

(Item 1. Cover Page.)

Form ADV: Part 2A
Investment Adviser Brochure
SEC File Number 801-111835

RCP Advisors 2, LLC
4514 Cole Avenue, Suite 1600
Dallas, Texas 75205

RCP Advisors 3, LLC
353 N. Clark Street, Suite 3500
Chicago, Illinois 60654-4708
Telephone: (312) 266-7300

www.rcpadvisors.com

September 30, 2021

This brochure provides information about the qualifications and business practices of RCP Advisors 2, LLC and RCP Advisors 3, LLC. If you have any questions about the contents of this brochure, please contact us at (312) 266-7300 or compliance@rcpadvisors.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

RCP Advisors 2, LLC and RCP Advisors 3, LLC are registered investment advisers. Registration of an Investment Adviser does not imply any level of skill or training.

Additional information about RCP Advisors 2, LLC and its private capital unit business line (the “Private Capital Unit”) and the Private Capital Unit’s separate, standalone brochure (the “PCU Brochure”), is available at www.adviserinfo.sec.gov. In addition, further information about RCP Advisors 2, LLC and its relying advisers, Hark Capital Advisors LLC and Bonaccord Capital Advisors LLC (the “HB Units”) and the HB Units’ separate, standalone brochure (the “HB Brochure”), is available at www.adviserinfo.sec.gov.

This brochure does not constitute an offer or a solicitation of an offer to buy shares or interests in any investment fund sponsored, managed or advised by RCP Advisors 2, LLC or RCP Advisors 3, LLC. An offer to buy shares or interests of those funds can be made only to qualified investors by way of the approved offering materials for those funds and only in jurisdictions in which such offer will comply with applicable rules and regulations.

(Item 2. Material Changes.)

Summary of Material Changes

RCP Advisors 2, LLC (“RCP 2”) and RCP Advisors 3, LLC (“RCP 3” and together with RCP 2, “RCP”, “our” and “we”) last filed our annual updating amendment on March 30, 2021. The following material changes have been made to RCP’s brochure since our last update to reflect that Bonaccord and Hark will become relying advisers of RCP 2 following their acquisition from Aberdeen Standard Investments on or about September 30, 2021. This Brochure has been updated to address the HB Units where applicable.

TABLE OF CONTENTS

	Page
Advisory Business	4
Fees and Compensation	7
Performance-Based Fees and Side-By-Side Management	14
Types of Clients	17
Methods of Analysis, Investment Strategies and Risk of Loss.....	18
Disciplinary Information.....	30
Other Financial Industry Activities and Affiliations	31
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	34
Brokerage Practices	36
Review of Accounts.....	39
Client Referrals and Other Compensation	41
Custody	42
Investment Discretion	43
Voting Client Securities.....	44
Financial Information.....	45

Advisory Business

Item 4 Advisory Business

RCP Advisors 2, LLC (“RCP 2”) and RCP Advisors 3, LLC (“RCP 3” together with RCP 2, “RCP” or the “firm”), each a Delaware limited liability company, are investment advisers registered with the Securities and Exchange Commission under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). RCP 3 is a relying adviser of RCP 2. RCP 2 and RCP 3 each operate as indirect wholly-owned subsidiaries of P10 Holdings, Inc. (formerly known as P10 Industries, Inc.), a publicly held company (“P10”). Members of RCP’s senior management hold interests in P10.

RCP 3 is headquartered in Chicago, Illinois. RCP 2 is headquartered in Dallas, Texas. RCP has satellite offices in Newport Beach, California and Bethesda, Maryland.

RCP is affiliated and shares common officers and directors with RCP Advisors, LLC (“RCP 1”), which is separately registered as an investment adviser with the SEC. The senior management of RCP also serves as senior management of RCP 1 and is responsible for each firm’s day-to-day operations. RCP 1 was founded in 2001 and is headquartered in Chicago, Illinois. Although RCP and RCP 1 are under different ownership, the three investment advisers generally operate together, with RCP 3 providing the employees and day-to-day investment management services.

Through the P10 ownership structure, RCP is affiliated with a number of investment advisers, each independently operated through a distinct management team and separately registered as an investment adviser with the SEC. Additional information regarding these relationships is set forth in Item 10 herein.

RCP provides investment advisory services to private equity funds-of-funds and funds that invest, either directly or indirectly through special purpose vehicles, in companies alongside private equity sponsors (collectively, the “RCP Fund(s)”). For RCP Funds formed prior to 2011, RCP 1 serves as investment manager and has delegated investment responsibilities to RCP 3 as sub-adviser. For RCP Funds formed between 2011 and 2015, RCP 2 serves as investment manager and has delegated investment responsibilities to RCP 3 as sub-adviser. It is not anticipated that RCP 1 will advise any newly formed RCP Funds or accept additional advisory clients. Furthermore, the investment periods of all of the RCP Funds formed prior to 2011 have expired. For RCP Funds formed after 2015, RCP 3 serves as investment manager. RCP 3 provides investment advisory services to clients of RCP 1 and RCP 2 through a sub-advisory agreement with RCP 1 and RCP 2, respectively.

In addition to managing the RCP Funds, RCP also provides discretionary or non-discretionary advisory services to Separate Accounts (as defined below) with respect to investments in private equity funds, secondary opportunities and direct private equity -investment opportunities. As used herein, the term “clients” refers to the RCP Funds and any Separate Accounts, unless the context requires otherwise.

RCP has developed and implements the investment strategies described below on behalf of clients, in accordance with the governing documents or advisory agreement of the applicable client. A client may pursue one or more of the investment strategies.

- **Core Funds** – offering pooled investment opportunities in unaffiliated underlying private equity funds (“underlying funds”);
- **Secondary Funds** – offering pooled investment opportunities primarily in secondary market purchases of interests in unaffiliated underlying funds and certain direct (or indirect through special purpose vehicles) private equity investments;
- **Direct Funds** – offering investment opportunities in direct (or indirect through special purpose vehicles) private equity investments, which are made alongside private equity sponsors leading such investments;
- **SBIC Fund** – offering pooled investment opportunities in unaffiliated underlying SBIC funds, which also pursues direct co-investment opportunities as part of a general mezzanine investment strategy; and
- **Small and Emerging Funds** (“SEFs”) – offering investment opportunities in unaffiliated underlying funds sponsored by small and “emerging managers” raising institutional capital generally for their first or second fund and that generally have less than \$250 million in aggregate capital commitments.

RCP’s advisory services generally include the identification, evaluation and selection of investment opportunities; performance of due diligence in connection with such potential investments; negotiation of investment terms; and monitoring the performance of each client’s portfolio. With the exception of the SBIC Fund, the RCP investment strategies are primarily focused on the lower middle market buyout segment of the private equity market.

RCP manages the RCP Funds on a discretionary basis, in accordance with the terms of each RCP Fund’s governing documents. Because RCP provides advisory services to the RCP Funds, such services are generally not tailored to the needs of individual investors. Investors in the RCP Funds participate in the overall investment program for the applicable fund and are generally not permitted to impose restrictions on investing in certain securities or types of securities, but may be excused from a particular investment due to legal, tax, regulatory or other applicable constraints.

In addition to the commingled RCP Funds, RCP has established separately managed accounts (“Separate Accounts”). Unlike the RCP Funds, Separate Accounts (i) tailor their investment objectives to the specific needs of the Separate Account client (as set forth in an investment advisory agreement or other governing document) and/or (ii) are subject to different terms and fees than those of the RCP Funds. Such Separate Account investment objectives and restrictions, fee schedules and terms are individually negotiated. Separate Accounts are generally subject to significant account minimums, as described in Item 7, “Types of Clients.”

Where RCP provides non-discretionary advisory services to clients, RCP makes recommendations to the clients to invest in various private equity funds, secondary opportunities and direct private equity investment opportunities using the research and due diligence techniques RCP employs in its management of the RCP Funds. Non-discretionary clients are not obligated to make any recommended investment.

To facilitate participation by multiple clients, certain investments may be structured through a special purpose investment vehicle organized by RCP (each, an “Aggregator Vehicle”). Clients participating in such investments will be responsible for their pro rata portion of the costs and expenses associated with the formation and operation of the Aggregator Vehicle.

As a general matter, for RCP Funds formed after 2020, each vintage of RCP Fund consists of a U.S. domiciled limited partnership and a Luxembourg special limited partnership, which will generally invest side-by-side on a pari passu basis, to the extent practicable. Certain investors may elect to invest in an RCP Fund through a feeder vehicle that invests exclusively in the applicable RCP Fund (each such vehicle, a “Feeder Fund”). Feeder Funds may be domestic or foreign entities. While RCP serves as investment manager of the RCP Funds, each RCP Fund has a general partner that is responsible for the daily operations of such RCP Fund, excluding the selection of such RCP Fund’s investments. The general partner for each RCP Fund is an affiliate of RCP. RCP has formed, and intends to form in the future, investment vehicles to facilitate investments in multiple RCP Funds.

Interests in the RCP Funds are offered on a private placement basis. The interests are not registered under the Securities Act of 1933, as amended (the “Securities Act”) or under state securities laws, and rely on exemptions contained in the Securities Act and in state securities laws for transactions not involving a public offering. The RCP Funds are also exempt from registration under the Investment Company Act of 1940, as amended (the “Investment Company Act”). Prior to investing in an RCP Fund, including any Feeder Fund, each investor must complete a subscription agreement and investor eligibility questionnaire.

As of December 31, 2020, RCP managed approximately \$7,356,590,712 in client assets on a discretionary basis. In addition, as of December 31, 2020, RCP managed approximately \$1,044,111,242 in client assets on a non-discretionary basis. These amounts represent the firm’s regulatory assets under management and were calculated using the sum of (i) the estimated value for such assets plus (ii) the amount of remaining unfunded commitments with respect thereto.

RCP also provides certain other services which do not constitute investment advisory services. These services are described in Item 10, “Other Financial Industry Activities and Affiliations.”

Fees and Compensation

Item 5 Fees and Compensation

While fee structures vary depending on the type of client (as explained below), the typical fee structure for an RCP Fund consists of: (1) a management fee, which is based on a percentage of the RCP Fund's capital commitments and/or invested capital, as applicable ("Management Fee"); and (2) carried interest, which is a performance-based allocation ("Carried Interest"), as further described under Item 6, "Performance-Based Fees and Side-by-Side Management."

MANAGEMENT FEE

Each RCP Fund, excluding the first SEF, generally pays an annual Management Fee to RCP up to a maximum of 1.00% of such RCP Fund's aggregate capital commitments and/or invested capital, as applicable, on a quarterly basis, in advance, commencing on such RCP Fund's first closing date or effective date and continuing through an anniversary of the first closing date or effective date, as set forth in the RCP Fund's offering materials or governing documents. After a certain number of years, the Management Fee may be reduced or eliminated. The rates at which RCP's fees are charged and the timing of payments may vary among the RCP Funds.

