

INVESTMENT ADVISER BROCHURE

PRYSM CAPITAL, L.P.

**Prysm Capital, L.P.
188 Nassau Street, Suite 1
Princeton, NJ 08542
www.prysmcapital.com**

March 25, 2022

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Prysm Capital, L.P. (“Prysm Capital”). If you have any questions about the contents of this Brochure, please contact us at muhammad@prysmcapital.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

Additional information regarding Prysm Capital is also available on the SEC’s website at www.adviserinfo.sec.gov.

TABLE OF CONTENTS

	<u>Page</u>
Material Changes	2
Advisory Business.....	2
Fees and Compensation	3
Performance-Based Fees and Side-By-Side Management.....	8
Types of Clients	9
Methods of Analysis, Investment Strategies and Risk of Loss.....	9
Disciplinary Information	32
Other Financial Industry Activities and Affiliations.....	32
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	33
Brokerage Practices	34
Review of Accounts	36
Client Referrals and Other Compensation	36
Custody.....	37
Investment Discretion	37
Voting Client Securities	37
Financial Information	38

MATERIAL CHANGES

There have been no material changes to Prysm Capital's Brochure since the last update on March 23, 2021.

ADVISORY BUSINESS

Prysm Capital, a Delaware limited partnership and a registered investment adviser, provides investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. Prysm Capital commenced operations in June 2019.

Prysm Capital's clients include private investment funds (the "**Funds**," and each, a "**Fund**") to which Prysm Capital or its affiliates provide investment advisory services. The Funds include vehicles that make single investments.

One or more affiliates of Prysm Capital serve as the general partners, managers, managing members, or special members to the Funds (each such entity in such capacity, a "**General Partner**," and collectively, the "**General Partners**," and together with Prysm Capital and their affiliated entities, "**Prysm**").

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

The Funds are private equity funds and invest through negotiated transactions in operating entities, generally referred to herein as "portfolio companies." Prysm's investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Although investments are made predominantly in non-public companies, investments in public companies are permitted in certain circumstances. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of Prysm generally serve on such portfolio companies' respective boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested.

Prysm's advisory services to the Funds are detailed in the applicable private placement memoranda or other offering documents (each, a "**Memorandum**"), investment management agreements, limited partnership or other operating agreements (each, a "**Partnership Agreement**" and, as applicable, together with any relevant Memorandum, the "**Governing Documents**") and are further described below under "Methods of Analysis, Investment Strategies and Risk of Loss." Investors in the Funds participate in the overall investment program for the applicable Fund, but in certain circumstances can be excused from a particular investment due to legal, regulatory or other agreed-upon circumstances pursuant to the relevant Governing Documents; such arrangements generally do not and will not create an adviser-client relationship between Prysm and any investor. The Funds or the General Partners generally enter into side letters or other similar agreements ("**Side Letters**") with certain investors that have the effect of establishing rights under,

or altering or supplementing the terms (including economic or other terms) of, the relevant Governing Documents with respect to such investors.

Additionally, from time to time and as permitted by the relevant Governing Documents, Prysm provides (or agrees to provide) co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, Prysm's personnel and/or certain other persons associated with Prysm (*e.g.*, a vehicle formed by Prysm's principals to co-invest alongside a particular Fund's transactions). Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. Where appropriate, and in Prysm's sole discretion, Prysm reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of December 31, 2021, Prysm managed approximately \$1,091,007,102 in client assets on a discretionary basis and no client assets on a non-discretionary basis. Prysm Capital, LLC, a Delaware limited liability company, acts as the general partner of Prysm Capital. Prysm Capital's principal owners are Jay Park, Muhammad Mian and Matthew Roberts.

FEES AND COMPENSATION

In general, Prysm receives a management fee (the "**Management Fee**") and a carried interest in connection with advisory services. Prysm Capital or other Prysm entities or affiliates expect to receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the Management Fees otherwise payable to Prysm in accordance with the relevant Governing Documents. In addition, in certain circumstances Prysm expects to receive compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in a Fund also bear certain expenses including those discussed below.

