Client Transactions

Adviser and certain employees and affiliates of Adviser may invest in the Funds, either through the General Partners, as direct investors in the Funds or otherwise. A Fund or its General Partner, as applicable, may reduce all or a portion of the Advisory Fee and Incentive Allocation related to investments held by such persons. These arrangements may be limited by the organizational or other documents of a Fund. For further details regarding these types of arrangements, as well as conflicts of interest presented by them, please see “Conflicts of Interest” immediately below.

Due in part to the fact that potential investors in a Fund or a co-investment opportunity (see below) may ask different questions and request different information, Adviser may provide certain information to one or more prospective investors that it does not provide to all of the prospective investors or limited partners.

Conflicts of Interest

Adviser and its related entities engage in a broad range of activities, including investment activities for their own account, for the account of Adviser’s Clients, and providing transaction-related, investment advisory, management and other services to Clients and other. In the ordinary course of conducting its activities, the interests of a Client will, from time to time, conflict with the

interests of Adviser, other Clients or their respective affiliates. Certain of these conflicts of interest, as well a description of how Adviser addresses such conflicts of interest, can be found below.

Adviser may also, from time to time, establish, on a transaction-by-transaction basis, certain pooled investment vehicles through which certain persons may invest alongside one or more Clients in a particular investment opportunity (herein referred to as a “co-investment vehicle”). Co-investment vehicles are typically limited to investing in securities relating to the transaction with respect to which they were organized. As a general matter, each such co-investment vehicle may, in certain instances, be contractually required to purchase and exit its investment in certain investment opportunities at substantially the same time and on substantially the same terms as the applicable Client(s) that are also invested in that investment opportunity. Such co-investment vehicles do not pay Advisory Fees or Incentive Allocation.

Resolution of Conflicts

In the case of all conflicts of interest, Adviser’s determination as to which factors are relevant, and the resolution of such conflicts, will be made using Adviser’s best judgment, but in its sole discretion. In resolving conflicts, Adviser considers various factors, including the interests of the applicable Clients with respect to the immediate issue and/or with respect to their longer-term courses of dealing. Certain procedures for resolving specific conflicts of interest are set forth below. When conflicts arise, the following factors generally mitigate, but will not eliminate, conflicts of interest:

- Adviser will not cause a Client to make an investment unless Adviser believes that such investment is an appropriate investment considered from the viewpoint of such Client;
- Many important conflicts of interest will generally be resolved by set procedures, restrictions or other provisions contained in the relevant Organizational Documents for the Clients;
- Many of the Funds have established an advisory board, consisting of representatives of investors not affiliated with Adviser. The advisory boards meet as required to consult with Adviser as to certain potential conflicts of interest. On any issue involving actual conflicts of interest, Adviser will be guided by its good faith discretion;
- Where Adviser deems appropriate, unaffiliated third parties may be used to help resolve conflicts, such as the use of an investment banker to opine as to the fairness of a purchase or sale price;
- Adviser has adopted and implemented certain policies and procedures designed to reduce certain conflicts of interest; and
- Prior to subscribing for interests in a Fund (except for a co-investment vehicles), each investor receives information relating to significant potential conflicts of interest arising from the proposed activities of the Fund.

In addition, certain provisions of a Client’s Organizational Documents are designed to protect the interests of investors in situations where conflicts may exist, although these provisions do not eliminate such conflicts. In certain instances, some of such conflicts of interest may be resolved in a manner adverse to a Client and its ability to achieve its investment objectives.

Conflicts

The material conflicts of interest encountered by a Client include those discussed below, although the discussion below does not necessarily describe all of the conflicts that may be faced by a Client. Other conflicts may be disclosed throughout this brochure and this brochure should be read in its entirety for other conflicts.

Allocation of Investment Opportunities Among Clients

In connection with its investment activities, Adviser may encounter situations in which it must determine how to allocate investment opportunities among various Clients and other persons, which may include, but are not limited to, the following:

- The Clients;
- Any co-investors or co-investment vehicles that have been formed to invest side-by-side with one or more Clients in all or particular transactions entered into by such Client(s) (the co-investors or investors in such co-investment vehicles which may include Adviser Investors and/or individuals and entities that are not investors in any Funds (“Third Parties”));
- Adviser Investors and/or Third Parties that wish to make direct investments (i.e., not through an investment vehicle) side-by-side with one or more Clients in particular transactions entered into by such Client(s); and
- Adviser Investors and/or Third Parties acting as “co-sponsors” with Adviser with respect to a particular transaction.

The Adviser makes allocation determinations consistent with the Clients’ Organizational Documents and in accordance with its written policies and procedures relating to the allocation of investment opportunities and will make allocation determinations consistently therewith.

The Clients are generally subject to investment allocation requirements (collectively, “Investment Allocation Requirements”). Investment Allocation Requirements are generally set forth in the Client’s Organizational Documents. To the extent, the Investment Allocation Requirements of a Client do not include specific allocation procedures and/or allow Adviser discretion in making allocation decisions among the Clients, Adviser will follow the process set forth below.

Adviser must first determine which Clients are eligible to participate in an investment opportunity. Adviser assesses whether an investment opportunity is appropriate for a particular Client(s), based on the Client’s investment objectives, contractual restrictions, strategies and structure. A Client’s investment objectives, contractual restrictions, strategies and structure typically are reflected in the Client’s Organizational Documents. Prior to making any allocation to a Client of an investment opportunity, Adviser determines what additional factors may restrict or limit the offering of an investment opportunity to the Client(s). Possible restrictions include, but are not limited to:

- **Obligation to Offer:** Adviser may be required to offer an investment opportunity to one or more Clients. This obligation to offer investment opportunities is generally set forth in a Client's Organizational Documents.
- **Related Investments:** Adviser may offer an investment opportunity related to an investment previously made by a Client(s) to such Client(s) to the exclusion of, or resulting in a limited offering to, other Clients.
- **Legal and Regulatory Exclusions:** Adviser may determine that certain Clients or investors in such Clients should be excluded from an allocation due to specific legal, regulatory and contractual restrictions placed on the participation of such persons in certain types of investment opportunities.
- **Contractual Exclusions:** Adviser may determine that certain Clients may be prohibited from making an investment in which another Client has already made an investment.

Once Adviser identifies the Clients that are eligible to participate in a particular investment, Adviser, in its discretion, decides how to allocate such investment opportunity among the identified Clients. In allocating such investment opportunity, Adviser may consider some or all of a wide range of factors, which include, but are not necessarily limited to, one or more of the following:

- Each Client's investment objectives and investment focus;
- Transaction sourcing (and with respect to an investment opportunity originated by a third-party, the relationship of a particular Client to or with such third-party);
- Each Client's liquidity and reserves (including whether a Client is able to commit to invest all capital required to consummate a particular investment opportunity);
- Structural and operational differences between the Clients;
- Each Client's diversification (including the actual, relative or potential exposure of a Client to the type of investment opportunity in terms of its existing portfolio);
- Lender covenants and other limitations;
- Any "ramp-up" period of a newly established Client;
- Amount of capital available for investment by each Client as well as each Client's projected future capacity for investment (including whether a Client is able to invest all capital required to consummate a particular investment opportunity);
- The size, liquidity and duration of the investment;
- Each Client's targeted rate of return;
- Lender covenants and other limitations;
- Amount of capital available for investment by each Client as well as each Client's projected future capacity for investment;
- Stage of development of the prospective portfolio company or other investment and anticipated holding period of the portfolio company;

- Composition of each Client's portfolio and each Client's investment concentration parameters (including, without limitation, parameters such as geography, industry, issuer, volatility, leverage or other similar risk metrics);
- The suitability as a follow-on investment for a current portfolio company of a Client or to upsize an existing investment;
- The use of leverage in the proposed capital structure;
- The availability of other suitable investments for each Client;
- Supply or demand of an investment opportunity at a given price level;
- Risk considerations;
- Cash flow considerations;
- The likelihood of current income;
- The centrality of an investment to a Client's strategy;
- Asset class restrictions;
- The seniority of an investment and other capital structuring criteria;
- Industry and other allocation targets;
- Minimum and maximum investment size requirements;
- Tax and accounting implications;
- Whether an investment opportunity requires additional consents or authorizations from the Client, investors or Third Parties;
- Whether an investment opportunity would enable a Client to qualify for certain programmatic benefits or discounts that are not readily available to other Clients including, but not limited to, the ability to enter into credit arrangements with certain financial or governmental institutions;
- Legal, contractual or regulatory constraints; and
- Any other relevant limitations imposed by or conditions set forth in the Organizational Documents of each Client.

Allocation determinations are inherently subjective and give rise to conflicts of interest due to the inherent biases in the process. For example, in allocating an investment opportunity among Clients with differing fee, expense and compensation structures, Adviser has an incentive to allocate investment opportunities to the Client from which Adviser or its related persons derive, directly or indirectly, higher fees, compensation or other benefits. Adviser will not allocate investment opportunities based, in whole or in part, on (i) the relative fee structure or amount of fees paid by any Client or (ii) the profitability of any Client. The application of the Investment Allocation Requirements and factors set forth above will often result in allocation on a non-pro rata basis and there can be no assurance that a Client will participate in all investment opportunities that fall within its investment objectives. Adviser makes allocation determinations based solely on Adviser's expectations at the time such investments are made, however investments and their

characteristics may change and there can be no assurance that an investment may prove to have been more suitable for another Client in hindsight.