An RCP Fund's general partner and RCP may agree to reduce, waive or rebate RCP's Management Fee with respect to investors committing a minimum amount to such RCP Fund (which may be aggregated with such investors' investments in other RCP Funds and funds managed by RCP 1), as set forth in such RCP Fund's offering materials or governing documents. Investors with commitments meeting such minimums are generally referred to as "Legacy Limited Partners" or "Seed Partners." An RCP Fund's general partner and RCP may also agree to reduce, waive or rebate Management Fees for certain employees of RCP, members of an RCP Fund's general partner, affiliates of RCP, or an RCP Fund's general partner, or, in later RCP Funds, any other person as determined by such RCP Fund's general partner in its sole discretion (typically strategic partners or executive advisors), as disclosed in such RCP Fund's offering materials or governing documents. Such employees, members, affiliates or certain third parties as described above are generally referred to as "Affiliated Limited Partners." The general partner of an RCP Fund may in its discretion withhold distributions to investors of the RCP Fund to pay any Management Fee due or expected to be due in the future. The Management Fee attributable to Feeder Fund investors is generally charged at the RCP Fund level. Where an RCP Fund accesses an investment through an Aggregator Vehicle, the Management Fee applicable to the assets allocated to such investment may be calculated and paid at the level of the Aggregator Vehicle.

RCP 3 is generally compensated for its sub-advisory services to RCP 1 and RCP 2 from a portion of the Management Fees received by RCP 1 and RCP 2 in connection with the clients each entity manages. For those RCP Funds for which RCP 3 serves as investment manager, RCP 3 is generally paid the entire Management Fee. A portion of the SBIC Fund's Management Fee is paid to McNally Advisors, LLC ("McNally") for services performed pursuant to a sub-advisory agreement between the SBIC Fund and McNally.

RCP generally deducts the Management Fee directly from a client's assets. Alternatively, clients may be billed separately.

CARRIED INTEREST

An RCP Fund's general partner is typically entitled to receive Carried Interest from each investor in an RCP Fund; provided such investor has first received distributions equal to the amount of its capital contributions, plus its applicable preferred return. The profit share and preferred return may vary by RCP Fund. In certain RCP Funds, the preferred return may be calculated as an ROIC ("return on invested capital") hurdle or an IRR ("internal rate of return") hurdle, whatever is achieved first (provided that a minimum IRR hurdle must be achieved prior to any payment of Carried Interest by the applicable investor to the RCP Fund's general partner). In addition, the preferred return may vary across investors in the same RCP Fund, based on the closing at which an investor is admitted to such RCP Fund (or Feeder Fund) or on a minimum commitment amount (as specified in the applicable offering materials or governing documents). Where an RCP Fund accesses an investment through an Aggregator Vehicle, the preferred return and Carried Interest applicable to the assets allocated to such investment may be calculated and paid at the level of the Aggregator Vehicle. At the discretion of RCP, the Carried Interest for an investor may be reduced, waived or rebated, including for Legacy Limited Partners, Seed Partners and Affiliated Limited Partners.

Carried Interest with respect to an RCP Fund is paid to the RCP Fund's general partner, which in turn distributes it to certain of RCP's members and employees and, in very limited circumstances, to third parties ("Carried Interest Recipients") who hold equity in the RCP Fund's general partner. If permitted pursuant to the applicable fund's governing documents, an RCP Fund may make a tax distribution to such RCP Fund's general partner to enable payment of tax obligations in respect of allocations of income related to Carried Interest for which such general partner did not receive any cash. Any such tax distributions made to such RCP Fund's general partner will reduce amounts subsequently distributable to such general partner as Carried Interest.

Below is a chart summarizing the types of compensation RCP typically receives from a client. The chart has been provided for convenience only, and investors are urged to carefully review their applicable governing documents or advisory agreement to fully understand the compensation paid to RCP and its affiliates.

<u>RCP Funds</u>	<u>Management Fee</u>	<u>Carried Interest</u>
<u>Core Fund</u>	X	X
<u>Secondary Fund</u>	X	X
<u>Direct Fund</u>	X	X
<u>SBIC Fund</u>	X	X
<u>Small and Emerging Fund</u>	Varies by Fund	X
<u>Separate Account</u>	Varies by Relationship	

COMPENSATION; WITHDRAWAL RIGHTS

The RCP Funds invest on a long-term basis. Accordingly, fees are paid during the term of the respective client, and withdrawal or redemption of interests is generally not permitted.

THIRD PARTY MANAGEMENT FEES AND EXPENSES

Each private equity investment vehicle or “underlying fund” in which an RCP Fund acquires an interest pays management fees, carried interest and other expenses to a management company and/or general partner that is not affiliated with RCP. Fees paid to RCP or its affiliates for investment advisory services are separate and distinct from the fees and expenses charged by an underlying fund’s independent investment adviser and/or general partner for such underlying fund’s advisory or management services.

With limited exceptions, Direct Funds generally do not pay such third-party management fees since the Direct Funds invest directly (or indirectly through special purpose vehicles) in equity investments and not in other private equity funds.

SEPARATE ACCOUNTS

For our Separate Account clients, the fees for such services, the expenses charged to such clients and the length of the engagements are governed by the applicable agreement between RCP and the client. Fees for these services are negotiated on a case-by-case basis and depend upon the range of advisory and other services that RCP provides to such client. Depending on the scope of such services and the overall size and nature of RCP’s relationship with a particular client, RCP may, in its discretion, determine not to charge additional fees for certain additional services.

Whether the fees charged to a Separate Account client are fixed, asset-based and/or performance-based is governed by the advisory agreement between RCP and the client.

In the case of asset-based fees, RCP may be paid a fee by such client based on a percentage of capital commitments made by such client to recommended investments. The percentage of capital commitments on which the fee is based varies as negotiated between RCP and the client. Where the applicable advisory agreement between RCP and the client provides for performance-based compensation, RCP may receive a portion of returns from recommended investments made by clients. In addition, in certain instances, RCP may receive Carried Interest on a client’s portfolio. For tax reasons, members or employees of RCP may be entitled to receive a portion of such Carried Interest directly. Fees may also be incurred for certain additional services such as operational or investment due diligence reports provided to a client.

RCP bills its clients for fees incurred, which fees are generally payable quarterly in advance.

Each advisory agreement for RCP’s Separate Account clients generally has a term of multiple years. To the extent a client terminates an advisory agreement early, refunds of pre-paid fees, if any, are governed by the contractual agreement between RCP and the client, which is negotiated on an individual basis. Where RCP does not have discretion over its non-discretionary clients’ assets, RCP may be unable to secure preferential investment terms which might otherwise be

available to its discretionary clients. This may include differences in the fees and expenses of the underlying investments.

ADDITIONAL INFORMATION

Certain offering, organizational, and ongoing expenses are charged to each RCP Fund (including expenses of the applicable general partner, any Aggregator Vehicle, any Feeder Fund and any other fund sponsored by RCP and created to invest all or a portion of its assets in such RCP Fund), as more fully described in each client's governing documents or offering materials. These expenses generally include, but are not limited to the following expenses related to such RCP Fund and its general partner:

- legal, administrative and organizational expenses, including the out-of-pocket expenses of RCP and/or such RCP Fund's general partner incurred in connection with the formation, offering and capitalization of such RCP Fund, including expenses accrued by an RCP Fund (including any Aggregator Vehicle, "Side by Side Fund," parallel investment entity, or Feeder Fund) prior to formation of such RCP Fund, which are paid by RCP and reimbursed by such RCP Fund after its first closing;
- fundraising-related expenses, including any marketing, travel, entertainment, printing, mailing, presentation, conference and symposium fees and expenses, regulatory and filing expenses, and other expenses related to the offering of such RCP Fund's interests;
- investment-related expenses, including in connection with sourcing, conducting diligence on (such as travel and entertainment or the evaluation of environmental, social and governance investment considerations and any costs and expenses related thereto), negotiating, acquiring, monitoring, maintaining, improving, transferring and disposing of investments, whether or not consummated;
- costs related to the admittance of any investor in such RCP Fund, including any side letters, investor-specific reporting or legal opinions and compliance therewith, and any computer software or other administrative or reporting tools (including subscription-based services) related thereto;
- costs and expenses in connection with transfers of interests by RCP Fund investors that are not otherwise borne by the applicable transferor or transferee;
- costs and expenses in connection with a default by an RCP Fund investor or the termination of an RCP Fund investor's interest;
- management and other fees and expenses of entities in which an RCP Fund invests;
- ongoing legal, compliance and regulatory expenses related to such RCP Fund (or Feeder Fund(s)) or such RCP Fund's general partner or its affiliates on behalf of or in connection with the RCP Fund, including expenses related to the offering of such

RCP Fund's interests in any domestic or foreign jurisdiction, including any applicable legal, consulting or other third-party service provider fees (including compliance with any applicable anti-money laundering laws or regulations or environmental, social or governance guidelines), and any registration or regulatory filing fees related thereto (regardless of whether or not such RCP Fund (or Feeder Fund(s)) ultimately withdraws its registration in any jurisdiction(s)), and compliance with FATCA, the Revised Markets in Financial Instruments Directive (MiFID II), the Alternative Investment Fund Managers Directive or data protection regulations, but excluding compliance and regulatory expenses incurred solely in connection with RCP's status as a registered investment adviser;

- computer software and IT related expenses, including accounting, ledger, investor reporting and investor subscription systems, such as development, purchase, customization, licensing, implementation, maintenance, upgrading and consulting costs, as well as subscriptions to any news, periodicals databases, information and research services and licensing costs which benefit such RCP Fund;
- insurance and bond expenses (including professional liability coverage such as errors and omissions and directors and officers coverage, excess liability coverage, cyber liability coverage and fidelity bonds);
- professional services including legal, audit, tax advisors, accountants and other professionals, including valuation agents or investment bankers engaged by such RCP Fund's general partner;
- administrator, custodian and record-keeper expenses, as well as expenses relating to depository, cash management and treasury services;
- costs related to the preparation and distribution of such RCP Fund's and its general partner's financial and capital account statements, reports, tax returns and Schedule K-1s (or additional or similar tax-related schedules) and other investor communications, including expenses incurred in connection with purchasing, licensing, implementing, maintaining and upgrading computer software, including development and consulting costs for use in preparing and distributing such RCP Fund's and its general partner's financial and capital account statements, reports, tax returns and Schedule K-1s (or additional or similar tax related schedules) and expenses incurred in connection with providing such RCP Fund's investors online or electronic access to information and reporting relating to such RCP Fund (including any upgrades and customizations related thereto);
- costs and expenses incurred in connection with any communication with such RCP Fund's investors, including fees, costs and expenses incurred in connection with printings, mailings (including postage), distributions, couriers, telephones, responding to investor inquiries, investor-specific reporting requests (including with respect to environmental, social and governance investment considerations) or due diligence requests or questionnaires (including expenses incurred in obtaining

industry or market data for purposes of benchmarking the investment performance history of RCP or its affiliates);

- reasonable out-of-pocket expenses of or related to such RCP Fund's advisory board, if applicable, and costs associated with meetings of such board;
- investor meeting expenses, including annual or other meetings of RCP Fund investors and which may include the cost of meeting materials or other items to be provided to the attendants of any such meetings and transportation, meal, entertainment and lodging expenses incurred by representatives of RCP and underlying funds and other attendants of any such meetings;
- fees, costs and expenses incurred in connection with the protection of confidential or non-public information or data of such RCP Fund, its investors or its general partner, including any fees, costs and expenses incurred in connection with the European Union's General Data Protection Regulation (GDPR), the Freedom of Information Act (FOIA) or any similar laws or regulations;
- costs of amending, supplementing, modifying, revising or restating the constituent documents of such RCP Fund or its general partner;
- external accounting expenses and reporting expenses related to such RCP Fund and its underlying investments;
- expenses incurred in connection with such RCP Fund's loans, borrowings, credit facilities or financings;
- all taxes (including interest, penalties, additions to tax, and additional amounts that relate thereto) imposed on such RCP Fund;
- fees, costs and expenses of winding up such RCP Fund or its general partner;
- mailing, telephone, filing, printing and postage expenses incurred in connection with offering or administering such RCP Fund;
- fees, costs and expenses related to the attendance of any member, employee or affiliate of such RCP Fund's general partner or its affiliates at any trade conference which benefits such RCP Fund;
- any extraordinary expenses (such as actual, threatened or anticipated litigation or governmental inquiry, investigation or proceeding involving such RCP Fund or its general partner, including the amount of any judgments, settlements or fines paid

in connection therewith, and indemnification of the general partner or other indemnified entity of such RCP Fund); and

- expenses of any Feeder Fund as determined appropriate by such RCP Fund's general partner and any costs or expenses of such RCP Fund approved by such RCP Fund's advisory board.