Management Fees

As more fully described in the applicable Governing Documents of each Fund, the Funds generally pay Prysm an annual Management Fee, payable quarterly in advance. Investors participating in a closing after the initial closing date bear the Management Fee from the initial closing date. The Management Fees are paid out of current income and investment proceeds of the Funds and/or, in the General Partners' discretion, from drawdowns that will reduce unfunded

investor capital commitments (“**Commitments**”). The Management Fee will be payable until all portfolio investments are distributed or until Prysm’s relationship with the Fund is terminated for other reasons (as described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full quarterly period shall be adjusted on a *pro rata* basis according to the actual number of days in such period. Where the Governing Documents calculate Management Fees based on the amount of Commitments or the amount of investment contributions, the amount of Management Fees generally will not be reduced based on reductions in investment value, except where specified by the relevant Governing Documents. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

As set forth in the relevant Governing Documents, a Fund’s Management Fee will be reduced by a percentage of Portfolio Company Fees attributable to investors not designated as “affiliated partners” by the relevant General Partner. “**Portfolio Company Fees**” include: (i) directors’ fees, financial consulting fees or advisory fees paid to a General Partner with respect to any investment of a Fund; (ii) transaction fees paid to a General Partner with respect to any investment of a Fund; and (iii) break-up fees with respect to transactions not completed by a Fund that are paid to a General Partner, in each case net of certain expenses as set forth in the Governing Documents; but not including, in any event, any amount received by a General Partner, any operating partner or other person from a portfolio company (a) as reimbursement for expenses directly related to such portfolio company, (b) as payment for services provided to such portfolio company in the ordinary course of such portfolio company’s business, (c) as compensation for services provided by the relevant General Partner or other person as an employee of or in a similar capacity for such portfolio company or (d) as compensation (including fees, incentive equity or other stock awards) for services rendered by an operating partner to a portfolio company or prospective portfolio company. Various costs and expenses will reduce Portfolio Company Fees (and therefore such amounts will not reduce the Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by a General Partner in connection with any consummated or unconsummated transaction or in connection with generating any such Portfolio Company Fees. Any Portfolio Company Fees with respect to an investment or potential investment (including a transaction not consummated) shall be allocated to a Fund (and offset against the Management Fee as described above) only to the extent of the Fund’s relative ownership (or anticipated ownership) of such investment or potential investment on a fully diluted basis. Accordingly, a Fund will, in most cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such Portfolio Company Fees and not the portion allocable to any other person that holds an economic interest in (or, in the case of a transaction not consummated, would have held an economic interest in) the applicable investment.

As a matter of practice, Prysm is typically paid fees of the type referred to in the preceding paragraph from, on behalf of or with respect to co-investors in an investment, as well as other fees relating to the structuring and administration of co-investment arrangements. The receipt of such fees will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and as a result a Fund will, in most cases, only benefit with respect to its allocable portion on a fully diluted basis of any such fee and not the portion of any fee that relates to such co-investors or potential co-investors (which could include co-investment vehicles managed by Prysm, third parties, portfolio company management or employees and/or others), which has the potential to be significant. Portfolio Company Fee offsets generally are performed on a net basis,

after giving effect to taxes and other expenses in connection with the receipt of such fees or the provision of related services. Unless otherwise agreed with investors, Portfolio Company Fees generally will be payable without further offset during term extensions, even if Management Fees are reduced or eliminated during the extended term. In certain circumstances, Prysm expects that co-investors, lenders, consultants or other parties from time to time will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset percentage will be applied after excluding any amounts paid to such persons. Additionally, as further described below and in the applicable Governing Documents of each Fund, Prysm expects to use or retain certain operating partners to provide services to (or with respect to) one or more Funds or certain portfolio companies in which one or more Funds invest. Such operating partners generally are expected to receive compensation and other amounts described herein from the relevant portfolio companies or Funds to which they provide services, but no such amounts will offset or reduce the Management Fee. For the avoidance of doubt, Prysm also will not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Fund portfolio companies.

Certain Governing Documents permit Prysm to waive or agree to reduce the Management Fee. Certain waived portions of the Management Fee are treated by the Governing Documents as a deemed capital contribution by the relevant General Partner, which is effectively invested in the relevant Fund on such General Partner's behalf, and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to the Fund. The limited partners of the Fund would, in such circumstances, be required to make *pro rata* contributions according to their respective Commitments to fund any contribution that would otherwise be required of Prysm in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by Prysm and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will be delayed or not be fully realized by investors in a Fund, resulting in a net additional benefit to Prysm.

Carried Interest

As more fully described in the applicable Governing Documents of each Fund, the relevant General Partner typically receives a carried interest with respect to a Fund, generally equal to a percentage of all realized profits. In certain cases, such carried interest may be subject to a compound preferred return. The carried interest distributed to a General Partner is subject to a potential giveback at the end of life of the Fund if the General Partner has received excess cumulative distributions and at certain interim intervals as provided in the Governing Documents.