In some cases, certain Clients may receive a preferential allocation of certain types of investments. Please also refer to a Client's private placement memorandum for more information about the application of Adviser's allocation policies to the Client.

In addition, principal executive officers, partners, employees and other personnel of Adviser invest indirectly in Funds and will therefore participate indirectly in investments made by the Funds in which they invest. Such interests will vary Fund by Fund and may create an incentive to allocate particularly attractive investment opportunities to the Fund in which such personnel hold a greater interest. The existence of these varying circumstances presents conflicts of interest in determining how much, if any, of certain investment opportunities to offer to a Fund.

Allocation of Co-Investment Opportunities and Secondary Transactions

Adviser will determine if the amount of an investment opportunity exceeds the amount Adviser determines would be appropriate for the Clients (after taking into account any portion of the opportunity allocated by contract to certain participants in the applicable deal, such as co-sponsors, consultants and advisers to Adviser and/or the Clients or management teams of the applicable portfolio company, certain strategic investors and other investors whose allocation is determined by Adviser to be in the best interest of the applicable Client), and any such excess may be offered to one or more co-investors pursuant to the procedures included in such Clients' Organizational Documents or, to the extent not addressed in such Clients' Organizational Documents, in accordance with the following paragraphs. There may be circumstances where Adviser determines for strategic or other reasons that an amount that could have otherwise been invested by a particular Client is instead allocated to one or more co-investors.

In addition, co-investment vehicles may be formed to make investments alongside a Client. In such cases, the co-investment vehicle will have a priority right to make co-investments in some of all of the investments made by such Client. The existence of such a priority right will significantly reduce or eliminate co-investment opportunities available to the investors.

Subject to any Investment Allocation Requirements or other specific agreements with an investor, in general, (i) no investor in a Fund has a right to participate in any co-investment opportunity and investing in a Fund does not give an investor any rights, entitlements or priority to co-investment opportunities (ii) decisions regarding whether and to whom to offer co-investment opportunities, as well as the applicable terms on which a co-investment is made, are made in the sole discretion of Adviser or its related persons or other participants in the applicable transactions, such as co-sponsors, (iii) co-investment opportunities typically will be offered to some and not to other investors in the Funds, in the sole discretion of Adviser or its related persons and investors may be offered a smaller amount of co-investment opportunities than originally requested and an investor may be offered fewer co-investment opportunities than other investors in the same Fund, with the same, larger or smaller capital commitments to such Fund, and (iv) certain persons other than investors in the Funds (e.g., other Clients, consultants, joint venture partners, Adviser Investors, persons associated with a portfolio company and other Third Parties, including persons who Adviser believes will provide a benefit to a Client and/or one or more portfolio companies or who

provide strategic sourcing or similar benefit to Adviser, a Client and/or a portfolio company and one or more of their respective affiliates, due to industry or regulatory expertise or otherwise), rather than one or more investors in a Fund, will, from time to time be offered co-investment opportunities, in the sole discretion of Adviser or its related persons. Each co-investment opportunity (should any exist) is likely to be different and allocation of each such opportunity will be dependent upon the facts and circumstances specific to that unique situation (e.g., timing, industry, size, geography, asset class, projected holding period, exit strategy and counterparty). Additionally, non-binding acknowledgements of interest in co-investment opportunities are not Investment Allocation Requirements and do not require Adviser to notify the recipients of such acknowledgements if there is a co-investment opportunity. However, the Adviser from time to time agrees to give particular investors, Funds, or other third parties priority or other contractual access to co-investment opportunities. The existence of such priority co-investment access rights could affect the Adviser's decision to offer certain opportunities for co-investment and could limit the ability of Funds or their investors to be offered certain co-investment opportunities.

In exercising its discretion to allocate co-investment opportunities with respect to a particular investment among the Clients and other potential co-investors, Adviser may consider some or all of a wide range of factors, which include, but are not limited to, its own interest and/or one or more of the following:

- Adviser's evaluation of the size and financial resources of the potential co-investment party and Adviser's perception of the ability of that potential co-investment party (in terms of, for example, staffing, expertise and other resources or similar synergies) to efficiently and expeditiously participate in the investment opportunity with the relevant Client(s) without harming or otherwise prejudicing such Client(s), in particular when the investment opportunity is time- sensitive in nature, as is typically the case (including whether the potential co-investment party has a complicated tax structure that would require particular structuring implementation or covenants that would not otherwise be required);
- Any confidentiality concerns Adviser has that may arise in connection with providing the other account or person with specific information relating to the investment opportunity in order to permit such potential co-investment party to evaluate the investment opportunity;
- Whether a potential co-investment party has a history of participating in opportunities and the Adviser's perception of its past experiences and relationships with that potential co-investment party, such as the willingness or ability of the potential co-investment party to respond promptly and/or affirmatively to potential investment opportunities previously offered by Adviser and the expected amount of negotiations required in connection with a potential co-investment party's commitment;
- The character and nature of the co-investment opportunity (including the potential co-investment amount, structure, geographic location, tax characteristics and relevant industry);
- Level of demand for participation in such co-investment opportunity;
- The ability of a potential co-investment party to aid in operating or monitoring a portfolio company or the possession of certain expertise by a potential co-investment party and the potential co-investment party's relationship with the management team of the potential

portfolio company and whether the potential co-investment party has any existing positions in the portfolio company;

- The extent to which a potential co-investment party has been provided a greater amount of co-investment opportunities relative to others;
- Whether the potential co-investment party would require any governance rights that would complicate the transactions (or, alternatively, whether the potential co-investment party would be willing to defer to Adviser and assume a passive role in governing a portfolio company);
- Any interests a potential co-investment party has in any competitors of the portfolio company;
- Adviser's perception of whether the investment opportunity may subject the potential co-investment party to legal, regulatory, competitive, confidentiality, reporting, public relations, media or other burdens that make it less likely that the other account or person would act upon the investment opportunity if offered;
- Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;
- Adviser's evaluation of whether a particular potential co-investment party has provided value in the sourcing, establishing relationships, participating in diligence and/or negotiations for such potential transaction or is expected to provide value to the business or operations of a portfolio company post-closing;
- Adviser's evaluation of whether the profile or characteristics of the potential co-investment party may have an impact on the viability or terms of the proposed investment opportunity and the ability of the Clients to take advantage of such opportunity (for example, if the potential co-investment party is involved in the same industry as a target company in which a Client wishes to invest, or if the identity of the potential co-investment party, or the jurisdiction in which the potential co-investment party is based, may affect the likelihood of a Client being able to capitalize on a potential investment opportunity); and
- Whether Adviser believes, in its sole discretion, that allocating investment opportunities to a potential co-investment party will help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits (including strategic, sourcing or similar benefits) to current or future Clients and/or Adviser and whether the potential co-investment party has demonstrated a long-term and/or continuing commitment to the potential success of the current or future Clients and/or Adviser.

The factors above are not listed in order of importance or priority and Adviser is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. Adviser's exercise of its discretion in allocating investment opportunities with respect to a particular investment among the persons, including the Clients, potential co-investors, Adviser Investors and Third Parties, and in the manner discussed above often will not, result in proportional allocations among such persons, and such allocations often will be more or

less advantageous to some such persons relative to other such persons. For example, Adviser may be incentivized to offer a co-investment opportunity to certain persons over others based on its economic arrangement with such persons (including, for example, whether the Adviser and/or the applicable general partners are entitled, under arrangements made with certain potential co-investment parties, to additional Advisory Fees and/or Incentive Allocation based on the availability of co-investment opportunities offered to such parties). While Adviser determines how to allocate investment opportunities using its best judgment, considering such factors as it deems relevant, but in its sole discretion, there can be no assurance that a Client's actual allocation of an investment opportunity, if any, or the terms on which that allocation is made will be as favorable as they would be if the conflicts of interest to which Adviser is subject, discussed herein, did not exist.

In the event Adviser determines to offer an investment opportunity co-investors, there can be no assurance that Adviser will be successful in offering a co-investment opportunity to a potential co-investor, in whole or in part, that the closing of such co-investment will be consummated in a timely manner, that the co-investment will take place on the terms and conditions that will be preferable for the Client or that expenses incurred by the Client with respect to the syndication of the co-investment will not be substantial and the Clients bear the risk that any or all excess portion of an investment is not sold or is sold on unattractive terms. As a consequence, the Client may bear the entire portion of any fees, costs and expenses related to such investment including, but not limited to, break-up fees and hold a larger than expected portion of such investment. Further, it is possible that a potential co-investment party may experience financial, legal or regulatory difficulties and may, from time to time, have economic, tax, regulatory, contractual or other business interests or goals that are inconsistent with those of a Client and as a result, may take a different view from Adviser as to appropriate strategy for an investment or may be in position to take a contrary action to a Client's investment objective. In the event that Adviser is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, the Client may consequently hold a greater concentration and have more exposure in the related investment opportunity than was initially intended, which could make the Client more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto. An investment that is not syndicated to co-investors as originally anticipated could significantly reduce a Client's overall investment returns. Therefore, it is possible that a Client that overcommits to an investment will bear a disproportionate allocation of the risks associated with the transaction without being compensated for assuming such risks

Adviser or its affiliates may establish dedicated co-investment vehicles for specific investors in order to facilitate investments by the relevant investors as co-investment parties alongside a Client. Any such vehicle will be established at Adviser or its affiliates' sole discretion and Adviser and its affiliates have no obligation to offer a similar opportunity to any other investor.