The general partner of an RCP Fund may also receive interest income on temporary investments (i.e., short term investments before capital contributions are invested) made by an RCP Fund. Brokerage fees may be incurred in accordance with the practices set forth in Item 12, "Brokerage Practices." For a Feeder Fund or a fund that allocates to multiple RCP Funds, there is no Management Fee or Carried Interest assessed at the Feeder Fund level. Any such fees are deducted at the level of the RCP Fund or the Aggregator Vehicle, as applicable. In certain instances, the Management Fee and Carried Interest applicable to a Parallel Fund may differ from the applicable RCP Fund.

Separate Account and other advisory clients (whether discretionary or non-discretionary) will also bear expenses generated in the course of evaluating and making investments, such as those listed above, depending on the terms of their individual advisory agreements or governing documents. To the extent an RCP Fund or other advisory client invests in the same underlying fund as another advisory client, such expenses generally are allocated to such clients proportionately to their intended capital commitment amounts (as estimated by the general partner during diligence of the applicable investment), regardless of whether or not such investment ultimately closes. In certain instances, however, expenses may be reallocated based on actual investment amounts at closing as RCP determines is fair and reasonable, in its reasonable discretion. In addition, RCP maintains an internal expense allocation policy designed to mitigate the risk of misallocation of expenses among RCP's clients and to provide guidance to employees with regard to the appropriate allocation of expenses among client accounts.

Any of the fees set forth above are generally negotiable to the extent permitted by the client's offering materials or governing documents. For example, RCP or the general partner for a client generally has the right to reduce, waive or rebate the Management Fee or Carried Interest for any client or underlying investor of such client. Any limitations on such waiver or reduction are set forth in the applicable client's offering materials or governing documents.

Performance-Based Fees and Side-By-Side Management

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

PERFORMANCE-BASED COMPENSATION

As set forth in Item 5, “Fees and Compensation,” most RCP Funds pay both a Management Fee to RCP and a performance-based allocation (i.e., Carried Interest) to the RCP Fund’s general partner. The Carried Interest percentage varies by RCP Fund and generally is not payable until after the investor’s capital contributions are returned along with the applicable preferred rate of return. As described in Item 5, investors in the same RCP Fund may have different preferred return rates.

Carried Interest received by an RCP Fund’s general partner is payable to Carried Interest Recipients who hold an equity interest in the general partner. For certain Separate Account clients, the Carried Interest may be paid directly to members or employees of RCP. The Carried Interest amounts directly or indirectly received by Carried Interest Recipients may vary by RCP Fund. The possibility of receiving Carried Interest and the variation in the structure of Carried Interest among RCP Funds creates an incentive for RCP to favor one RCP Fund over another and to make more speculative investments on behalf of an RCP Fund than it would otherwise make in the absence of such performance-based compensation. Members and employees of RCP generally do not pay Carried Interest with respect to their investments in such RCP Funds.

With respect to certain Separate Account clients, RCP is entitled to receive a portion of returns from recommended investments made by such clients.

SIDE-BY-SIDE MANAGEMENT

RCP and its clients are subject to significant potential and actual conflicts of interest with respect to the side-by-side management of funds and other accounts by RCP and its affiliates. Side-by-side management is the simultaneous management of multiple accounts that follow the same, similar or overlapping investment strategies. RCP and its affiliates advise, and may advise in the future, RCP Funds, Separate Accounts and other investment accounts that may invest in similar or different investments. In addition, RCP may establish parallel funds and multi-strategy funds to invest proportionately in all investments with or otherwise alongside an RCP Fund. The Investment Committee of RCP makes the investment decisions for all of its clients and certain members of the Investment Committee may be personally invested in certain funds or other accounts and/or receive direct or indirect compensation from one or more of such funds or accounts. Accordingly, such investment professionals have an incentive to favor one RCP fund and/or account over another in determining how to allocate limited investment opportunities.

In managing multiple accounts, RCP will determine whether an investment opportunity is suitable for one or more of its clients. In making such a determination, RCP generally considers numerous client factors including, without limitation, investment objectives, strategies and limitations (e.g., geography, industry, size and other guidelines), available capital and ability to timely make the investment (taking into account whether certain approvals are required or whether specific terms will require negotiation), target exposures and participation in other opportunities, investment timeline and anticipated holding periods, cash flows, appropriate design and balancing of investment portfolios, compliance with applicable laws and the documents governing the

relationship, and tax, economic, legal and/or regulatory concerns. RCP will also consider limitations imposed by the investment opportunity, such as investment minimums, investor limitations (e.g., a prohibition on accepting an investment from plan assets, non-U.S. or secondary investors) and preferences of the general partner, manager or sponsor of the investment opportunity. As a result, certain investment opportunities that would otherwise be suitable for a client may be limited or unavailable. In addition, to the extent that an investment opportunity is suitable for more than one client, RCP generally will allocate such investment opportunities first to its clients for which it exercises investment discretion before its clients for which it does not, and to certain core clients (e.g., the RCP Funds) prior to allocating such investment opportunities to its other clients.

For example, to the extent an RCP Fund has received its desired allocation of a particular investment, other clients of RCP may invest alongside the RCP Fund. Conversely, the RCP Fund may be prohibited from making certain investments otherwise suitable for the RCP Fund if other clients of RCP have not received their desired allocations for that investment strategy (such as where another prior RCP Fund following the same strategy has uncommitted capital).

In addition, from time to time, underlying funds may offer the clients of the RCP preferential investment terms based on, among other things, the amount of capital committed to the underlying fund or other investments offered by the manager of the underlying fund. Preferential investment terms could include but are not limited to lower asset-based fees or carried interest, higher preferred returns, access to limited investment opportunities (e.g., co-investments), enhanced reporting and most favored nations arrangements. Any such preferential investment terms may not be offered consistently to the clients of RCP. As the preferential investment terms may only apply to certain clients of RCP and not others, there exists a conflict of interest in allocating to an underlying fund to the extent such allocation will benefit one client of RCP and not another.

For the reasons set forth above, RCP's allocation of investment opportunities among its clients, even where the applicable investment opportunity is suitable for more than one client, often will not result in proportional allocations among its clients, and such allocations likely will be more or less advantageous to some clients relative to RCP's other clients, and the allocation of the investment opportunity by RCP to certain clients may adversely affect the ability of current or future clients to invest in that same investment opportunity. While RCP will allocate investment opportunities in a manner that it believes is fair and equitable to its clients under the circumstances over time, consistent with its fiduciary obligations and in accordance with applicable law and the agreements and other documents governing RCP's relationships with its clients, there can be no assurance that the investment opportunities actually allocated to a client or the terms on which such allocations are made, will be as favorable as they would be if the actual or potential conflicts of interest to which RCP and its affiliates are and may be subject did not exist. To mitigate these and other conflicts of interest, RCP has adopted policies and procedures to formalize how investment opportunities will be presented and allocated to and among its clients. However, no such preferences and limitations or such policies and procedures can ever completely alleviate every allocation conflict that may arise from the management of side-by-side accounts and clients should understand that, to the extent RCP's clients have uncommitted capital, the potential for conflict exists.

Notwithstanding that the discussion above that focuses on the allocation of investment

opportunities, actual and potential conflicts of interest apply equally to RCP's allocation of related investment expenses and its ongoing portfolio management and divestment decisions with respect to an underlying fund which is held by multiple clients of RCP. For example, certain of RCP's clients may have competing interests in voting their interest in an underlying fund and therefore, RCP may be conflicted in exercising voting discretion on behalf of both clients. Similarly, when a client is towards the end of its term or is otherwise liquidating, RCP may elect to sell certain interests in underlying funds for such client, but not for the other clients invested in the underlying fund, in an effort to wind-down such client.

The Private Capital Unit of RCP 2 may allocate capital to an underlying fund or other investment at the same time as RCP. In such cases, where the proposed opportunity is unable to accommodate the full investment by both clients, the allocation conflict will be resolved in favor of the RCP strategy or product, provided the proposed investment is within the RCP client's investment mandate and otherwise suitable for such client's portfolio. As a result of this allocation methodology, it is possible that an investment opportunity that the Private Capital Unit would otherwise be entitled to make is instead allocated to an RCP client and the Private Capital Unit client will not participate in the investment (or will participate at a lesser amount). Please refer to the PCU Brochure for more information.

Due to the differences between the investment strategies of the Hark and Bonaccord funds ("HB Funds") and clients of RCP, it is unlikely that two or more of the foregoing will seek to allocate to an investment at the same time as the strategies generally do not overlap. If such an event would occur and where the proposed opportunity is unable to accommodate the full investment by both clients, the allocation conflict will be resolved by RCP in consultation with the HB Units.

As discussed above, RCP is affiliated with a number of investment advisers through the P10 ownership structure, each independently operated and separately registered as an investment adviser with the SEC. In the limited situations where RCP and such affiliates determine to allocate to the same underlying investment, RCP and such affiliates will generally seek to allocate investment opportunities fairly and equitably but no assurance can be made that any client will be treated the same or have access to the same underlying investment opportunities. In addition, underlying fund managers may determine to allocate capacity among RCP and its affiliates differently.

The partners and employees of RCP, including the HB Units, are also subject to its Code of Ethics, which sets forth certain standards of business conduct that govern the personal investment activities of employees and officers of RCP, including the standard that the interests of advisory clients must be placed first. RCP's processes with regard to clients investing concurrently with other clients is set forth in Item 12, "Brokerage Practices."

Types of Clients

Item 7 Types of Clients

RCP provides investment advice to RCP Funds and Separate Accounts (which may be discretionary or non-discretionary).

Interests or shares in an RCP Fund or Feeder Fund are offered pursuant to applicable exemptions from registration under the Securities Act or equivalent foreign securities law (as applicable). Investors in an RCP Fund or Feeder Fund are subject to certain investor qualification standards and are required to make certain representations and warranties in their respective subscription agreements before they can purchase interests or shares in an RCP Fund or Feeder Fund. The investors participating in the RCP Funds may include pension and profit-sharing plans, family offices, governmental entities, sovereign wealth funds, charitable organizations, high net worth individuals and other corporations or business entities and may include, directly or indirectly, RCP's partners or employees of RCP and its affiliates.