Other Information

Prysm is permitted to exempt certain "affiliated partner" investors and operating partners in the Funds from payment of all or a portion of Management Fees and/or carried interest, including Prysm and any other person designated by Prysm, such as "friends and family" of Prysm or its personnel, or other investors meeting certain qualification requirements based on Commitment size or other strategic or relationship factors. The relevant General Partner reserves

the right to make any such exemption from fees and/or carried interest by a direct exemption, a rebate by Prysm, or through other Funds which co-invest with a Fund. For example, in instances where a Prysm professional (or an affiliated entity thereof) or operating partner invests in a Fund, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and carried interest with respect to such Fund. Additionally, to the extent permitted by the relevant Governing Documents, Prysm has the right to permit investors, affiliated with Prysm or otherwise, to invest through the relevant General Partner or other vehicles that do not bear Management Fees or carried interest. In general, the Management Fee offsets described above apply only with respect to the Commitments of fee-paying investors. Prysm retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor's capital account(s).

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

Principals or other current or former employees of Prysm generally receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by Prysm.

In addition to the Management Fee and carried interest payable to Prysm, each Fund bears certain expenses. As set forth more fully in the applicable Governing Documents of each Fund, a Fund bears all fees, costs, expenses, liabilities and obligations relating to the Fund's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Portfolio Company Fees, generally including costs and expenses attributable to structuring, organizing, acquiring, managing, operating, holding, valuing, winding up, liquidating, dissolving and disposing of such Fund's investments, legal, filing, accounting, auditing, investment banking, travel (including, where appropriate, meal and entertainment expenses and the cost of chartering private aircraft or other private air travel at a cost not in excess of the cost of first class commercial airfare or ground transportation (including car service)), consulting, research, brokerage, finder's fees, financing, real estate title, appraisal, printing, reporting, custody, depositary, transfer, registration, insurance, advisory board, limited partner meetings and related meal and entertainment expenses, interest, taxes, extraordinary expenses and other similar fees and expenses, including all fees, costs, expenses, break-up or topping fees or other liabilities and obligations relating to investment and disposition opportunities for such Fund not consummated ("**Broken Deal Expenses**") (including Broken Deal Expenses relating to transactions that have been syndicated or offered to but not taken by co-investors, or for which a syndication or co-investment was believed necessary in order to consummate such transaction, or would have been beneficial in the judgment of the relevant General Partner) but not Prysm expenses in connection with maintaining and operating its offices (such as compensation of its employees, rent, utilities and general office expenses). As a general matter, Broken Deal Expenses are allocated among Fund investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of Prysm.

Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities and obligations of legal counsel, consultants and/or other service providers to procure, develop, establish, review, revise, customize, upgrade and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. Excluded from Fund expenses are ordinary administrative and overhead expenses of the General Partners incurred in connection with managing, originating and monitoring investments, including employees' salaries, rent, utilities and other similar expenses specified in the Governing Documents. In certain cases, these or similar expenses (and/or Portfolio Company Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. Each Fund also generally will bear the costs of implementing, monitoring and complying with investment guidelines and directives relating to the Fund's strategy, including in Side Letters relating thereto, and (where applicable) environmental, social, governance and other standards to which the relevant General Partner has committed in making investments on behalf of the Fund. Additionally, subject to the Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which the Fund invests. As is typical for private equity funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in "Brokerage Practices."

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

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

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

Prysm generally has discretion over whether to charge Portfolio Company Fees to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of Portfolio Company Fees generally will give rise to potential conflicts of interest between the Funds, on the one hand, and Prysm on the other hand.

Operating Partners

Additionally, as further described herein and in the applicable Governing Documents of each Fund, Prysm expects to use or retain certain operating partners to provide services to (or with respect to) one or more Funds and/or certain portfolio companies in which one or more Funds invest. Such operating partners generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Operating partners are expected to receive compensation, including, but not limited to, cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), transaction fees, a profits, participation or equity interest in a portfolio company or holding company, incentive equity and stock awards, profits or equity interests in one or more Funds or General Partners, remuneration from Prysm and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such operating partners, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such company. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund's investment, and the relevant Fund typically will bear the costs of all operating partner compensation as well as fees, costs and expenses of structuring operating partner arrangements. Operating partners also generally will be reimbursed for certain travel and other costs in connection with their services. Any compensation or reimbursement received by the operating partners may be paid by a portfolio company or prospective portfolio company or directly by a Fund. As described above, no such amounts will offset or reduce the Management Fee. The use of operating partners subjects Prysm to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under "Fees and Compensation," the relevant General Partner typically receives a carried interest allocation on certain realized profits in a Fund. Certain Funds are not subject to a carried interest, and Prysm generally has the authority to waive carried interest with respect to certain affiliated partners as described under "Fees and Compensation." Additionally, to the extent that Prysm has Funds with varying carried interest terms and/or Prysm personnel are assigned varying percentages of carried interest from the Funds, Prysm and such personnel are

subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

Prysm seeks to address the potential for conflicts of interest in these matters with allocation policies that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Governing Documents, as well as other factors that do not include the amount of performance-based compensation received by Prysm or any personnel.

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

TYPES OF CLIENTS

Prysm provides investment advice solely to its Fund clients, and references throughout this Brochure to "clients" and to Prysm's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended. The investors participating in the Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of Prysm and members of their families, operating partners or other service providers retained by Prysm, as well as executives of portfolio companies.

The relevant General Partner also generally is permitted from time to time to establish Funds that are alternative investment vehicles in order to permit certain investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the related Fund.

Prysm expects to offer Fund interests solely to qualified purchasers or qualified knowledgeable Prysm personnel (or, as applicable, accredited investors that are also qualified clients). As set forth in detail in the applicable Governing Documents, certain Funds have a specified minimum investment, and Prysm generally is permitted to waive such minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Investment and Operating Strategy

Prysm's investment strategy focuses on making venture growth, growth equity, and growth buyout investments (including investments in equity, equity-linked and debt securities of

privately-held and publicly-held businesses) in technology, consumer, and healthcare businesses in the United States and Asia.

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

Risks of Investment

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

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

Future and Past Performance. The performance of Prysm's principals' (the "**Principals**") prior investments is not necessarily indicative of a Fund's future results. While Prysm intends for the Funds to make investments that have estimated returns commensurate with the expected risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible. A Fund's investment program should be evaluated on the basis that there can be no assurance that Prysm's strategies will be executed in whole or in part, or that such Fund will achieve its investment objective.

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

Concentration of Investments. Each Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, a Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, investors will be required to bear Management Fees through such Fund during the investment period defined in the applicable Governing Documents based on the entire amount of the investors' Commitments, and other expenses as set forth in the applicable Governing Documents.

Dynamic Investment Strategy. While Prysm generally intends to seek attractive returns for a Fund primarily through making private equity investments as described herein, Prysm is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process and investment techniques as it determines appropriate.

Prysm is permitted to pursue investments outside of the industries and sectors in which the Principals have previously made investments or have internal operational experience.

Growth Equity Transactions. The Funds' investment strategy is primarily focused on targeting growth equity investments. While growth equity investments offer the opportunity for significant capital gains, such investments may involve a higher degree of business and financial risk that can result in substantial or total loss. Growth equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development, marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Impact of Government Regulation, Reimbursement and Reform. Certain industry segments in which a Fund may invest are (or may become) (i) highly regulated at both the federal and state levels in the United States and internationally and (ii) subject to frequent regulatory change. Certain segments may be highly dependent upon various government (or private) reimbursement programs. While each Fund intends to invest in companies that seek to comply with applicable laws and regulations, the laws and regulations relating to certain industries are complex, may be ambiguous or may lack clear judicial or regulatory interpretive guidance. An adverse review or determination by any applicable judicial or regulatory authority of any such law or regulation, or an adverse change in applicable regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of the companies in which a Fund invests.

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

Leveraged Investments. A Fund is permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in such portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital

structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Fund will invest generally will not be rated by a credit rating agency.

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

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

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

In addition, Fund-level borrowing will result in incremental partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing

facility, as well as expenses relating to the maintenance, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's investors and the terms of the Governing Documents, it may be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

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

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

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

Restricted Nature of Investment Positions. Generally, there will be no readily available market for each Fund's investments, and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the investors and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such investor. After a distribution of securities is made to the investors, many investors may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such investors may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to Prysm with respect to such investment.