In addition, to the extent Adviser has discretion over a secondary transfer of interests in a Fund pursuant to such Fund's Organizational Documents, or is asked to identify potential purchasers in a secondary transfer, Adviser will do so in its sole discretion, generally taking into account the following factors:

- Adviser's evaluation of the financial resources of the potential purchaser, including its ability to meet capital contribution obligations;

- Adviser's perception of its past experiences and relationships with the potential purchaser, including its belief that the potential purchaser would help establish, recognize, strengthen and/or cultivate relationships that may provide indirectly longer-term benefits to current or future Funds and/or Adviser and the expected amount of negotiations required in connection with a potential purchaser's investment;
- Whether the potential purchaser would subject Adviser, the applicable Fund, or their affiliates to legal, regulatory, reporting, public relations, media or other burdens;
- A potential purchaser's investment into another Fund (including any commitment into a future fund);
- Requirements in such Fund's Organizational Documents; and
- Such other facts as it deems appropriate under the circumstances in exercising such discretion.

Conflicts Related to Purchases and Sales

Clients from time to time invest in conjunction with an investment being made by other Clients or in a transaction where another Client has already made an investment. Conflicts may arise in connection with such investments. Investment opportunities are, from time to time be appropriate for more than one Client at the same, different or overlapping levels of a portfolio company's capital structure. For instance, while the Opportunities Funds do not intend on making an investment in portfolio company in which a CCEP Client has a direct investment, the Opportunities Fund are permitted to invest in portfolio companies in which a CCEP Client has an indirect investment (i.e., through an Underlying Fund in which a Partnership Fund or Separate Account invests). Conflicts arise in determining the terms of investments, particularly where these clients may invest in different types of securities in a single portfolio company. Questions arise as to whether payment obligations and covenants should be enforced, modified or waived, whether payments should be accelerated, or whether debt should be refinanced. Decisions about what action should be taken in a troubled situation, including whether or not to enforce claims, whether or not to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring raise conflicts of interest and Adviser may be incentivized to choose a course of action that benefits one Client to the detriment of another Client. In the event that one Client has a controlling or significantly influential position in a portfolio company, it will have the ability to elect some or all of the board of directors of such a portfolio company, thereby controlling the policies and operations, including the appointment of management, future issuances of securities, payment of dividends, incurrence of debt and entering into extraordinary transactions. In addition, a controlling Client is likely to have the ability to determine, or influence, the outcome of operational matters and to cause, or prevent, a change in control of such a company. Such management and operational decisions may, at times, be in direct conflict with other Clients that have invested in the same portfolio company that do not have the same level of control or influence over the portfolio company. Certain clients of Adviser and its affiliates may invest in bank debt and securities of companies in which other clients hold securities, including equity securities. Equity holders and debt holders have different (and often competing) motives, incentives, liquidity goals and other interests with respect to a portfolio company. In the event that such investments are made by a Client, the interests of such Client will at times conflict with the interest of such other Client, particularly in circumstances where the underlying company is facing financial

distress. In such instances, it may be in the best interest of the Client holding debt securities to declare a default, accelerate a loan or take other protective actions, while such actions would harm another Client's equity investment in the portfolio company. The involvement of such persons at both the equity and debt levels could inhibit strategic information exchanges among fellow creditors. In certain circumstances, Clients may be prohibited from exercising voting or other rights and may be subject to claims by other creditors with respect to the subordination of their interest. If additional capital is necessary as a result of financial or other difficulties of a portfolio company, or to finance growth or other opportunities, the Clients may or may not provide such additional capital, and if provided each Client will supply such additional capital in such amounts, if any, as determined by Adviser. In the event one Client is unable to fund its share of additional capital (e.g., in the event such Client does not have sufficient available capital), the other Client may be obligated to fund more than its share of such amount. In such event, one Client will gain greater exposure to such investment than may have been intended and the other Client will be diluted in such investment. The returns of each Client may be negatively impacted as a result of the foregoing. In addition, a conflict arises in allocating an investment opportunity if the potential investment target could be acquired by either a Client or a portfolio company of another Client. Investments by more than one client of Adviser in a portfolio company also raise the risk of using assets of a client of Adviser to support positions taken by other clients of Adviser, or that a client may remain passive in a situation in which it is entitled to vote. In addition, there may be differences in timing of entry into, or exit from, a portfolio company for reasons such as differences in strategy, existing portfolio or liquidity needs. In addition, where more than one Client of the Adviser (or its affiliates) invest in the same portfolio company, there can be no assurance that such parties will dispose of investments at the same time and on the same terms. For example, because the Adviser may have an incentive to show realized returns in connection with other fundraising activities (including fundraising for a successor fund) and because one Client's term may expire before the end of another Client's term, such Clients may dispose of the investment at different times. Investments disposed of at different times will likely be disposed of at different valuations and, as a result, each Client may realize different returns as compared to the same investment held by another Client. These variations in timing may be detrimental to a Client. At the same time, if the Adviser determines it is advisable for a Client to exit an investment at the same time as another Client of the Adviser or its affiliates, the term of which may expire sooner than the former Client's, such Client may dispose of its interest earlier than it ordinarily would have and may, as a result, experience lower returns than it otherwise may have earned on such investments.

The application of a Client's Organizational Documents and Adviser's policies and procedures are expected to vary based on the particular facts and circumstances surrounding each investment by two or more Clients in different classes of an issuer's capital structure (as well as across multiple issuers or borrowers within the same overall capital structure) and, as such, there may be a degree of variation and potential inconsistencies, in the manner in which potential or actual conflicts are addressed. Officers, principals, employees and related persons of Adviser and its affiliates have made and may make capital investments in or alongside certain Clients, and therefore have additional conflicting interests in connection with these investments. In addition, Clients from time to time invest in securities of companies in which the officers, principals, employees and other related persons of the Adviser and its affiliates have previously invested for their own accounts. While the significant interests of the officers, principals and employees of the Adviser generally aligns the interest of such persons with the Clients, such persons may have differing interests from the Client with respect to such investments (for example, with respect to availability

and timing of liquidity). There can be no assurance that the return of a Client participating in a transaction would be equal to and not less than another Client participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

A Client may invest in opportunities that other Clients have declined, and likewise, a Client may decline to invest in opportunities in which other Clients have invested.

From time to time the Adviser may, in its discretion, enter into transactions with investors in one or more Clients, co-investors, Adviser Investors or Third-Parties to dispose of, or “sell down,” all or a portion of certain investments held by one or more Clients. In exercising its discretion to select the purchaser(s) of such investments, the Adviser will comply with the requirements set forth in the Organizational Documents of the applicable Client(s), or to the extent not addressed in the Organizational Documents of the applicable Client(s), the Adviser may consider some or all of the factors listed above under “*Allocation of Co-Investment Opportunities and Secondary Transactions*”. The sales price for such transactions will be mutually agreed to by the Adviser and such purchaser(s); however, determinations of sales prices involve a significant degree of judgment by the Adviser and the Adviser is not obligated to solicit competitive bids for such sales transaction or to seek the highest available price, which means Adviser may not obtain the highest price for the transaction. Furthermore, subject to the Organizational Documents, the Adviser may charge (or may decide not to charge) a purchasing party interest costs for the time period between the closing of the applicable Client’s investment in a portfolio company to the date of the transfer of interests in such portfolio company to the applicable purchasing party. There can be no assurance, in light of the performance of the investment following such a transaction, that such transaction will ultimately prove to be the most profitable or advantageous course of action for the applicable Client(s).

The Clients will, from time to time, enter into equity commitment arrangements whereby, subject to any applicable documentation, a Client agrees that upon the closing of a transaction with respect to a potential portfolio company, it will purchase equity securities in a transaction. Furthermore, in certain instances the Clients will also enter into (a) limited guarantee arrangements whereby, subject to any applicable documentation, a Client agrees that if a transaction with respect to a potential portfolio company is not consummated, it will pay a percentage of the total value of the transaction as a “reverse termination fee” to the seller entity and (b) full guarantee arrangements where such Client agrees to close a transaction even if the debt financing for such transaction is not available or has not been funded. While certain co-investment vehicles with investments contractually tied to the Client (including co-investment vehicles through which employees of Adviser participate) are generally obligated to pay their proportionate share of the equity purchase price (whether pursuant to the applicable Clients’ Organizational Documents or otherwise), such co-investment vehicles are generally not direct parties to the equity commitment arrangements or guarantees and, in any event, are not obligated to pay their proportionate share of any reverse termination fee. Therefore, in the unlikely event that a co-investment vehicle defaults on such arrangement with the Client to pay its proportionate share of the equity purchase price (if any) or such an arrangement does not exist, the Client would be held responsible for the entire equity purchase price or other applicable obligations.