While the general partner of a particular RCP Fund (or the directors or general partner of a Feeder Fund) may accept, in its/their discretion, investments of lesser amounts, the typical minimum investment for an RCP Fund or an investor in a Feeder Fund is as follows:

- Core Funds: \$500,000
- Secondary Funds: \$1,000,000
- Direct Funds: \$1,000,000
- SBIC Fund: \$500,000
- SEFs: \$15,000,000 (for the first SEF) and \$500,000 (for the second SEF)

In order to establish a Separate Account (whether discretionary or non-discretionary), a potential investor must enter into a written investment advisory agreement with RCP, or the investor may invest in an entity established for the benefit of the Separate Account investor by completing a subscription agreement and eligibility questionnaire upon which RCP can rely in completing documentation for investments for the Separate Account. The minimum amount of investment required to establish a Separate Account is considered on a case-by-case basis taking into account a variety of factors including fee structure, investment restrictions and duration of commitment. Separate Account investors may also maintain investments in one or more RCP Funds.

Methods of Analysis, Investment Strategies and Risk of Loss

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

For the RCP Funds, RCP seeks to maintain a consistent investment strategy across the clients with the exception of the SBIC Fund and SEFs. For the Core Funds and Secondary Funds, RCP focuses on investments in private equity buyout funds ranging in size between, generally, \$250 million to \$1 billion that then seek to invest in small-to-middle sized companies, typically with \$10 million to \$250 million in enterprise value. The Direct Funds seek to co-invest alongside these types of private equity buyout funds in small-to-middle sized companies. The SBIC Fund seeks to make investments in underlying SBIC funds and co-investments with mezzanine investment sponsors or other managers sponsoring investments with a mezzanine component. SEFs target investments in small lower middle market buyout-focused private equity funds sponsored by small and “emerging managers,” namely young and small private equity managers raising institutional capital generally for their first or second fund, including firms early in their existence, transition groups which have spun out of larger firms, and funds under \$250 million in size. A Separate Account client may follow any of the foregoing investment strategies or a combination thereof. The risks described herein with respect to the RCP Funds generally apply to any Separate Account client.

RCP selects the underlying funds in which the RCP Funds invest pursuant to RCP’s Investment Process, key components of which include industry knowledge, awareness and sourcing of investment opportunities and the evaluation of an underlying fund manager’s team, strategy and track record. RCP seeks to collect, process and analyze data on substantially all underlying fund managers within the lower middle market buyout universe on an ongoing basis (versus collecting such data only when an underlying fund manager is raising a new fund). Such data is based on numerous sources of information, including underlying fund marketing and due diligence materials, legal documents, portfolio company information, industry news sources, RCP’s observations based on consistent contact with underlying fund managers (including face-to-face meetings and on-site visits), information and opinions from knowledgeable third parties, reputational information and reference checks. With respect to a Direct Fund, RCP generally makes direct private equity investments alongside underlying funds that have an existing relationship with RCP, but RCP may make direct private equity investments with underlying funds where no such relationship exists.

Investment in the RCP Funds and in Separate Accounts involves risk of loss, and such investors should have the ability to sustain the loss of their entire investment. Past performance is not a guarantee of future results and there is no assurance that the performance of RCP or the RCP Funds will equal or exceed any past performance.

While prospective investors or clients should review the risk disclosures set forth in full in the applicable RCP Fund’s offering materials or Separate Account documentation, the following are certain material risks with respect to investments in the RCP Funds or a Separate Account. These risks are qualified in their entirety for a particular RCP Fund by the risks set forth in such RCP Fund’s private placement memorandum, other offering materials or governing documents.

- General Market Conditions The condition of world markets can have an impact on investing in any strategy, and if markets experience a general decline, RCP’s

investment strategies could be affected negatively. World markets are interconnected, and events like hurricanes, floods, earthquakes, forest fires and similar natural disturbances, war, terrorism or threats of terrorism, civil disorder, public health crises such as the COVID-19 pandemic, and similar “Act of God” events have led, and may in the future lead, to increased short-term market volatility and may have adverse long-term and wide-spread effects on world economies and markets generally. Clients may have exposure to companies, countries and markets impacted by such events, which could result in material losses. Any significant changes in, among other things, economic policy (including with respect to interest rates and foreign trade), the regulation of the asset management industry, tax law, immigration policy and/or government entitlement programs could have a material adverse impact on clients.

- Public Health Risk The COVID-19 pandemic has significantly and negatively impacted global and local economies, disrupted global supply chains and created significant volatility and disruption of financial markets. The extent of the impact of the COVID-19 pandemic will have on clients will depend on future developments, including the duration and spread of the pandemic, the effective distribution and taking of vaccines, new strains of the virus and the impact of the pandemic on local, national and global financial markets, all of which are uncertain and cannot be predicted. An extended period of global supply chain and economic disruption could materially affect clients’ and underlying investments’ business, results of operations, access to sources of capital and financial condition.
- Market Specific Risk RCP’s investments are focused in the lower middle market buyout segment of the private equity markets. If these markets experience economic difficulties, RCP’s investment strategies could be affected negatively.
- Long-Term Investment Investments in the RCP Funds are not intended to be short-term investments. Even if the investment strategy of an RCP Fund proves successful, it is unlikely to produce a realized return to its investors for a number of years. RCP’s investment strategies are designed only for sophisticated and experienced investors who are able to bear the risk of loss of their entire investment.
- Reliance on RCP’s Management The successful investment of the RCP Funds’ assets depends, among other things, upon the skills of the professional personnel of RCP and, in the case of the SBIC Fund, McNally, including the members of RCP’s investment committee, and the managers and/or sponsors of the underlying investments and/or co-investments. The loss of service of one or more principals, officers or other key personnel of RCP, McNally (in the case of the SBIC Fund) or of a manager and/or sponsor of an underlying investment or co-investment could have an adverse effect on the fund’s ability to realize its investment objectives.
- Reliance on Underlying Fund Management Many of the RCP Funds will be investing in underlying funds. The RCP Funds will not have an active role in the day-to-day management of the underlying funds in which they invest. Moreover, such RCP Funds will not have the opportunity to evaluate the specific investments

made by any underlying fund. Accordingly, the returns of an RCP Fund will primarily depend on the performance and recommendations of these underlying fund managers and could be substantially adversely affected by the unfavorable performance of the underlying funds' managers.

- Reliance on Portfolio Company Management The Direct Funds will be making, directly or indirectly, minority equity investments in portfolio companies. The Direct Funds are not expected to have, or be permitted to have, an active role in the day-to-day management of the portfolio companies in which they invest. Accordingly, the investment performance of a Direct Fund will depend in large part on the performance and recommendations of each portfolio company's management team and the ability of the lead investor to recruit or retain qualified management. Any inability of a portfolio company's management to successfully manage and operate such portfolio company could have a substantial adverse impact on such Direct Fund's performance.
- Highly Competitive Market for Investments The business of identifying and investing in pooled investment vehicles, direct private equity investments or secondaries is difficult due to a high level of investor demand for such funds and investment programs. Identifying attractive investment opportunities and fund managers is difficult and involves a high degree of uncertainty. Even if such fund managers are identified, there is no certainty that a client will be permitted to invest in the funds they operate. Accordingly, there can be no assurance that RCP will be able to locate suitable investment opportunities, or that such client will achieve its return objective or fully invest its committed capital. The success of each underlying fund depends on the availability of appropriate investment opportunities and the ability of the fund manager to identify, select, develop and consummate appropriate investments. The availability of investment opportunities generally will be subject to market conditions. There can be no assurance that suitable investments will be available or selected by RCP or that an underlying fund will be able to fully invest its committed capital within its investment period. To the extent that any portion of such committed capital is not invested, the underlying fund's potential for return will be diminished.
- Possibility of Fraud and Other Misconduct When a client makes an investment, the client does not have custody of the unclearing investment's assets or control over its investment strategy. Therefore, there is the risk that the investment or its custodian could divert or abscond with those assets, fail to follow agreed-upon investment strategies, provide false reports of operations or engage in other misconduct. The underlying investments in which the client invests are generally private and have not registered their securities under federal or state securities laws. Moreover, there can be no assurances that the underlying investments will be operated in accordance with all applicable laws or that assets entrusted to the underlying investments will be protected.
- Reliance upon Due Diligence Information RCP will conduct due diligence on its investments. RCP expects to use outside legal advisers and accountants to varying

degrees depending upon the investment. When conducting due diligence, RCP will be required to rely on the resources available, including information provided by the portfolio companies and underlying funds and, where an underlying investment is recently formed, some due diligence may be subjective. Therefore, there can be no assurance that the due diligence undertaken by RCP will reveal or highlight all relevant facts that may be necessary or helpful in evaluating a particular investment, and there can be no assurance that such due diligence will result in an investment being successful. In addition, for a client to take advantage of certain investment opportunities, RCP may need to make investment decisions on an expedited basis. In such limited cases, the information available at the time of an investment decision may be limited. RCP may not, therefore, have access to the detailed information necessary for a full analysis and evaluation of the investment opportunity.

- Illiquidity; Restrictions on Transfer Investments in the RCP Funds represent highly illiquid investments and should only be acquired by investors able to commit capital for an indefinite period of time. Investors generally will not be permitted to transfer their interests in the RCP Funds without the written consent of the respective general partner, which may be withheld in its sole discretion, and the satisfaction of certain other conditions, including compliance with applicable securities laws and, in certain circumstances, the delivery of an opinion of counsel. Investors should not expect such RCP Fund's general partner to grant its consent to transfers. There is currently no market for investments in the RCP Funds, and it is not likely that one will develop.
- Lack of Portfolio Liquidity The securities of portfolio companies in which a client or an underlying fund invests may, at any given time, be very thinly traded or assets for which no market exists, or which are restricted as to their transferability under U.S. federal or state or non-U.S. securities laws. In some cases, there may be contractual prohibitions from selling securities of portfolio companies or other assets for a period of time or otherwise be restricted from disposing of such securities or other assets. In other cases, the investments may require a substantial length of time to liquidate. Consequently, there is a significant risk that a client or an underlying fund will be unable to realize its investment objectives by sale or other disposition of its securities or other assets at attractive prices, or will otherwise be unable to complete any exit strategy with respect to its portfolio companies. These risks may be further increased by changes in the financial condition or business prospects of the portfolio companies, changes in national or international economic conditions and changes in laws, regulations, fiscal policies or political conditions of countries in which portfolio companies are located or in which they conduct their businesses.

In addition, an underlying fund may distribute its investments "in-kind" to its investors, including an RCP Fund. Such RCP Fund may hold and/or sell these "in-kind" securities it receives from an underlying fund itself or it may distribute them to its investors. If such RCP Fund makes in-kind distributions of these investments, which may be composed of illiquid securities, there can be no assurance that

investors would be able to dispose of these investments or that the value of these investments, as determined by such RCP Fund for purposes of the determination of the distributions and calculation of the Carried Interest paid by the investors, will ultimately be realized.

Moreover, a client's investments in an underlying fund will be illiquid. An investor in an underlying fund is expected to hold its investment in such underlying fund for the entire term of the underlying fund (typically ten years or more). A client would, therefore, likely be required to hold its investment in an underlying fund for an equivalent period of time with no ability to transfer or redeem its interest.

- Risk of Inadequate Return The returns on a particular RCP Fund's investments, if any, may not be commensurate with the degree of risk of an investment in such RCP Fund. There is a significant risk that an underlying investment will be unable to realize its investment objectives by sale or other disposition of its securities or other assets at attractive prices, or will otherwise be unable to complete any exit strategy with respect to its portfolio companies prior to the date the underlying investment is required to be dissolved, either by expiration of the underlying investment's term or otherwise. Accordingly, there is no assurance that investors will eventually receive any distributions from an RCP Fund, or that when distributions are apportioned by such RCP Fund to a particular investor, that such investor will receive distributions equal to its capital contributions to such RCP Fund or its applicable preferred return prior to the time that the general partner of such RCP Fund is participating in carried interest distributions with one or more other investors, if ever. Investors should have the ability to sustain the loss of their entire investment.
- Conflicts of Interest As discussed in more detail in Items 6, "Performance-Based Fees and Side-By-Side Management," and 12, "Brokerage Practices," clients are subject to actual and potential conflicts of interests in the allocation of investment opportunities among RCP's clients, PCU clients, the HB Funds and clients of RCP's separately operated affiliates. It is possible for conflicts of interests to arise in the competition for investments or for the time and attention of RCP principals. Following the expiration of the commitment period of an RCP Fund, RCP principals may and likely will focus their investment activities on other opportunities and areas unrelated to such RCP Fund's investments.

RCP, its affiliates, and members, officers, principals and employees of RCP and its affiliates may buy or sell securities or other instruments that RCP has recommended to a client. In addition, officers, principals and employees may buy securities in transactions offered to but rejected by a client. Such transactions are subject to the policies and procedures set forth in RCP's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments may vary from those of any client.

As a result of contracts with portfolio companies held by certain of its RCP Funds (e.g., Direct Fund), RCP and/or its affiliates may have the right to appoint portfolio

company board members, or to influence their appointment, and to determine or influence a determination of their compensation.

Because certain expenses are paid for by an RCP Fund and/or its portfolio companies or, if incurred by RCP, are reimbursed by an RCP Fund and/or its portfolio companies, RCP may not necessarily seek out the lowest cost options when incurring (or causing an RCP Fund or its portfolio companies to incur) such expenses.

Any of these situations subjects RCP and/or its affiliates to actual and potential conflicts of interest. RCP attempts to resolve such conflicts of interest in light of its obligations to investors in its RCP Funds and Separate Accounts, and it attempts to allocate investment opportunities among other RCP Funds and Separate Accounts in a fair and equitable manner over time and to maintain a separate investment program from its separately operated affiliates. To the extent that an investment or relationship raises particular conflicts of interest, RCP will review the circumstances of such investment or relationship with a view to addressing and reducing the potential for conflict. Where necessary, RCP consults and receives advice or consent (as applicable) to conflicts from an advisory board (or its equivalent) consisting of limited partners (or their advisors, as applicable) of the relevant RCP Fund.

- Multiple Fees and Expenses Investors in an RCP Fund will pay certain fees (as described in Item 5, “Fees and Compensation”) and expenses of such RCP Fund and, to the extent applicable, will indirectly bear the fees (e.g., management fees to the sponsors of the underlying funds) and expenses of the underlying funds in which such RCP Fund invests. This may include transaction, monitoring, consulting and/or success fees charged by the manager of an underlying fund as well as other reimbursed expenses which may not be offset against other fees charged by such manager. This will result in greater expense and less potential for return on investment than if such fees were not charged or such expenses incurred. Similarly, investors may pay Carried Interest to the RCP Fund’s general partner in connection with an underlying fund’s investments, and may indirectly pay carried interest to a sponsor of an underlying fund. It is possible that investors will pay Carried Interest to the RCP Fund’s general partner in connection with an investment of an underlying fund even though the sponsor of such underlying fund did not receive a carried interest from such investment.
- Management Fees Payable Notwithstanding Performance Investors in an RCP Fund will generally be required to pay an annual Management Fee which is based in part on the entire amount of their commitment to such RCP Fund, and the payment of that fee is required even if such RCP Fund has not made an investment or experiences net losses in a particular quarter.
- Capital Calls Each RCP Fund will be required to meet capital calls of underlying funds over an extended period of time. Failure by an investor to meet any capital call by such RCP Fund could result in the failure of such RCP Fund to meet a capital

call from an underlying fund, which could have adverse consequences for such RCP Fund and its other investors. Throughout the term of each RCP Fund, the general partner of such RCP Fund may utilize distributions from underlying funds which are recallable to satisfy such RCP Fund's obligations, including capital commitments to an underlying fund. However, such RCP Fund is not required to do so. Such redeployed amounts will not reduce an investor's unfunded capital commitment. Investors should be prepared to fund their capital commitment until such RCP Fund is no longer subject to capital contributions or funding obligations related to an investment. Any distributions utilized by such RCP Fund to satisfy such RCP Fund's obligations shall be treated as a deemed distribution and subsequent capital contribution to such RCP Fund. The use of recallable distributions to satisfy such RCP Fund's obligations may result in an investor being deemed to have contributed in excess of its capital commitment to such RCP Fund, although an investor will not be required to make cash contributions in excess of its capital commitment to such RCP Fund.

- RCP Funds Not Registered The RCP Funds are not registered under the Investment Company Act or any other U.S. federal or state securities laws or the laws of any other jurisdiction. The Investment Company Act provides certain protections to investors and imposes certain restrictions on registered investment companies, which will not be applicable to the RCP Funds.
- Currency Exposure and Cash Management The RCP Funds will be denominated in U.S. dollars and generally will make investments in underlying funds denominated in U.S. dollars. However, an RCP Fund may invest in an underlying fund that is denominated in another currency. The investment performance of a non-U.S. denominated investment will be affected by the currency exchange rate movements over the life of such investment, and investment returns of such RCP Fund may be adversely impacted. The liquidity of such RCP Fund may be affected by currency exchange rate movements to the extent such movement results in an RCP Fund committing more or less capital to the underlying funds in such RCP Fund's portfolio than the aggregate capital commitments such RCP Fund has from its investors. In addition, distribution claw backs by an underlying fund may result in an RCP Fund contributing more than the original distribution to the RCP Fund to the extent of any currency exchange rate fluctuations. Finally, non-U.S. investors will bear the risk of any currency fluctuations between each such investor's commitments denominated in U.S. dollars and such investor's domestic currency, which fluctuations may result in increased draw down obligations relative to such investor's domestic currency.
- Annual Tax Information It is expected that annual federal tax information from the underlying funds will not be received in sufficient time to permit the RCP Funds to incorporate such information into their respective annual federal tax information and to distribute such information to investors prior to April 15 of each year. As a

result, investors in the RCP Funds will likely be required to obtain extensions for filing federal, state and local income tax returns each year.

- Tax Risks An investment in an RCP Fund involves complex tax considerations that will differ for each investor. For example, an RCP Fund may make investments that will cause a tax-exempt investor to have “unrelated business taxable income,” or a non-U.S. investor to have income “effectively connected” with the conduct of a trade or business within the United States. In addition, a non-U.S. investor may be subject to withholding on its distributive share of an RCP Fund’s income, including under FATCA. Investors may be required to indemnify an RCP Fund for any taxes imposed on such RCP Fund under legislation relating to partnership audits. Moreover, the U.S. federal income tax treatment of an investment in an RCP Fund may be changed at any time by legislative, judicial or administrative action. Any such changes may have retroactive effect with respect to existing transactions and investments and may adversely affect such RCP Fund, its underlying funds and its investors. Each investor in an RCP Fund, including any Feeder Fund, should consult its own tax advisers with reference to its specific tax situation, including any applicable U.S. federal, state, local and non-U.S. taxes.
- Adverse Changes in Regulation or Legislation Adverse changes in foreign, federal or state legislation or regulation, including changes in the European Union Alternative Investment Fund Managers Directive (Directive 2011/61/EU) (“AIFMD”), ERISA, the European Union’s General Data Protection Regulation ((EU) 2016/679) (“GDPR”), or tax matters, may have an adverse impact on an RCP Fund’s or underlying fund’s ability to raise capital or make investments and, consequently, on returns to investors.
- Partner Giveback An investor in a particular RCP Fund may be required to return distributions it has received from the RCP Fund if such RCP Fund is obligated to return distributions it has received from an underlying fund or underlying investment because of an indemnification obligation of the RCP Fund to an underlying fund or underlying investment. In this event, the investor would be required to give back to the RCP Fund its pro rata share of the amount the RCP Fund is required to return to the underlying fund or underlying investment, subject to certain limitations as set forth in such RCP Fund’s partnership agreement or other governing documents. Accordingly, an investor in such RCP Fund may be required to return amounts previously distributed to it by such RCP Fund (subject to certain limitations as set forth in such RCP Fund’s partnership agreement or other governing documents), even though such investor already paid taxes attributed to such amounts, and at a time when such investor may not have sufficient cash to satisfy such giveback obligation.
- Contingent Liabilities of the Secondary Funds In connection with the purchase of a secondary interest in an underlying fund, a Secondary Fund may acquire contingent liabilities of the seller of such interest. In particular, where the seller of such interest has received distributions from such underlying fund and, subsequently, such underlying fund recalls one or more of such distributions, such

Secondary Fund (as purchaser of the interest to which such distributions are attributable) may be obligated to return cash equivalent to such distributions to the underlying fund. While such Secondary Fund may, in turn, have the right to make a claim against the seller of such interest for any such amounts so paid to the underlying fund, there can be no assurances that the Secondary Fund will be able to collect on such claim.

- Side Letters In accordance with common industry practice, the general partners of RCP Funds have entered and will enter into “side letters” or similar agreements with certain investors pursuant to which a general partner grants such investor in an RCP Fund specific rights, benefits or privileges that are not made available generally to other investors in such RCP Fund. Such side letters are not generally subject to the approval of other investors. The side letters have included and may include most favored nations provisions and grant investors specific rights, benefits or privileges including, but not limited to, more favorable fees, reporting, transparency, liquidation elections with respect to distributions in-kind and notice obligations, including notices of certain events such as indemnification, conflicts of interest, changes in service providers and certain tax matters, or other rights.
- Impact of Borrowings Borrowing will directly impact (positively or negatively) the return of an RCP Fund and underlying funds and increase the risks associated with an investment in an RCP Fund or underlying fund. Calculations of net and gross IRRs in respect of investment and performance data included and/or referred to in performance materials, and with respect to underlying funds, as reported to limited partners from time to time, are based on the payment date of capital contributions received from the applicable limited partner or timing of investment inflows and outflows received or made by the investing entity. In instances where a fund utilizes borrowings under a fund’s subscription-based credit facility or asset-backed facility (or other facility), use of such facility (or other leverage) may result in a higher reported IRR (on an investment level and/or fund level) than if the facility had not been utilized because such borrowings were used in lieu of capital contributions or in advance of related capital contributions that would only be made at a later date. Use of a subscription-based credit facility (or other long-term leverage) may present conflicts of interest as a result of certain factors and the general partner may make distributions prior to the repayment of outstanding borrowings. As a result, use of such leverage arrangements with respect to investments may provide the general partner with an incentive to fund investments through long-term borrowings in lieu of capital contributions. Moreover, the costs and expenses of any such borrowings will generally be borne as costs and expenses of an RCP Fund or underlying fund, which will increase the expenses borne by the applicable limited partners and would be expected to diminish net cash on cash returns.

Subject to the limitations set forth in the applicable governing documents, RCP and/or its affiliates maintain flexibility in choosing when and how subscription-based credit facilities or other lending facilities are used. RCP may adopt from time to time policies or guidelines relating to the use of such credit facilities. Such

policies may include using the credit facilities to systematically defer calling capital from investors. In addition to using such facilities to defer capital calls, RCP may elect to use short or long-term fund-level financing for investments including (a) for investments that have a longer lead time to generate cash flow or to acquire assets, (b) for investments that require capital to fund operating expenses prior to developing sufficient scale to self-fund or generate enterprise value, (c) for investments where cash is retained in the business to fund activity that results in incremental returns for the investment, (d) to fund management fees otherwise payable by investors, and (e) when RCP otherwise determines that it is in the best interests of the RCP Fund.