The Clients, from time to time, co-invest with Third-Parties through partnerships, joint ventures or other similar entities or arrangements. These investments may involve risks that would not

otherwise be present in investments where a Third-Party is not involved. Such risks include, among other things, the possibility that the Third-Party may have differing economic or business goals than those of the Client, or that the Third-Party may be in a position to take actions that are inconsistent with the investment objectives of the Clients. There may also be instances where the Clients will be liable for actions of such Third-Party co-investors. There can be no assurance that the return of a Client participating in a transaction with a Third-Party would be equal to and not less than another Client participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

Cross-Transactions

In certain cases, Adviser may cause a Client to purchase investments from another Client, or it may cause a Client to sell investments to another Client. Such transactions create conflicts of interest because, by not exposing such buy and sell transactions to market forces, a Client may not receive the best price otherwise possible, or Adviser might have an incentive to improve the performance of one Client by selling underperforming assets to another Client in order, for example, to earn fees. Additionally, in connection with such transactions, Adviser, its affiliates and/or their professionals (i) may have significant investments, or intentions to invest, in the Client that is selling and/or purchasing such an investment or (ii) otherwise have a direct or indirect interest in the investment (such as through certain other participations in the investment). Adviser and its affiliates may receive management or Other Fees in connection with their management of the relevant Clients involved in such a transaction and may also be entitled to share in the investment profits of the relevant Clients. To address these conflicts of interest, in connection with effecting such transactions, Adviser will follow the Investment Allocation Requirements of the relevant Clients (e.g., the Organizational Documents of certain Clients may provide for the rebalancing of investments at certain times and at a cost set forth in those Organizational Documents so that these Clients' resulting ownership of investments is generally proportionate to the relative capital commitments of the Client). To the extent such matters are not addressed in the Investment Allocation Requirements, Adviser's Investment Committee, in consultation with Adviser's Advisory Board, as applicable, will be responsible for confirming that Adviser (i) considers its respective duties to each Client, (ii) determines whether the purchase or sale and price or other terms are comparable to what could be obtained through an arm's length transaction with a third party on commercially reasonable terms, and (iii) obtains any required approvals of the transaction's terms and conditions.

Principal Transactions

Section 206 under the Advisers Act regulates principal transactions among an investment adviser and its affiliates, on the one hand, and the clients thereof, on the other hand. Very generally, if an investment adviser or an affiliate thereof proposes to purchase a security from, or sell a security to, a client (what is commonly referred to as a "principal transaction"), Adviser must make certain disclosures to the client of the terms of the proposed transaction and obtain the client's consent to the transaction. Adviser has established certain policies and procedures to comply with the requirements of the Advisers Act as they relate to principal transactions, including that disclosures required by Section 206 of the Advisers Act be made to the applicable Client(s) regarding any proposed principal transactions and that any required prior consent to the transaction be received. Adviser does not expect to engage in principal trades with its clients.

Management of the Clients

Adviser manages a number of Clients that may have investment objectives similar to each other. Adviser expects that it or its personnel will in the future establish one or more additional investment Clients with investment objectives substantially similar to, or different (and potentially conflicting) from, those of the current Clients. Allocation of available investment opportunities between the Clients and any such investment fund or separate account client could give rise to conflicts of interest. See “*Allocation of Investment Opportunities Among Clients and Allocation of Co-Investment Opportunities*” above. Adviser may give advice or take actions with respect to, the investments of one or more Client that may not be given or taken with respect to other Clients with similar investment programs, objectives or strategies. As a result, Clients with similar strategies will not hold the same securities or achieve the same performance. In addition, a Client may not be able to invest through the same investment vehicles or have access to similar credit or utilize similar investment strategies as another Client. These differences will result in variations with respect to price, leverage and associated costs of a particular investment opportunity.

In addition, it is expected that Adviser Personnel responsible for managing a particular Client will have responsibilities with respect to other Clients and clients managed by Adviser, including Clients raised in the future or to proprietary investments made by Adviser and/or its principals of the type made by a Client. Conflicts of interest arise in allocating time, services or functions of these Adviser Personnel. Adviser Personnel have an incentive to allocate more time, services or functions to Clients from which such personnel derive a higher economic benefit and/or better performing Clients.

Adviser will, from time to time, consider, and reject an investment opportunity on behalf of one Client and, Adviser or an affiliate of Adviser may subsequently determine to have another Client make an investment in the same company. A conflict of interest arises because one Client will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by Adviser on behalf of the original Client considering the investment. In such circumstances, the benefitting Client or Clients will not be required to reimburse the original Client for expenses incurred in connection with researching such investment.

In addition, Adviser receives and generates various kinds of investment data and other information, including related to financial, industry, market, business operations, trends, budgets, customers, suppliers, competitors and other metrics. This information may, in certain instances, include material non-public information received or generated in connection with efforts on behalf of one Client’s investment (or prospective investment) in a portfolio company or property. As a result, Adviser is better able to anticipate macroeconomic and other trends, and otherwise develop investment strategies. Adviser has in the past and is likely in the future enter into information sharing and confidentiality arrangements with such investments and other sources of information that may limit the internal distribution and use of such data. Adviser has in the past and is likely in the future in certain instances to use this information in a manner that may provide a material benefit to Adviser, its affiliates, or to certain other Clients without compensating or otherwise benefitting the Client or Clients from which such information was obtained. In addition, Adviser may have an incentive to pursue investments based on the data and information expected to be received or generated. Adviser has in the past and is likely in the future to utilize such information to benefit Adviser, its Affiliates or certain Clients in a manner that may otherwise present a conflict

of interest resulting from the particular facts and circumstances but does not intend to specifically disclose such conflicts to the relevant Clients.

The Adviser and its affiliates from time to time also enter into formal or informal arrangements with portfolio investments to facilitate the sharing of data and/or data analytics. Subject to applicable legal, regulatory and contractual requirements, these information sharing arrangements are designed to allow the Adviser, the Clients and the Clients' portfolio companies to better discern economic or other trends and developments. The Adviser believes that all Clients benefit from these arrangements in ways that would be impossible without the ability to aggregate data from across the Adviser's businesses and the Clients' portfolio companies. However, information sharing may involve conflicts of interest between the Clients and/or between the Clients and the Adviser. For example, data analytics based on inputs from one portfolio company may inform business decisions by other portfolio investments, or investment decisions by the Adviser and its affiliates, without the source of the data being directly compensated. It is difficult, if not impossible, to measure exactly the benefits any particular entity receives from these kinds of arrangements, or to provide specific and direct monetary compensation for such information. Therefore, the Adviser and its affiliates may utilize such data outside of Client activities in a manner that may provide a material benefit to the Adviser, without directly compensating or otherwise benefiting the Clients. As a result, the Adviser may have an incentive to pursue investments (on its own behalf or on behalf of the Clients) based on the data that may be accessible as a result of owning such investments, and/or to utilize such data in a manner that benefits the Adviser and/or investments held by other Clients.

The Clients will, from time to time enter into borrowing arrangements that require the Clients to be jointly and severally liable for the obligations. If one Client defaults on such arrangement, the other Clients may be held responsible for the defaulted amount.

Follow-on Investments

Investments to finance follow-on acquisitions may present conflicts of interest, including determination of the equity component and other terms of the new financing as well as the allocation of the investment opportunities in the case of follow-on acquisitions by one client in a portfolio company in which another client has previously invested. In addition, a client will, from time to time, participate in leveraging and recapitalization transactions involving portfolio companies in which another client has already invested or will invest. Conflicts of interest arise, including determinations of whether existing investors are being cashed out at a price that is higher or lower than market value and whether new investors are paying too high or too low a price for the company or purchasing securities with terms that are more or less favorable than the prevailing market terms.

Conflicts Relating to the General Partner and Adviser

Adviser may, in its discretion, contract with any related person of Adviser (including but not limited to a portfolio company of a Client) to perform services for Adviser in connection with its provision of services to the Clients. When engaging a related person to provide such services, Adviser has an incentive to recommend the related person even if another person may be more qualified to provide the applicable services and/or can provide such services at a lesser cost.

In addition, Clients from time to time invest in securities of companies in which Adviser Personnel and other related persons of Adviser and its affiliates have previously invested for their own accounts. Furthermore, Adviser Personnel and other related persons of Adviser and its affiliates from time to time invest for their own accounts in securities of companies in which the Clients have previously invested. While the significant interests of the Adviser Personnel generally align the interest of such persons with the Clients, such persons may have differing interests from the Clients with respect to such investments (for example, with respect to the availability and timing of liquidity), creating conflicts of interest. There can be no assurance that the return of a Client participating in a transaction would be equal to and not less than another Client participating in the same transaction or that it would have been as favorable as it would have been had such conflicts not existed.

Adviser generally may, in its discretion, recommend to a Client or to a portfolio company thereof (in response to a solicitation for a recommendation or otherwise) that it contract for services with (i) Adviser or a related person of Adviser (including but not limited to a portfolio company of a Client) or (ii) an entity with which Adviser or its affiliates or a member of their personnel has a relationship or from which Adviser or its affiliates or their personnel otherwise derives financial or other benefit. When making such a recommendation, Adviser, because of its financial or other business interest, has an incentive to recommend the related or other person even if another person is more qualified to provide the applicable services and/or can provide such services at a lesser cost.

In addition, Adviser Personnel may also buy securities and hold interests as passive investors in other investment vehicles (including private equity funds, hedge funds, real estate funds and other similar investment vehicles) which may include potential competitors of the Clients and/or which may invest in similar industries and sectors as the Clients. Such Adviser Personnel have a conflict of interest with respect to their personal investment holdings. There could be situations in which such investment vehicles invest in the same portfolio companies as the Clients and there may be situations in which such investment vehicle purchases securities from, or sells securities to, a Client. The investment policies, fee arrangements and other circumstances of these investments may vary from those of the Clients. Such personnel may be incentivized to cause a Client to act in a manner that benefits such other investment vehicles and indirectly, themselves as investors in such investment vehicles.