- Leverage Risk Associated with the SBIC Fund The SBIC Fund intends to enter into a secured credit facility with one or more banks (or other financial institutions) allowing aggregate borrowings of principal outstanding at any given time up to 100% of the SBIC Fund's aggregate commitments. In addition, the SBIC Fund may seek to employ leverage for co-investments and underlying funds of RCP Funds may also employ leverage. While leverage presents opportunities for increasing the return on investments, it has the effect of potentially increasing losses as well. Accordingly, any event that adversely affects the value of an investment could be magnified to the extent leverage is utilized. In addition, these investments will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of such portfolio company or its industry.
- SBIC Risks The general partner of the SBIC Fund expects that most underlying investments will be, or intend to become, SBICs. Investing in SBICs involves a number of risks, including but not limited to: (1) licensing risks; (2) leverage risks; (3) regulatory compliance risks; and (4) limitations on distributions of investors' outstanding capital contributions.
- Scrutiny and Regulation of the Private Equity Industry There continues to be significant attention paid to, and scrutiny of, the private equity industry in the U.S. and globally. Various federal, state, and local agencies have examined the role of placement agents, finders, and other similar private equity service providers as well as various conflicts of interest involving fees paid to private equity managers. There can be no assurance that this attention and scrutiny will not have an adverse impact on an RCP Fund or such RCP Fund's underlying investments.
- Small and Emerging Managers SEFs may be unsuccessful in identifying emerging managers that have the potential to succeed in establishing and developing their own businesses. In addition, for an emerging manager, the loss of service of one or more principals, officers or other key personnel may be a significantly greater risk to the underlying fund than such a loss for an established manager. Principals, officers and key persons of an emerging manager may be employed by multiple firms. Accordingly, such persons' time and attention devoted to an underlying fund may be limited compared to an established firm which may adversely impact returns or otherwise present additional risks to an RCP Fund. An emerging

manager may also be more susceptible to regulatory or other governmental actions due to a lack of resources to comply with applicable law or for other reasons. Accordingly, to the extent an emerging manager is subject to a regulatory action, such manager and/or SEFs may suffer reputational damage.

- Fund Valuations May Fluctuate The valuations of RCP's clients' investments are calculated based upon good faith assessment of the fair value of the assets. Therefore, valuations of investments for which market quotations are not readily available may differ materially from the values that would have resulted, if a liquid market for such investments had existed. Even if market quotations are available for any of a client's investments, such quotations may not reflect the realizable value. Clients may experience fluctuations in results from period to period due to a number of factors, including changes in the values of the underlying funds' investments, changes in the frequency and amount of drawdowns on capital commitments, distributions, dividends or interest paid in respect of investments, the degree to which the underlying funds encounter competition in their businesses, the timing of the recognition of realized and unrealized gains or losses and general economic and market conditions. As an asset class, private equity has exhibited volatility in returns over different periods and it is likely that this will continue to be the case in the future. Such variability may cause results for a particular period not to be indicative of performance in a future period.
- Material Non-Public Information As a result of the operations of RCP and its affiliates, RCP comes into possession of confidential or material non-public information. Therefore, RCP and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a client. Consequently, a client may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken consistent with applicable securities laws or RCP's internal policies. Due to these restrictions, a client may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.
- Operational Risks RCP's ability to conduct its business effectively is subject to a variety of operational risks as it is dependent upon the ability to process client transactions and investor transactions and to provide reporting and other services to clients and investors. If any of RCP's financial controls, investment accounting or investment operations systems, or other data processing systems fail to operate properly or if there are other failures in RCP's internal processes, RCP could suffer business disruption, financial loss, liability to clients, or regulatory or reputational issues. Systems failures may result from factors that are beyond RCP's control notwithstanding the fact that RCP takes precautionary measures and has in place a business continuity and disaster recovery plan. In addition, changes in legal, fiscal and regulatory regimes may occur that may have an adverse effect on RCP. RCP may not be permitted to, or be able to, make adjustments in its structure or investment program in order to adapt to such changes. Changes in economic conditions may occur during the life of RCP that may have an adverse effect on its

investments, such as rising interest rates. Due to the illiquidity of the investments made by RCP, RCP will have limited ability to adapt to any such changes in economic environment or mitigate any corresponding losses.

- Cybersecurity Risk With the increased use of technologies such as the Internet to conduct business, the RCP Funds are susceptible to operational, information security and related risks. In general, cyber incidents can result from deliberate attacks or unintentional events. Cyber-attacks include, but are not limited to, gaining unauthorized access to digital systems (e.g., through “hacking” or malicious software coding) for purposes of misappropriating assets or sensitive information, corrupting data, or causing operational disruption. Cyber-attacks may also be carried out in a manner that does not require gaining unauthorized access, such as causing denial-of-service attacks on websites (i.e., efforts to make network services unavailable to intended users). Cyber incidents affecting an RCP Fund or its service providers have the ability to cause disruptions and impact business operations, potentially resulting in financial losses, the inability of such RCP Fund to transact business, violations of applicable privacy and other laws, regulatory fines, penalties, reputational damage, reimbursement or other compensation costs, or additional compliance costs. Similar adverse consequences could result from cyber incidents affecting the underlying funds and their portfolio companies in which an RCP Fund invests, counterparties with which an RCP Fund engages in transactions, governmental and other regulatory authorities, banks, brokers, dealers, insurance companies and other financial institutions. In addition, substantial costs may be incurred in order to prevent cyber incidents in the future. While the RCP Funds’ service providers have established business continuity plans in the event of, and risk management systems to prevent, such cyber incidents, there are inherent limitations in such plans and systems including the possibility that certain risks have not been identified. Furthermore, the RCP Funds cannot control the cyber security plans and systems put in place by their respective service providers or any other third parties whose operations may affect the RCP Funds and their respective investors. One or more RCP Funds could be negatively impacted as a result.

THE FOREGOING LIST OF RISK FACTORS DOES NOT PURPORT TO BE A COMPLETE ENUMERATION OR EXPLANATION OF THE RISKS INVOLVED IN AN INVESTMENT IN THE RCP FUNDS OR A SEPARATE ACCOUNT. INVESTORS SHOULD READ SUCH ENTITY’S RESPECTIVE PRIVATE PLACEMENT MEMORANDUM AND OTHER OFFERING MATERIALS OR GOVERNING DOCUMENTS AND CONSULT WITH THEIR OWN COUNSEL AND ADVISORS BEFORE DECIDING WHETHER TO INVEST IN ANY SUCH RCP FUNDS OR SEPARATE ACCOUNT.

Disciplinary Information

Item 9 Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to a client or prospective client's evaluation of RCP's advisory business or the integrity of RCP's management. RCP has no information to disclose applicable to this Item 9.

Other Financial Industry Activities and Affiliations

Item 10 Other Financial Industry Activities and Affiliations

RCP is affiliated with a number of other investment advisers. Additional information regarding each relationship is set forth below.

RCP shares common officers and directors with RCP 1. Although RCP and RCP 1 are under different ownership, the three investment advisers generally operate together, with RCP 3 providing the employees and day-to-day investment management services to the clients of RCP 1 and RCP 2 through a sub-advisory agreement with RCP 1 and RCP 2, respectively.

Each RCP Fund has a general partner, which is responsible for the daily operations of such RCP Fund, excluding the selection of such RCP Fund's investments. None of the general partners of the RCP Funds has employees or other persons acting on such general partner's behalf other than officers and employees of RCP. Either RCP 2 or RCP 3 is the sole voting member of each of the general partners and, accordingly, has the ability to control the day-to-day operations of the RCP Funds. As noted in Item 4, "Advisory Business," RCP 2 and RCP 3 are indirect wholly-owned subsidiaries of P10. Members of RCP's senior management hold P10 shares.

Certain members and employees of RCP may spend substantially all of their business time and attention on multiple RCP Funds (as required pursuant to the terms of the RCP Funds' partnership agreements) as well as funds managed by RCP 1. As a result, the performance by these individuals of their obligations to one client could conflict with their responsibilities to other clients.

With respect to the SBIC Fund, RCP retains McNally, pursuant to an investment sub-advisory agreement, to assist in the selection of the SBIC Fund's investments, among other duties. Ward McNally, the managing partner of McNally, serves as a special advisor to the SBIC Fund and assists with the sourcing and evaluation of potential investments. Management Fees and Carried Interest charged by the SBIC Fund are waived for McNally and McNally's affiliates (as defined in the SBIC Fund's partnership agreement) with respect to their investments in the SBIC Fund.

An investor in an RCP Fund may be affiliated with or related to an underlying fund or portfolio company in which RCP causes an RCP Fund to invest. Furthermore, an investor (or an entity related to such investor) in an RCP Fund may provide products or services directly to RCP or to RCP's clients and may do so at reduced rates.

RCP may cause an RCP Fund to make investments in underlying funds managed or sponsored by, or otherwise associated with affiliates of Keystone Capital, Inc., a Chicago-based investment firm ("Keystone"), whose affiliates own an indirect interest in RCP. RCP's association with Keystone may create an incentive to invest in Keystone-affiliated funds, in which case Keystone will indirectly receive the benefit of any management fees payable at both the RCP Fund and the underlying fund level.

Please refer to Item 11, "Code of Ethics, Participation or Interest in Client Transactions and Personal Trading" for a description of certain relationships that are material to RCP's advisory business or to RCP's clients that RCP or any of its management persons have with certain "related

persons,” the conflicts of interest with clients potentially resulting from such relationships, and how RCP addresses such conflicts.

Through the P10 ownership structure, RCP is affiliated with a number of investment advisers, each independently operated and separately registered as an investment adviser with the SEC. Additional information regarding these relationships is set forth below.

FIVE POINTS

Five Points Capital Inc. (“Five Points”), a separately registered investment adviser, which maintains private credit, private equity and small buyout strategies operates a number of private funds which are licensed as SBICs. Accordingly, Five Points is generally subject to regulation by the Small Business Administration. An RCP executive serves on the board of directors and the investment committee of Five Points. Notwithstanding Five Point’s common ownership and shared director and investment committee member with RCP, Five Points operates independently and maintains a separate investment program from RCP. RCP provides certain accounting, human resources and administrative personnel, functions and other services to Five Points for a quarterly fee pursuant to a Services Agreement between RCP and Five Points.

TRUEBRIDGE

TrueBridge Capital Partners, LLC (“TrueBridge”) is a separately registered investment adviser. An RCP executive serves on the board of managers and investment committee of TrueBridge. Notwithstanding TrueBridge’s common ownership and shared manager and investment committee member, TrueBridge operates independently and maintains a separate investment program from RCP, while sharing various operational resources and systems of RCP.

ENHANCED CAPITAL

Enhanced Capital Partners, LLC (“Enhanced Capital”), a separately registered investment adviser, operates independently and maintains a separate investment program from RCP.

THE PRIVATE CAPITAL UNIT

The Private Capital Unit is a separate business line of RCP 2 that operates independently but shares various operational resources and systems of RCP. With respect to the Private Capital Unit, the members of the Private Capital Unit are employees of RCP 2 and the Private Capital Unit manages clients through investment management agreements with separate account clients or pooled investment vehicles, as applicable, on one hand, and RCP 2 on the other hand. For more information with respect to the Private Capital Unit, please refer to the PCU Brochure.

THE HB UNITS

The HB Units are each a separate business line of RCP 2 that operate independently but share various operational resources and systems of RCP. With respect to the HB Units, the members of the HB Units are employees of Hark and/or Bonaccord and the HB Units manage clients through

investment management agreements with the HB Funds. For more information with respect to the HB Units, please refer to the HB Brochure.

NON-ADVISORY SERVICES

Separate and apart from its advisory business, RCP offers certain pre-qualified subscribers access to GPScout, a subscription-based private fund manager research platform (“GPScout” or the “Service”). The Service provides independent research and due diligence tools designed to assist subscribers with the identification, screening, sourcing, and preliminary evaluation of private equity managers and related fund opportunities. The Service is intended for informational purposes only and does not constitute investment advice or an offer to invest or provide investment management services.

An investor in an RCP Fund or an advisory client of RCP may subscribe to GPScout; however, the Service does not constitute investment advice notwithstanding other advisory services RCP may provide such investor (if any) or advisory client. While the Service is generally made available to subscribers for an annual fee, RCP may, at its sole discretion, offer a complimentary (or discounted) GPScout subscription to certain subscribers, including existing or prospective investors in RCP Funds or advisory clients. Accordingly, there may be instances where some investors or clients pay an annual fee for the Service while other investors or clients do not, which could potentially influence an existing or prospective investor’s or advisory client’s decision to remain or become an investor in an RCP Fund or an advisory client of RCP.

RCP does not represent the managers in the GPScout database, their affiliates or any of their investment funds or products, and manager research reports are not a recommendation of a manager’s services or any investment fund managed by such manager. All manager performance metrics and other information has been obtained directly from the managers, public sources, or other third parties. RCP has generally not independently verified such information and makes no representations or warranties that the information or opinions contained in GPScout are accurate, reliable, up-to-date, or complete. In addition, RCP may have entered into confidentiality agreements with certain managers that restrict RCP’s ability to share information with third parties, including GPScout subscribers. Due to such restrictions, RCP may be unable to include certain information in GPScout. Due to the confidential nature of the information contained on the GPScout platform, a GPScout subscription may not be offered (or otherwise may be restricted if offered) to subscribers that are subject to the “Freedom of Information Act” or any public disclosure law, rule or regulation.

RCP may also maintain a separate research file for its discretionary and non-discretionary advisory clients. Such files may contain information which is not included in the GPScout database and could be deemed material to a subscriber. Accordingly, when material differences between the information provided to RCP’s advisory clients and the information provided to a subscriber exist, RCP will have a conflict of interest with such subscriber. Any conflicts will be resolved in favor of RCP’s advisory clients and not the subscriber.

RCP and/or its advisory clients may have an investment with a particular manager. RCP will not disclose in GPScout whether RCP and/or any of its advisory clients maintains an investment with such manager.

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

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

CODE OF ETHICS

RCP has implemented a Code of Ethics as required by Rule 204A-1 under the Advisers Act, which is incorporated in RCP's Investment Advisory Compliance Manual. RCP's Code of Ethics sets forth certain standards of business conduct that govern the personal investment activities of employees and officers of RCP, including the standard that the interests of advisory clients must be placed first at all times.

RCP's Code of Ethics requires "access persons" (officers and supervised persons with access to client information) of RCP to report their personal securities transactions to RCP on a quarterly basis and their securities holdings upon commencement of employment (or upon becoming an access person) and annually thereafter. Access persons also must obtain approval from RCP's Chief Compliance Officer before they acquire any ownership interest in any security in an initial public offering, initial coin offering or limited offering. The Code of Ethics requires all employees and officers of RCP to comply with applicable federal securities laws and to promptly report any violation of the Code of Ethics to RCP's Chief Compliance Officer.

A copy of RCP's Code of Ethics will be provided upon request to any investor or prospective investor in the RCP Funds and to any Separate Account client or prospective Separate Account client. A copy of the Code of Ethics may also be obtained by writing to: RCP Advisors 2, Attn: Chief Compliance Officer, 4514 Cole Avenue, Suite 1600, Dallas, Texas 75205; or RCP Advisors 3, Attn: Chief Compliance Officer, 353 N. Clark Street, Suite 3500, Chicago, Illinois 60654-4708.

RCP and its investment committee seek to ensure that RCP and its members, employees and affiliates do not personally benefit from investment recommendations. Pursuant to the respective partnership agreements of the RCP Funds, each RCP Fund's general partner is required to cause each of its members who are actively involved in its business to present to the respective RCP Fund all investment opportunities consistent with the investment strategies of such RCP Fund that come to the attention of such members during the respective client's investment period. Furthermore, as mentioned above, access persons must obtain approval from RCP's Chief Compliance Officer before they acquire any ownership interest in any underlying fund or other limited offering.

PARTICIPATION OR INTEREST IN CLIENT TRANSACTIONS

RCP and its affiliated persons may come into possession, from time to time, of material non-public or other confidential information about companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, RCP and its affiliated persons are prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of RCP. Accordingly, should RCP or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any company, RCP would be prohibited from communicating such information to clients, and RCP will have no responsibility or liability for failing to disclose such information to clients as a result of following its policies and procedures

designed to comply with applicable law. Similar restrictions may be applicable as a result of RCP's personnel serving as directors of public companies and may restrict trading on behalf of clients, including the RCP Funds.

Principals and other employees of RCP may, directly or indirectly, own interests in the RCP Funds or Separate Accounts. RCP believes that ownership of such interests aligns the interests of RCP's personnel with the interests of such clients.

Certain related persons (i.e., employees) of RCP will indirectly receive a portion of the Carried Interest paid to the general partners of the funds managed by RCP 1, the RCP Funds or a Separate Account by being or becoming members of RCP or of such general partners. The Carried Interest allocation may vary among clients. While RCP and RCP 1 intend to allocate investment opportunities among clients in a manner that they believe is fair and equitable over time, the possibility of receiving Carried Interest and the variation of the structure of Carried Interest among clients creates an incentive for RCP and/or RCP 1 to favor one client over another and to recommend more speculative investments on behalf of a client. As detailed in Item 6, "Performance-Based Fees and Side-by-Side Management" and Item 12, "Brokerage Practices," RCP's disciplined investment selection process is intended to mitigate this risk.

Brokerage Practices

Item 12 Brokerage Practices

RCP, as the investment manager of the RCP Funds, has the discretion to determine the underlying funds (and direct equity investments in the case of a Direct Fund and SBIC/mezzanine investment opportunities in the case of the SBIC Fund) in which the respective RCP Funds invest. Investments in underlying funds (and direct equity investments in the case of a Direct Fund and SBIC/mezzanine investment opportunities in the case of the SBIC Fund) are negotiated on a private placement basis by RCP. RCP typically does not utilize broker-dealers in connection with such investments; however, RCP may pay a “finder’s fee” to a broker for introducing a Secondary Fund to a prospective seller whose interest in an underlying fund is ultimately acquired by such Secondary Fund or for introducing a Primary Fund to a prospective buyer that ultimately acquires an interest in an underlying fund from such Primary Fund.

To the extent a client receives an in-kind distribution of securities that may be publicly traded or private, RCP will generally seek to liquidate the securities as quickly as possible. Such liquidation may be through a privately negotiated transaction, which may not utilize a broker, or to the extent publicly traded, through a broker. In liquidating publicly traded securities and if delegated the authority to do so, RCP will select the broker to effectuate the liquidation. In selecting a broker, RCP may consider a variety of factors, including: (i) the reliability, integrity, financial condition and execution capability of the firm being considered for effecting the transactions in light of the size and difficulty of executing the order, and (ii) the reasonableness of the commissions in light of the services being provided.

ADDITIONAL FUNDS AND ALLOCATION OF INVESTMENT OPPORTUNITIES

RCP and its affiliates anticipate organizing and accepting capital commitments for other funds or other clients with investment objectives that are similar to those of the existing clients at any time. These additional clients may invest concurrently with existing clients and may be allocated investment opportunities that are not allocated to existing clients. A client may make an investment in an underlying fund in which another client has already invested or intends to invest. RCP may have a conflict of interest as to the investment allocation among such clients. RCP and its clients are subject to significant potential and actual conflicts of interest with respect to the side-by-side management of funds and other accounts by RCP and its affiliates, as discussed in greater detail in Item 6, “Performance-Based Fees and Side-By-Side Management.”

Certain limitations generally apply with respect to RCP’s ability to make investments on behalf of a newly established RCP Fund, if such newly established RCP Fund has investment objectives that are substantially similar to those of an existing RCP Fund, including until such existing RCP Fund has invested (or reserved) at least 75% of its capital commitments. For a full explanation of these limitations that may or may not apply to a particular RCP Fund, investors should refer to the governing documents or offering materials of the relevant RCP Fund(s). These limitations are intended to help alleviate the conflicts with respect to the allocation of investment opportunities between an existing RCP Fund and a newly established RCP Fund. Such limitations do not completely alleviate allocation conflicts, and RCP Fund investors should understand that, to the extent RCP Funds or clients of RCP 1 have uncommitted capital, the potential for a conflict exists.

RCP may organize for the benefit of a Separate Account client, an investment vehicle to invest on a proportional or other basis with an RCP Fund in underlying funds. RCP refers to such funds as Side by Side Funds. Because Side by Side Funds are generally subordinate to the applicable RCP Fund, such funds are not typically subject to the allocation restrictions set forth in such RCP Fund's governing documents as described above.

Non-discretionary clients generally are required to acknowledge that they are subject to actual and potential conflicts of interest with RCP with respect to the recommendation of investment opportunities. In particular, clients are required to acknowledge that RCP will first make recommendations to clients over which it exercises investment discretion prior to making any recommendations to non-discretionary clients. Accordingly, non-discretionary clients may be disadvantaged to the extent that investment opportunities are not offered to the client or are otherwise limited. In addition, RCP may negotiate preferential terms for its discretionary clients which may not be available to a non-discretionary client. Finally, in certain situations, one client's capital allocations may be subordinate to another client's capital allocations. Any such subordination will be appropriately documented and disclosed to the client.

From time to time, where excess capacity is available, RCP may notify certain investors in RCP Funds and other third parties to invest alongside our clients in underlying funds and/or direct private equity investments on a co-investment basis. Such co-investment opportunities will generally be offered to potential co-investors on an individual basis, and each co-investor will have the opportunity to accept or reject each individual co-investment. Participation in such opportunities may be limited to a select number of co-investors based on the amount of excess capacity available, the co-investor's relationship with RCP, certain side letter provisions, or other factors, and are not always available to all interested parties.

As discussed above, an investor in an RCP Fund (which may be a Separate Account client) may invest in an underlying fund or participate in a direct equity investment in which an RCP Fund is invested. In certain instances, RCP may notify an investor of an investment opportunity if such opportunity is not appropriate for the RCP Funds or if sufficient investment capacity exists such that an RCP Fund would not be disadvantaged if the investor participated in such investment opportunity.

RCP maintains an advisory board for its RCP Funds (the "Funds' Board"), excluding the Direct Funds, SEFs and RCP's third Secondary Fund which maintain distinct boards for each fund. Members of the Funds' Board are not limited to investors in the RCP Funds and include investors in funds managed by RCP 1 as well as investment advisers for investors in the RCP Funds and funds managed by RCP 1. To the extent an investment adviser is on the Funds' Board, the investment adviser may be more likely to recommend to its clients an investment in an RCP Fund. Members of the Funds' Board have no authority to act on behalf of any RCP Fund and receive no compensation (other than reimbursement of reasonable out-of-pocket expenses in connection with their service).