Adviser Personnel have family members that are actively involved in industries and sectors in which the Client invest or have business, personal, financial or other relationships with companies in such industries and sectors (including service providers described below) or other industries, which gives rise to conflicts of interest. For example, such family members might be officers, directors, personnel or owners of companies which are actual or potential investments of the Clients or other counterparties of the Clients and the portfolio companies. Moreover, in certain instances, the Clients or the portfolio companies may purchase or sell companies or assets from or to, or otherwise transact with companies that are owned by such family members or in respect of which such family members have other involvement. In most such circumstances, the Clients' Organizational Documents will not preclude Clients from undertaking any of these investment activities or transactions.

Fee Structure

Because there is a fixed investment period after which capital from investors in the Clients will only be drawn down in limited circumstances and because Advisory Fees are, with respect to the Opportunities Funds and at certain times during the life of the CCEP Clients based upon capital invested by the Clients, this fee structure creates an incentive to deploy capital when Adviser would not otherwise have done so.

Additionally, as discussed above in Item 6, the General Partners of many Funds are entitled to Incentive Allocation under the terms of the Organizational Documents of such Funds. Such General Partners are affiliates of Adviser. The existence of the General Partners' Incentive Allocation creates an incentive for the General Partners to cause such Funds to make more speculative investments than they would otherwise make in the absence of performance-based compensation. However, the investment made by Adviser or its affiliates in a Fund, the clawback obligation of the General Partner (as described below) and the fact that the preferred return is calculated on an aggregate basis reduces the incentive to make speculative investments or otherwise time the sale of an investment in a manner motivated by the personal benefit of Adviser's personnel.

Pursuant to the Organizational Documents, the General Partner may be required to return excess amounts of Incentive Allocation as a "clawback". This clawback obligation may create an incentive for the General Partner to defer disposition of one or more investments or delay the liquidation of a Fund if the disposition and/or liquidation would result in a realized loss to the Fund or would otherwise result in a clawback situation for the General Partner.

In addition, the General Partner is incentivized to hold on to investments that have poor prospective for improvement in order to receive ongoing Advisory Fees in the interim and, potentially, a more likely or larger Incentive Allocation distribution if such asset's value appreciates in the future. This incentive is increased by the presence of the clawback obligation of the General Partner.

Fund Level Borrowing

The Funds from time-to-time borrow funds or enter into other financing arrangements for various reasons, including to pay fund expenses and liabilities, to pay management fees, to make or facilitate new or follow-on investments (including borrowings pending receipt of capital contributions from investors), to make payments under hedging transactions, to cover any shortfall resulting from an investor's default or exclusion. If a Fund borrows in lieu of calling capital to fund the acquisition of an investment, the borrowing would be used for all investors in such Fund on a pro-rata basis, including the General Partner.

To the extent, the Fund uses borrowed funds in advance or in lieu of capital contributions, the Fund's investors generally make correspondingly later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. As a result, the Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure investor cash flows) and generally make net IRR calculations higher than it otherwise would be without fund-level borrowing as these calculations generally depend on the amount and timing of capital contributions. It is expected that the interest will accrue on any such outstanding borrowings at a

lower rate than any preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the relevant Fund. Thus, while the Fund will bear the expense of borrowed funds, such borrowings can also increase the Incentive Allocation received by the Fund's General Partner by decreasing the amount of distributions from the Fund that are required to be made to Fund investors in satisfaction of any preferred return. The General Partner therefore has a conflict of interest in deciding whether to borrow funds because the General Partner may receive disproportionate benefits from such borrowings.

In addition, the batching of capital calls may amplify the magnitude of potential defaults by investors as a result of there being fewer but larger capital calls. To the extent a subscription facility is due upon demand by a lender (such as upon an event of default or otherwise), such a demand may be issued at an inopportune time at which liquidity is generally constrained, potentially resulting in greater defaults as a result of such liquidity constraints and/or investors facing similar capital calls in multiple funds and being unable to satisfy all such demands simultaneously. Moreover, the existence of a subscription facility may impair an investor's ability to transfer its interest in a Fund as a result of restrictions imposed on such transfers by the lender.

Borrowing by the Fund will generally be secured by capital commitments made by the investors to the Fund and/or by the Fund's assets, and documentation relating to such borrowing may provide that during the continuance of a default under such borrowing, the interests of the investors may be subordinated to such Fund-level borrowing. Moreover, tax-exempt investors should note that the use of borrowings by the Fund may cause the realization of "Unrelated Business Taxable Income".

Diverse Membership

The investors in the Funds are expected to include U.S. taxable and tax-exempt entities, and institutions from jurisdictions outside of the United States. Such investors often have conflicting investment, tax and other interests with respect to their investments in a Fund. The conflicting interests among the investors generally relate to or arise from, among other things, the nature of investments made by a Fund, the structuring of the acquisition of investments and the timing of the disposition of investments. As a consequence, conflicts of interest arise in connection with decisions made by Adviser or its affiliates, including with respect to the nature or structuring of investments, that are more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for a Fund, Adviser and its affiliates will consider the investment and tax objectives of the applicable Fund, not the investment, tax or other objectives of any investor individually.

Business with and Among Portfolio Companies and Investors

Given the collaborative nature of Adviser's business and the portfolio companies in which the Clients have invested, there are often situations where Adviser is in the position of recommending the services of a portfolio company to other portfolio companies of the Clients or, which may involve fees, commissions, servicing payments and/or discounts to Adviser, an affiliate, or a portfolio company. Adviser will generally have a conflict of interest in making such recommendations, in that Adviser has an incentive to maintain goodwill between it and the existing

and prospective portfolio companies for the Clients, while the products or services recommended may not necessarily be the best available to the portfolio companies held by the Clients. The benefits received by a portfolio company providing a service may be greater than those received by the Client(s) and its portfolio companies receiving the service.

Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors in the Clients, certain Third Parties, or their related businesses to the Clients or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Clients or the portfolio companies.

Portfolio companies controlled by a Client may provide services to certain Client investors or prospective investors. Adviser has an incentive to cause the portfolio company to favor itself or those investors or prospective investors relative to other portfolio company clients or customers in terms of pricing or otherwise, which could adversely affect the portfolio company's profitability to the Client. Additionally, the portfolio company could recommend to its clients or customers that they invest in a Client.

Current and former officers and executives of portfolio companies may also invest in a Client. While Adviser believes this aligns portfolio company management teams with the best interests of the Client, Adviser may, in certain circumstances, be incentivized to take (or refrain from taking) certain actions with respect to a portfolio company in order to maintain the goodwill with such portfolio company management team investor.

In addition, certain portfolio companies controlled by a Client may engage in activities that could adversely affect another Client and/or its portfolio company, including, for instance, as a result of laws and regulations or certain jurisdictions (such as bankruptcy, environmental, consumer protection and/or labor or union laws) that may not recognize or permit the segregation of assets and liabilities between separate entities. Such jurisdictions may also allow for recourse against assets that are under common control with, or part of the same economic group as the entity has incurred the liability. This may result in the assets of a Client and/or portfolio company being used to satisfy the obligations or liabilities of another Client or its portfolio company.

Adviser and/or its affiliates may engage in business opportunities arising from a Client's investment in a portfolio company (for example, without limitation, entering into a joint venture with a portfolio company or making a proprietary investment in a portfolio company). This creates a conflict of interest, as such interests are a benefit arising from the Client's investment and may vary from the applicable Client's interest (e.g., whether to make a follow-on investment and, if so, how much should be allocated to the Client).

In certain instances, a Client's portfolio company competes with, is a customer of, or is a service provider to, another Client's portfolio company. In providing advice to a portfolio company's business, Adviser may consider the interests of one portfolio company or Client and is not obligated to, and need not, take into consideration the interests of other relevant portfolio companies or Clients. As a result, a conflict of interest may arise in these instances because advice and recommendations provided by Adviser to a portfolio company may have adverse consequences to a separate portfolio company owned by another Client. The performance and operations of a competitor, customer or service provider portfolio company could conflict with,

and adversely affect the performance and operations of another portfolio company, or could adversely affect prices, business opportunities or potential acquisition opportunities. For instance, a portfolio company may seek to expand its market share at the expense of another portfolio company, withdraw business from another portfolio company in favor of another company offering the same product or service at a lower price, increase its own prices, purchase assets from, or sell assets to, another portfolio company, commence litigation against another portfolio company, or prevent one portfolio company from commencing litigation against another portfolio company.

A Client's portfolio companies may be counterparties or participants in agreements, transactions or other arrangements with portfolio companies of other Clients managed by Adviser that, although Adviser determines to be consistent with the requirements of such Clients' Organizational Documents, may not have otherwise been entered into but for the affiliation with Adviser, and which may provide economic or other benefits to affiliates of Adviser that are not subject to the Advisory Fee offset provisions described herein. For example, Adviser may in the future cause portfolio companies to enter into agreements regarding group procurement (which may depend on the volume of services purchased under these agreements and which may be pooled across multiple portfolio companies and discounted due to scale), benefits management, data management and/or mining, technology development, purchase or title and/or other insurance policy (which may be pooled across multiple portfolio companies and discounted to scale) and other similar operational initiatives that may result in fees, better pricing, rebates, servicing payments, commissions or similar payments and/or discounts being paid to Adviser, its affiliates or a portfolio company, including related to a portion of the savings achieved by the portfolio company. While Adviser may have a conflict of interest because its economic benefit may incentivize Adviser to maintain such arrangements, Adviser believes that such agreements benefit the portfolio companies due to increased access to quality products and services at beneficial pricing and Adviser's benefits from such arrangements are reduced because Adviser only benefits on at the same rate as the portfolio companies. However, it should not be assumed that a company related to, or otherwise affiliated with Adviser will only take actions that are beneficial to, or not opposed to, the interests of a Client and its portfolio companies.

Adviser and its affiliates have in the past and may, from time to time hire part-time or full-time employees (including interns) who are relatives of, or are otherwise associated with an investor, portfolio company, former portfolio company, investment target, or service provider. Although Adviser uses reasonable care to mitigate any potential conflicts of interest with respect to each particular situation, there is no guarantee Adviser can control all such conflicts of interest and there may be a continuing appearance of a conflict of interest (including, for instance, preferential hiring practices).

While less common, from time to time a Client could hold an investment in a different layer of the capital structure than an investor or another party with which Adviser has a material relationship, in which case Adviser could have an incentive to cause the Client or the portfolio company to offer more favorable terms to such parties (including, for instance, financing arrangements).

Service Providers

Services required by a Client (including some services historically provided by Adviser or its affiliates to the Clients) may, for certain reasons including efficiency and economic considerations be outsourced in whole or in part to third parties or licensed software, in each case in the discretion of Adviser or its affiliates. This creates a conflict of interest because Adviser and its affiliates have an incentive to outsource such services at the expense of the Clients to, among other things, leverage the use of Adviser personnel. Such services may include, without limitation, deal sourcing, asset management, information technology, licensed software, depository, data processing, client relations, administration, custodial, marketing and marketing-reviews, accounting, valuation, legal, human resources, client services, compliance, corporate secretarial and tax support, director services and other similar services. Outsourcing may not occur universally for all Clients and accordingly, certain costs may be incurred by a Client for a third-party service provider that is not incurred for comparable services by other Clients. The decision by Adviser to initially perform a service for a Client in-house does not preclude a later decision to outsource such services (or any additional services) in whole or in part to a third-party service provider in the future and the Adviser has no obligation to inform such Clients or investors of such a change. In addition, certain internal service providers (such as internal accountants) may “shadow” or otherwise review the reports of other services provided by such third parties. The costs and expenses of any such third-party service providers will be borne by the relevant Clients.

Adviser and/or its affiliates may engage certain service providers to provide services to Adviser, the Clients and/or the portfolio companies, including services during the due diligence and acquisition process. Such service providers or their affiliates are, in certain circumstances, investors in a Client or affiliates of such investors and may include, for example, investment or commercial bankers, outside legal counsel pension consultants and/or other investors who provide services (including mezzanine and/or other lending arrangements). The engagement of any such service provider may be concurrent with an investor’s admission to a Client, or during the term of such investor’s investment in the Client. This creates a conflict of interest, as Adviser may give such investor preferred economics or other terms with respect to its investment in a Client, enhanced information rights, or may have an incentive to offer such investor co-investment opportunities that it would not otherwise offer to such investor. In addition, Adviser will have a conflict of interest in recommending the retention or continuation of a service provider to the Clients or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Clients or will provide Adviser information about markets and industries in which Adviser operates., will provide other services that are beneficial to Adviser and/or will provide financial sponsorship of events held by Adviser (such as transaction closing dinners or outings, or informational summits or training events for Adviser or portfolio company personnel). Adviser generally has an incentive to recommend the products or services of certain investors or prospective investors in the Clients to the Clients or their portfolio companies for use or purchase, even though the products or services recommended may not necessarily be the best available to the Clients or the portfolio companies.

Additionally, Adviser Personnel or its affiliates, and/or their family members or relatives may have ownership, employment, or other interests in such service providers. These relationships that an Adviser may have with a service provider can influence Adviser in determining whether to select or recommend such service provider to perform services for a Client or a portfolio company.

Adviser will have a conflict of interest with the Clients in recommending the retention or continuation of a service provider to the Clients or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider will continue to invest in Clients or will provide Adviser information about markets and industries in which Adviser operates or is interested or will provide other services that are beneficial to Adviser. In rare instances, Adviser may select service providers that it believes will enhance portfolio company performance (and, in turn, the performance of the relevant Client(s)), there is a possibility that Adviser, because of financial, business interest, or other reasons, may favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. There will be situations in which Adviser receives more favorable service rates or arrangements than the Clients or their portfolio companies.

Certain other service providers to the Adviser, the Clients and/or the portfolio companies, or affiliates of such service providers, may also provide goods or services to or have business, personal, financial or other relationships with the Adviser, its affiliates, or their respective portfolio companies. Such service providers (or their employees) may also source of investment opportunities, be co-investors or commercial counterparties or entities in which the Adviser and/or the Clients have an investment, and payments by a Client and/or such portfolio companies may indirectly benefit the Adviser and/or such Client.

Adviser or its affiliates and service providers, often charge varying amounts or may have different fee arrangements for different types of services provided. For instance, fees for various types of work often depend on the complexity of the matter, the expertise required, and the time demands of the service provider. As a result, to the extent the services required by Adviser or its affiliates differ from those required by the Clients and/or its portfolio companies, Adviser and its affiliates will pay different rates and fees than those paid by the Clients and/or its portfolio companies.

The Adviser or its affiliates engage certain service providers (including law firms) on behalf of the Clients and personnel of such service provider have in the past and may in the future be seconded to the Adviser or its affiliates on a temporary basis or serve in an internship capacity, pursuant to various arrangements including at cost or at no cost. The Adviser is, from time to time, a beneficiary of these arrangements as well. Such personnel may provide services in respect of multiple matters, including in respect of matters related to the Adviser, its affiliates and/or portfolio companies and in any such circumstance the benefits or costs of any such personnel will be allocated in the Adviser's discretion taking into consideration the usage of such personnel. The Advisory Fee will not be offset or reduced as a result of these arrangements or any fees, expense reimbursements or other costs related thereto. In such circumstances, a conflict of interest exists because the Adviser or its affiliates have an incentive to select one service provider over another on the basis that the Adviser or its affiliates may receive the benefit of seconded employees from such service provider, particularly where the compensation and expenses for such personnel during the secondment is borne by the service provider and not the Adviser or its affiliates.

Positions with Portfolio Companies

Adviser Personnel may serve as directors of, or observers on boards with respect to, certain portfolio companies. Some or all of the fees for serving as directors may be offset against the Advisory Fee payable by the Client - the actual portion varies from Client to Client. While conflicts

of interest may arise in the event that such Adviser Personnel's fiduciary duties as a director conflicts with those of the Client, it is expected that the interests will generally be aligned. For instance, such positions could impair the ability of a Client to sell the securities of an issuer in the event a director receives material non-public information by virtue of his or her role, which would have an adverse effect on the Client. Furthermore, an Adviser Personnel serving as a director to a portfolio company owes a fiduciary duty to the portfolio company, on the one hand, and the relevant Client, on the other hand, and such Adviser Personnel may be in a position where they must make a decision that is either not in the best interest of the Client, or is not in the best interest of the portfolio company. Adviser Personnel serving as directors may make decisions for a portfolio company that negatively impact returns received by a Client investing in the portfolio company. In addition, to the extent an Adviser Personnel serves as a director on the board of more than one portfolio company, such Adviser Personnel's fiduciary duties among the two portfolio companies may create a conflict of interest.

In addition, employees of Adviser may leave the employment of Adviser or its affiliates and become an officer or employee of a portfolio company. Employees are prohibited from receiving consulting, management or Other Fees personally from portfolio companies.

Decisions made by a director may subject Adviser, its affiliates or a Client 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. In general, the Clients will indemnify the Adviser and their partners, principals and employees from such claims.

In addition, the employees of the Adviser serving as directors may make decisions for a portfolio company that negatively impacts returns received by a Client investing in the portfolio company.

From time to time employees of Adviser may also be asked to serve as directors of, or observers with respect to, certain entities in which a Client has fully exited its ownership interest and/or following the termination of such employee's employment with Adviser. In such circumstances, any compensation received by with respect to such exited investment and/or by such former Adviser employee is not subject to the Advisory Fee offset described above, or otherwise shared with the Clients and/or investors.

Certain personnel of the Adviser or its affiliates may also be temporarily seconded to or otherwise engaged by certain portfolio companies on either a full-time or a part-time basis to provide services to such portfolio companies. In such instances, the portfolio companies will pay such person's directors' fees, salaries, consultant fees, other cash compensation, stock options, other equity grants or other compensation and incentives and may reimburse the Adviser or such persons for any travel costs or other out-of-pocket expenses incurred in connection with the provision of their services. The Adviser may also advance compensation to seconded employees and be subsequently reimbursed by the applicable portfolio companies. Any compensation customarily paid directly by the Adviser or its affiliates to such persons will typically be reduced to reflect amounts paid directly or indirectly by the portfolio company even though the Advisory Fee paid or Incentive Allocation distributed by the Client to the Adviser will not be reduced. Any amounts paid to such persons by a portfolio company (or paid by the Adviser and reimbursed by a portfolio company) will not be treated as expenses to be borne by the Client and will not reduce the Advisory Fee otherwise payable to the Adviser or any Incentive Allocation otherwise payable to the Adviser.

or its affiliates. All or a portion of any such compensation and incentives will be borne by the Client, directly or indirectly, via its ownership interest in such portfolio company. In certain instances, whether an individual who provides services to a portfolio company should be characterized as an industry specialist, an employee or former employee of the Adviser, or a seconded employee may be unclear. In such cases, the Adviser will make a determination in good faith based on its evaluation of the relevant facts and circumstances.