The Private Capital Unit of RCP 2 may allocate capital to an underlying fund or other investment at the same time as RCP. In such cases, where the proposed opportunity is unable to accommodate the full investment by both clients, the allocation conflict will be resolved in favor of the RCP strategy or product, provided the proposed investment is within the RCP client's investment

mandate and otherwise suitable for such client's portfolio. As a result of this allocation methodology, it is possible that an investment opportunity that the Private Capital Unit would otherwise be entitled to make is instead allocated to an RCP client and the Private Capital Unit client will not participate in the investment (or will participate at a lesser amount). Please refer to the PCU Brochure for more information.

Due to the differences between the investment strategies of the HB Funds and clients of RCP, it is unlikely that two or more of the foregoing will seek to allocate to an investment at the same time as the strategies generally do not overlap. If such an event would occur and where the proposed opportunity is unable to accommodate the full investment by both clients, the allocation conflict will be resolved by RCP in consultation with the HB Units. Please refer to the HB Brochure for more information.

As discussed elsewhere herein, through the P10 ownership structure, RCP is affiliated with a number of investment advisers, each independently operated and separately registered as an investment adviser with the SEC. As such, each such affiliate has established and maintains procedures to minimize conflicts in making investments. In the limited situations where RCP and a separately operated affiliate might allocate to the same underlying investment, RCP and the applicable affiliate will generally seek to allocate investment opportunities fairly and equitably but no assurance can be made that any client will be treated the same or have access to the same underlying investment opportunities. In addition, underlying fund managers may determine to allocate capacity among RCP and its affiliates differently.

CROSS TRADES AND PRINCIPAL TRANSACTIONS

RCP and its affiliates may (i) direct a client to sell, acquire or assign investments to or from another client (commonly known as "cross trades") and (ii) engage in transactions with a client for their own accounts (commonly known as "principal transactions"). For example, an RCP Fund may sell an underlying fund investment to a Secondary Fund in a secondary market purchase in order to facilitate the wind down of the RCP Fund's operations. Participation in cross trades or principal transactions subjects RCP to conflicts of interest, including the possibility that RCP could favor the interests of itself, its affiliates or a particular client over other clients, and other conflicts involving liquidity, pricing and transparency. Although cross trades and principal transactions are not expected to be engaged in regularly other than in connection with the winding-up of an RCP Fund, any such transaction will comply with RCP's fiduciary obligations to such client(s). RCP will seek any necessary approvals (which may be from a client's advisory committee) to the extent required under any applicable agreements, regulations or laws.

Review of Accounts

Item 13 Review of Accounts

RCP continuously monitors the portfolios of the RCP Funds and clients over which it exercises investment discretion. RCP's investment committee, supported by RCP's investment team, is responsible for such monitoring. As of the date of this brochure, members of RCP's investment committee are:

- Thomas P. Danis, Jr., Managing Partner;
- Charles K. Huebner, Managing Partner;
- Jon I. Madorsky, Managing Partner;
- David M. McCoy, Managing Partner and Portfolio Manager;
- Alexander Abell, Partner and Portfolio Manager;
- Calvin M. Kleinschmidt¹, Principal;
- Rajiv D. Patel², Principal; and
- Jonathan Soffer³, Principal.

Members of the investment committee may change without notice unless such notice is required pursuant to any RCP Fund's or discretionary client's governing documents.

Monitoring activities include but are not limited to: participation in underlying funds' annual meetings; membership on the advisory boards of the underlying funds (to the extent such membership is granted by the underlying funds); consistent contact with the managers of the underlying funds and sponsors of direct private equity investments in an effort to remain apprised of all developments in their portfolios; and, ongoing evaluation of the state of the market generally.

For underlying funds that are deemed to have material balances, RCP's investment team endeavors to circulate internally a Portfolio Monitoring Report for each underlying fund on an annual basis (shortly after the respective underlying fund's annual meeting, if applicable). The Portfolio Monitoring Report provides a high-level summary of such underlying fund's performance, including the current valuation as reported by the underlying fund's manager. RCP tracks the valuation changes quarterly and inputs this data into its Salesforce database shortly after the receipt of the quarterly financials and respective reports. For direct private equity investments, the investment team endeavors to create quarterly updates with financial information for each direct private equity investment from the deal sponsor. These updates are presented to the portfolio manager for review. Any performance issues or concerns are highlighted in the Portfolio

¹ With respect to Core Funds only

² With respect to Secondary Funds and SEFs only

³ With respect to Direct Funds only

Monitoring Report and/or direct private equity investment quarterly update (as applicable) and discussed with RCP's investment committee.

Each RCP Fund provides to its investors the following written reports: annual audited financial statements of the RCP Fund; quarterly unaudited financial statements of the RCP Fund; and quarterly unaudited account statements specific to each investor. U.S. income tax information is furnished annually. With the exception of U.S. income tax information, the Feeder Fund investors generally receive the same reports. In addition, RCP hosts an annual meeting for investors in the RCP Funds. RCP may provide Separate Account clients with certain unaudited quarterly and annual reports as set forth in the applicable advisory agreement.

Client Referrals and Other Compensation

Item 14 Client Referrals and Other Compensation

While no firms or other persons solicit advisory clients on behalf of RCP, RCP has entered into agreements with various entities to act as placement agents on behalf of one or more of the RCP Funds (or a Feeder Fund) for the purpose of referring eligible investors for investment in such RCP Funds. Pursuant to these written agreements, RCP typically pays such placement agents a percentage of the capital committed to an RCP Fund by investors referred to such RCP Fund by such placement agent. Such agreements also typically require that RCP agree to indemnify the placement agent for certain losses, claims or damages to which the placement agent may be subject in connection with its engagement by RCP. These agreements require the placement agent to meet the disclosure and other requirements of applicable law. The terms of the agreements may vary depending upon the circumstances. Management Fees (as described in Item 5, “Fees and Compensation”) may be used to pay such placement agents, at the discretion of the general partner of the respective RCP Fund, but investors in the RCP Funds do not pay greater fees (Management Fees or any other fees) to RCP or its affiliates as a result of such agreements.

RCP endeavors at all times to put first the interests of the RCP Funds and those of the investors in the RCP Funds as part of RCP’s fiduciary duty to its clients. Nevertheless, the receipt of compensation by placement agents as described above creates a conflict of interest, and may affect the judgment of such placement agents when referring eligible investors to RCP and the RCP Funds.

Custody

Item 15 Custody

RCP or the respective general partner of an RCP Fund may be deemed to have custody of an RCP Fund's (or Feeder Fund's, Parallel Fund's or Aggregator Vehicle's) assets. The Private Capital Unit of RCP 2 is deemed to have custody by virtue of its discretionary authority to invest and otherwise control the assets. In addition, with respect to client assets in separate accounts running certain credit strategies, the Private Capital Unit serves as collateral and loan agent with respect to certain debt securities issued on behalf of separate account clients, which also results in deemed custody. Custody of the clients' assets is maintained in compliance with applicable rules and regulations set forth in the Advisers Act. Where required, cash and securities are maintained at a financial institution meeting the definition of "qualified custodian" under the Advisers Act. In addition, the financial statements of each RCP Fund are audited annually and distributed to investors within 180 days of the applicable fiscal year-end of the respective RCP Fund. In the event that such distribution is expected to be delayed beyond the 180-day deadline because the general partner of an RCP Fund has not received the financial information necessary from each of the underlying funds or direct private equity investments to prepare such audited financial statements, RCP or the general partner of the impacted RCP Fund will notify the investors in such RCP Fund of the delay, the reason for the delay and the expected date by which such delivery will occur.

RCP has implemented written policies and procedures to ensure compliance with the Advisers Act custody requirements. RCP periodically reviews the effectiveness of its custody controls.

Investment Discretion

Item 16 Investment Discretion

Subject to the investment objectives and limitations of each client, as set forth in such RCP Fund's offering materials and governing documents or Separate Account governing documents, RCP has the discretion to determine the underlying funds or direct private equity investments, as applicable, in which such client invests and the amounts of such investments. With respect to a Secondary Fund, RCP also has the discretion to determine the price at which such Secondary Fund acquires interests in underlying funds. In addition, RCP has the discretion to sell an RCP Fund's interests in underlying funds to third parties and to determine the price for such interests, pursuant to the terms of such RCP Fund's governing documents.

RCP's investment decisions are made in accordance with RCP's investment process and investment allocation policy, which takes into account multiple criteria, including the investment objectives and strategy of the client; such client's size and amount of capital available for investment; such client's diversification requirements and investment restrictions; available investment opportunities appropriate for such client; and, current and anticipated market conditions.

By subscribing for an investment in an RCP Fund and executing the applicable subscription agreement, each investor agrees that such RCP Fund is formed for the object and purpose of, and the nature of the business to be conducted and promoted by such RCP Fund is, operating generally as a fund-of-funds or fund organized to co-invest alongside private equity sponsors in direct private equity investments, as applicable, in the manner described in such RCP Fund's offering materials, including, without limitation, (i) making, holding and disposing of investments in private equity funds or entities selected by RCP that offer the potential for capital appreciation and investment returns, and (ii) engaging in all activities and transactions on behalf of such RCP Fund as the general partner of such RCP Fund may deem reasonably necessary, advisable, convenient or incidental in connection therewith.

RCP has entered and may enter into side letters with investors in an RCP Fund in which RCP's investment discretion is altered or varied. Such terms may include, in some cases, the investor's right to be excused from a particular investment due to legal, tax, regulatory or other applicable constraints.

Voting Client Securities

Item 17 Voting Client Securities

Clients invest in private equity funds and alongside private equity sponsors in direct private equity investments. With respect to non-discretionary services, RCP generally will not have the ability to vote with respect to an underlying fund investment. In these circumstances, non-discretionary clients will receive their proxies directly from the applicable underlying fund or company. With respect to each RCP Fund or client over which RCP exercises discretion, either RCP or the general partner has the authority to vote securities. RCP will evaluate issues that may have an impact on the economic value of a client's underlying investment and will seek to ensure that such client votes with a view toward maximizing the economic value of the investment at the time of the decision or by determining that a particular vote is in the best interest of the client. All amendments to partnership agreements with respect to the RCP Funds' private equity investments are recorded by RCP as proxy votes.

Neither RCP nor a client typically receives distributions of public securities or otherwise holds public securities. In the event any RCP Fund were to receive a distribution of securities in-kind, such client would expect to immediately sell such securities for cash pursuant to the terms of such client's offering materials or governing documents. Thus, proxy voting for in-kind distributions is not generally applicable to RCP's business. In the event a client's general partner did need to vote a security, RCP would seek to ensure that such general partner generally votes to maximize the position's economic value or by determining whether a particular vote was in the best interest of the RCP Fund.

Clients may obtain a copy of RCP's proxy voting procedures or information about how RCP voted by writing to: RCP Advisors 2, Attn: Chief Compliance Officer, 4514 Cole Avenue, Suite 1600, Dallas, Texas 75205; or RCP Advisors 3, Attn: Chief Compliance Officer, 353 N. Clark Street, Suite 3500, Chicago, Illinois 60654-4708.

Financial Information

Item 18 Financial Information

Registered investment advisers are required in this Item 18 to provide certain financial information or disclosures about their financial condition. RCP does not require the prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item.