Side Letter Agreements; Advisory Board Rights

Adviser often enters into certain side letter arrangements with certain investors in a Fund providing such investors with different or preferential rights or terms, including but not limited to different fee structures, and other preferential economic rights, information and reporting rights, excuse or exclusion rights, waiver of certain confidentiality obligations, co-investment rights, certain rights or terms necessary in light of particular legal, regulatory or policy requirements of a particular investor, additional obligations and restrictions with respect to structuring particular investments in light of the legal and regulatory considerations applicable to a particular investor, veto rights and liquidity or transfer rights. Except as otherwise agreed with an investor, Adviser (or applicable General Partner) is not required to disclose the terms of side letter arrangements with other investors in the same Fund. In addition, side letter arrangements with certain investors of the Funds impose additional restrictions on investing in certain types of assets, geographies or industries in order to meet certain legal, tax, regulatory, internal policy or other requirements of such investors. While these restrictions are intended to apply solely to such investors, they may ultimately restrict the investments made by an applicable Fund.

Many of the Funds have established an advisory board, consisting of representatives of investors. A conflict of interest may exist when some, but not all investors are permitted to designate a member to the advisory board. The advisory board may also have the ability to approve conflicts of interests with respect to Adviser and the applicable Fund, which could be disadvantageous to the investors, including those investors who do not designate a member to the advisory board because those designating investors will, for instance, have greater information rights. Representative of the advisory board may have various business and other relationships with Adviser and its partners, employees and affiliates. These relationships may influence the decisions made by such members of the advisory board. Additionally, certain members of a Fund's advisory board are, or in the future may be, officers or directors of, or otherwise affiliated with, investors in a Fund. The General Partner of a Fund may from time to time utilize the services of investors and their affiliates on an arm's length basis, as it deems appropriate.

In addition, members of one Fund's advisory board may also be a member of another Fund's advisory board. In such instances, a conflict of interest exists because the Funds on which such overlapping advisory board members may have conflicting interests and such advisory board members may be requested to provide their consent with respect to such conflicts of interest and will not recuse themselves from any such vote.

Other Potential Conflicts

The Organizational Documents of a Client establish complex arrangements among the Clients, Adviser, investors, and other relevant parties. From time to time, questions may arise regarding

certain parties' rights and obligations in certain situations, some of which may not have been contemplated upon the negotiation and execution of such documents. In some instances, the operative provisions of the Organizational Documents, if any, may be broad, unclear, general, conflicting, ambiguous, and vague and may allow for multiple reasonable interpretations. In other instances, there may not be a directly applicable provision. While Adviser will construe the relevant provisions in good faith and in a manner consistent with its fiduciary duty and legal obligations, the interpretations used may not be the most favorable to a Client or its investors.

Adviser and the Clients will generally engage common legal counsel and other advisers in a particular transaction, including a transaction in which there may be conflicts of interest. Members of the law firms engaged to represent the Clients may be investors in a Client and may also represent one or more portfolio companies or investors in a Client. However, such law firms generally do not represent the investors as a group. In the event of a significant dispute or divergence of interest between Clients, Adviser and/or its affiliates, the parties may engage separate counsel in the sole discretion of Adviser and its affiliates and/or investors, and in litigation and other circumstances separate representation may be required. Additionally, Adviser and the Clients and the portfolio companies of the Clients will, from time to time engage other common service providers. In certain circumstances, the service provider may charge varying rates or engage in different arrangements for services provided to Adviser, the Clients, and/or the portfolio companies. This may result in Adviser receiving a more favorable rate on services provided to it by such a common service provider than those payable by the Clients and/or the portfolio company, or Adviser receiving a discount on services even though the Clients and/or the portfolio companies receive a lesser, or no, discount. This creates a conflict of interest between Adviser, on the one hand, and the Clients and/or portfolio companies, on the other hand, in determining whether to engage such service providers, including the possibility that Adviser will favor the engagement or continued engagement of such persons if it receives a benefit from such service providers, such as lower fees, that it would not receive absent the engagement of such service provider by the Clients and/or the portfolio companies. Neither the Clients nor investors in the Clients will receive the benefit of any such favorable rate or discount provided to the Adviser, its personnel or its affiliates, and the Advisory Fee paid by any Client will not be reduced in connection with such favorable rate or discount.

The Adviser and its personnel have in the past and may, from time to time in the future, receive certain intangible and/or other benefits and/or perquisites arising or resulting from their activities on behalf of a Client, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Client expenses may result in "miles" or "points" or credit in loyalty/status programs to the Adviser and/or its personnel, and such benefits, rewards and/or amounts (whether or not *de minimis* or difficult to value), will exclusively benefit the Adviser and/or such personnel even though the cost of the underlying service is being borne by the Clients, its investors and/or the portfolio companies. Any such benefits, rewards and/or amounts will not be subject to the offset arrangements described above or otherwise shared with such Client, its investors and/or the portfolio companies. In addition, airline travel incurred as a Client expense for an Adviser personnel travelling for appropriate Client-related purposes (including, without limitation, travel related to a portfolio company, a prospective portfolio company or other Client-related matter) may benefit such Adviser personnel to the extent the trip also serves a personal purpose.

Adviser may, in its discretion, have, and may, in its discretion, cause the Clients and/or their portfolio companies to have, ongoing business dealings, arrangements or agreements with persons who are former employees or executives of Adviser. The Clients and/or their portfolio companies may bear, directly or indirectly, the costs of such dealings, arrangements or agreements. In such circumstances, there may be a conflict of interest between Adviser and the Clients (or their portfolio companies) in determining whether to engage in or to continue such dealings, arrangements or agreements, including the possibility that Adviser may favor the engagement or continued engagement of such persons even if a better price and/or quality of service could be obtained from another person.

Investors may be introduced to Adviser, or may be brought in a Client, by a third-party consultant from which Adviser, or a related person, purchases products and to which Adviser or a related person may make payments, including in connection with conferences sponsored or hosted by the third-party consultant.

Adviser may cause one or more Clients to purchase, and/or bear premiums, fees, costs and expenses (including any expenses or fees of insurance brokers) for insurance to insure the applicable Clients, the applicable General Partner, Adviser and/or their respective directors, officers, employees, agents, representatives, members of the advisory board and other indemnified parties, against liability in connection with the activities of the Clients. This may include a portion of any premiums, fees, costs and expenses for one or more “umbrella” or other insurance policies maintained by Adviser that cover one or more Clients and/or Adviser (including their respective directors, officers, employees, agents, representatives, members of the advisory board and other indemnified parties). Adviser will make judgments about the allocation of premiums, fees, costs and expenses for such “umbrella” or other insurance policies among one or more Clients, and/or Adviser on a fair and reasonable basis, and may make corrective allocations should it determine subsequently that such corrections are necessary or advisable. There can be no assurance that a different allocation would not result in a Client bearing less (or more) premiums, fees, costs and expenses for insurance policies.

A Client may invest in a pooled investment vehicle that is advised by, or that has another business or other relationship with, Adviser or its related persons. In such a case, investors in such Client will bear not only the direct management fees and other expenses associated with their investment in the Client, but also the expenses and fees associated with the investment in the underlying pooled investment vehicle, some of which fees and expenses may be paid to Adviser or its related persons. Additionally, the interests of the Client, as an investor, may conflict with the interests of the underlying pooled investment vehicle or Adviser or its related persons in their capacity as service providers to the underlying pooled investment vehicle, which would create a conflict of interest for Adviser.

The Organizational Documents of certain Funds permit each such Fund’s General Partner to withhold information from certain investors or investors in such Fund in certain circumstances. For instance, information will typically be withheld from investors that are subject to Freedom of Information Act or similar requirements. As a result, the General Partner will often elect to withhold certain information to such investors for reasons relating to the General Partner’s public reputation or overall business strategy, despite the potential benefits to such investors of receiving such information.

The Organizational Documents of certain Funds permit the Adviser, each such Fund's General Partner, or their affiliates, to lend money to the applicable Fund. Such lending arrangements create conflicts of interest between the Adviser or the applicable General Partner or affiliate, on the one hand, and such Fund, on the other hand, acting as borrower.

In resolving these and other conflicts, Adviser may consider various factors, including the interests of the applicable Clients with respect to the immediate issue and/or with respect to their longer-term courses of dealing. In the case of all conflicts involving the Clients or other persons, Adviser's determination as to which factors are relevant, and the resolution of such conflicts, will be made in Adviser's sole discretion. Please see the discussion above under the sub-heading "Resolution of Conflicts" for a description of the means by which Adviser and its related persons may seek to alleviate conflicts of interest among the Clients or other persons.

Item 12. Brokerage Practices

As Clients invest primarily in private equity ventures, Adviser anticipates that investments in publicly traded securities will be infrequent occurrences (e.g., money market instruments pending investment in a portfolio company, securities held as a result of initial public offerings of portfolio companies, going-private transactions, etc.). However, to meet its fiduciary duties to the Clients, Adviser has adopted written policies to address issues that might arise with respect to purchasing, holding, and selling publicly traded securities.

Selection of Brokers and Dealers

For each of the Clients, Adviser has, (and with respect to the Funds subject to the direction of such Fund's General Partner, if applicable), sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker or dealer, if any, to be used to effect transactions. In placing each transaction for a Client involving a broker-dealer, Adviser will seek "best execution" of the transaction. "Best execution" means obtaining for a Client account the lowest total cost (in purchasing a security) or highest total proceeds (in selling a security), taking into account the circumstances of the transaction and the reputability and reliability of the executing broker or dealer. Best execution is not limited solely to the consideration of best available commission rates.

In determining whether a particular broker or dealer is likely to provide best execution in a particular transaction, Adviser takes into account all factors that it deems relevant to the broker's or dealer's execution capability, including, by way of illustration, price, the size of the transaction, the nature of the market for the security, the amount of the commission, the timing of the transaction taking into account market prices and trends, the reputation, experience and financial stability of the broker or dealer, and the quality of service rendered by the broker or dealer in other transactions. In addition, Adviser may consider the use of Electronic Communications Networks when placing trades on behalf of the Clients. When purchasing or selling over-the-counter securities with market makers, Adviser generally seeks to select market makers it believes to be actively and effectively trading the security being purchased or sold.

Adviser does not receive "soft dollars" in connection with its use of broker-dealers.

Aggregation of Trades

Adviser and its affiliates may aggregate (or bunch) the orders of more than one Client for the purchase or sale of the same publicly traded security. Adviser often employs this practice because larger transactions can enable them to obtain better overall prices, including lower commission costs or mark-ups or mark-downs. Adviser and its affiliates may combine orders on behalf of Clients with orders for other Clients for which it or its affiliates have trading authority, or in which it or its affiliates have an economic interest. In such cases, Adviser and its affiliates generally aggregate trade orders for publicly traded securities so that each participating Client will receive the average price for each execution of a transaction.

If an order for more than one Client for a publicly traded security cannot be fully executed, allocation shall be made based upon Adviser's procedures for allocation of investment opportunities, as described in Item 11 above.

Item 13. Review of Accounts

Oversight and Monitoring

The investment portfolios of the Clients are generally private, illiquid and long-term in nature, and accordingly Adviser's review of them is not directed toward a short-term decision to dispose of securities. However, Adviser is proactive in monitoring investments. For Partnership Investments, the team continually monitors private equity funds activities, reviewing investor reports and attending annual meetings. The Investment Partners strive to meet with the fund managers in person at least once a year, outside of the annual meetings. In addition, Adviser has a history of obtaining advisory board seats with a majority of its Partnership Investments. The monitoring procedures for Partnership Investments will include:

- Quarterly valuations
- Periodic verification of compliance with investment terms and conditions
- Periodic on-site visits to, and interviews with, the fund managers
- Informal meetings
- Representation on partnership advisory boards and valuation committees, and attendance at investment meetings and other meetings where appropriate
- Review of fund managers procedures for reporting significant adverse operational, financial or legal developments
- Analysis of the valuation information provided by fund managers

For Direct Investments, Adviser will receive periodic reports from the lead manager of the transaction. Adviser has received board observation rights on a significant number of Direct Investments. Adviser will continue to seek board observation rights on Direct Investments. In this manner, the Investment Partners monitor any developments at the underlying companies and work closely with the General Partner to arrive at a successful realization. Monitoring procedures for Direct Investments will include:

- Periodic independent valuation
- Periodic review of performance against budget and bank covenants
- Attendance at annual meetings and investor meetings
- Periodic on-site visits and meetings with management
- Board representation

For Opportunities Investments, Adviser will receive periodic reports from the issuer. In certain cases, Adviser may receive board representation, observation or other governance rights on significant investments. Monitoring procedures for Opportunities Investments will include:

- Periodic independent valuation
- Periodic review of performance against budget and bank covenants

- Participation at lender / bondholder meetings and earnings calls, as available
- Periodic on-site visits and meetings with management
- In certain cases, board representation, observer, or other governance rights

Upon receiving notification of a completed investment, a member of Adviser's investment administration group will monitor the transaction along with Adviser's third-party administrator. Any material issues relating to the investment will be discussed at the weekly meetings. Throughout the monitoring process, the deal team will investigate all realization opportunities that may arise. Exit planning issues are discussed at the weekly management meetings.

Reporting

Investors in the Funds typically receive, among other things, a copy of audited financial statements of the relevant Fund within 180 days after the fiscal year end of such Fund, as well as quarterly performance reports within 90 days after each fiscal quarter end or as soon as practical thereafter. Adviser and the applicable General Partner, if any, will from time to time, in their sole discretion, provide additional information relating to such Fund to one or more investors in such Fund as they deem appropriate.

Separate Accounts will typically negotiate reporting requirements specific to their account. In the event of individually negotiated terms for a Separate Account, the Adviser will provide the reporting mutually agreed to by the parties as described in their Organizational Documents of such Separate Account.

Item 14. Client Referrals and Other Compensation

For details regarding economic benefits provided to Adviser by non-clients, including a description of related material conflicts of interest and how they are addressed, please see Item 11 above. In addition, Adviser and its related persons may receive discounts on products and services provided by portfolio companies and/or the customers or suppliers of such portfolio companies.

While not a client solicitation arrangement, Adviser notes that it may from time to time engage one or more persons to act as a placement agent for a Fund in connection with the offer and sale of interests to certain potential investors. Such persons generally will receive a fee in an amount equal to a percentage of the capital commitments for interests made by such potential investors to such Fund that are subsequently accepted. Such Fund will, subject to any limitations set forth in its Organizational Documents, reimburse such fees. Advisory Fees received by Adviser are generally reduced by the amount of such fees paid by the Fund.

Item 15. Custody

Item 15 is not applicable to Adviser.

Item 16. Investment Discretion

With respect to the Funds, investment advice is provided directly to the Funds, subject to the direction and control of the General Partner of each Fund, and not individually to the investors in the Funds. Except as noted below, Adviser performs the day-to-day investment operations of each Client in accordance with the terms and conditions of the Advisory Agreement (and, to the extent applicable, the Organizational Documents) of each such Client. The terms of these documents are generally established at the time of the formation of the applicable Client and are the result of negotiations with certain potential investors in the applicable Client. Investment restrictions for the Clients, if any, are generally established in the Organizational Documents of the applicable Client.

Co-investment vehicles are generally established in order to invest alongside or in the place of one or more Clients in a particular investment opportunity, and Adviser typically has no discretion to manage securities accounts on behalf of co-investment vehicle independent of its authority in connection with the Client.

Item 17. Voting Client Securities

Adviser has established written policies and procedures setting forth the principles and procedures by which Adviser votes or gives consent with respect to securities owned by the Clients (the “Votes”). The guiding principle by which Adviser votes all Votes is to vote in the best interests of each Client by maximizing the economic value of the relevant Client’s holdings, taking into account the relevant Client’s investment horizon, the contractual obligations under the relevant Advisory Agreements or comparable documents, and all other relevant facts and circumstances the Adviser determines to be appropriate at the time of the vote. Adviser does not permit Voting decisions to be influenced in any manner that is contrary to, or dilutive of, this guiding principle.

It is Adviser’s general policy to vote or give consent on all matters presented to security holders in any Vote. However, Adviser reserves the right to abstain on any particular Vote or otherwise withhold its vote or consent on any matter if, in the judgment of the Managing Partners or the relevant Adviser investment professional, the costs associated with voting such Vote outweigh the benefits to the relevant Clients or if the circumstances make such an abstention or withholding otherwise advisable and in the best interests of the relevant Clients.

Clients generally cannot direct Adviser’s Vote in a particular solicitation.

All Voting decisions initially are referred to the investment committee or appropriate investment professional for a voting decision. In most cases, the investment committee, Managing Partners or investment professional covering the particular investment will make the decision as to the appropriate vote for any particular Vote. In making such decision, he or she may rely on any of the information and/or research available to him or her. If the investment professional is making the Voting decision, the investment professional will inform the investment committee, the Managing Partners and the CCO of any such Voting decision, and if the investment committee or Managing Partners do not object to such decision as a result of his or her conflict of interest review, the Vote will be voted in such manner. If the investment professional and the Managing Partners are unable to arrive at an agreement as to how to vote, then the Managing Partners may consult with Adviser’s investment committee as to the appropriate vote, who will then review the issues and arrive at a decision based on the overriding principle of seeking the maximization of the economic value of the relevant Clients’ holdings.

The CCO has the responsibility to monitor Votes for any conflicts of interest, regardless of whether they are actual or perceived. All Voting decisions will require a mandatory conflicts of interest review by the CCO in accordance with these policies and procedures, which will include consideration of whether Adviser or any investment professional or other person recommending how to vote and/or Adviser’s affiliates and their clients has an interest in how the Vote is voted that may present a conflict of interest. In addition, all Adviser investment professionals are expected to perform their tasks relating to the voting of Votes in accordance with the principles set forth above, according the first priority to the best interest of the relevant Clients. The CCO will use his or her best judgment to address any such conflict of interest and ensure that it is resolved in accordance with his or her independent assessment of the best interests of the Clients.

Where the CCO deems appropriate in his or her sole discretion, unaffiliated third parties may be used to help resolve conflicts. In this regard, the CCO shall have the power to retain independent

fiduciaries, consultants, or professionals to assist with Voting decisions and/or to delegate voting or consent powers to such fiduciaries, consultants, or professionals.

Copies of relevant proxy logs, identifying how proxies were voted in connection with a Client and copies of proxy voting policies are available to any client or prospective client upon written request to: Constitution Capital Equity Partners LP: Attention Chief Compliance Officer.

Item 18. Financial Information

Item 18 is not applicable to Adviser.

Item 19. Requirements for State-Registered Advisers

Item 19 is not applicable to Adviser.