Reliance on Prysm and Portfolio Company Management. Control over the operation of each Fund will be vested with Prysm, and a Fund's future profitability will depend largely upon the business and investment acumen of the Principals. The loss or reduction of service of one or more of such Principals could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the Principals are expected to manage or advise other investments and/or Funds besides any given Fund and the Principals may need to devote substantial amounts of their time to the investment activities of such other investments and/or Funds, which may pose conflicts of interest in the allocation of the time of the Principals. Investors generally have no right or power to take part in the management of a Fund, and as a result, the investment performance of a Fund will depend on the actions of Prysm. In addition, certain changes in Prysm or circumstances relating to Prysm may have an adverse effect on a Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

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

Absence of Operating History. The Funds have no operating history and will be entirely dependent on Prysm. There can be no assurance that a Fund's investments will achieve results similar to those attained by previous investments of the Principals. In addition, a Fund's investments may differ from previous investments made by the Principals in a number of respects, including target return levels, level of risk associated with a particular investment, amount invested in a particular company, types of companies within a particular industry sector, amount of leverage used, structure, and holding period.

Non-U.S. Investments. Subject to any limitations in the relevant Governing Documents, a Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of the Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible

imposition of non-U.S. taxes on a Fund and/or its investors with respect to such Fund's income, and possible non-U.S. tax return filing requirements for a Fund and/or its investors.

Additional risks of non-U.S. investments include: (i) economic dislocations in the host country; (ii) less publicly available information; (iii) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (iv) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (v) civil disturbances; (vi) government instability; and (vii) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Distressed Investments. A Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are or will become involved in bankruptcy proceedings or other restructuring, recapitalization or liquidation processes. Investments in such companies involve a substantial degree of risk that is generally higher than the risk involved in investing in companies that are not in financial or operational distress. Given the heightened difficulty of the financial analysis required to evaluate distressed companies, there can be no assurance that Prysm will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, a Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which such Fund invested.

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

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

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

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

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’ and their portfolio companies’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds’ ability to fulfill

their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the General Partner and Prysm may be significantly impacted, or even temporarily or permanently halted, as a result of government quarantine measures, restrictions on travel and movement, remote-working requirements and other factors related to a public health emergency, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

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

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund may decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a successful portfolio company (whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make follow-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments may have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, such failure to make such investments may result in a lost opportunity for a Fund to increase its participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Public Company Holdings. A Fund's investment portfolio may contain securities and debt issued by publicly held companies, subject to any express limitations thereon in the Governing Documents. Such investments may subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of such Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.

Non-controlling Investments. The Funds' strategy includes holding meaningful minority stakes in privately held companies and in some cases a Fund may have limited minority protection

rights. In addition, during the process of exiting investments, a Fund at times may hold minority equity stakes of any size such as might occur if portfolio companies are taken public. As is the case with minority holdings in general, such minority stakes that a Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it may be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of such Fund's minority interests in such companies, it may be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the interests of the other investors in such company have different business and investment objectives and goals.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or Prysm generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of Prysm's control. Decisions by Prysm or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor Prysm and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting confidentiality for requested documents and other materials, and Prysm reserves the right to withhold certain information from investors subject to such laws for reasons relating to Prysm's public reputation, business strategy or other reasons.

Material Non-Public Information; Other Regulatory Restrictions. As a result of the operations of Prysm and its affiliates, as well as in connection with officerships or directorships of Prysm personnel, Prysm frequently comes into possession of confidential or material non-public information. Therefore, Prysm and its affiliated persons may have access to material non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund 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 on account of applicable securities laws or Prysm's internal policies and practices.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Prysm or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with, or the provision of services to, certain individuals or portfolio companies owned

or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the United States Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Fund may be adversely affected because of Prysm's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Prysm or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.

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

In some cases, particularly in OTC contexts, hedging arrangements will subject a Fund to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Fund to additional liquidity risks if such contracts cannot be adequately settled.

Certain hedging arrangements may create for Prysm an obligation to register with the U.S. Commodity Futures Trading Commission ("**CFTC**") or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Director Liability. A Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes the Fund's representatives, and ultimately the Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such

liability. In addition, involvement in litigation can be time-consuming for such persons and can divert the attention of such persons from the Fund's investment activities.

Limitation of Recourse and Indemnification. A Fund's Governing Documents will limit the circumstances under which Prysm will be held liable to such Fund. As a result, investors may have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, a Fund's Governing Documents will provide that such Fund will indemnify Prysm for certain claims, losses, damages and expenses arising out of its activities on behalf of the Fund. Such indemnification obligations could materially impact the returns to investors.

Litigation. In the ordinary course of its business, a Fund may be subject to litigation from time to time. The outcome of such proceedings may materially adversely affect the value of such Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of Prysm's and the Principals' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Advisory Board. Prysm expects to appoint one or more investor representatives to advisory boards (each, an "**Advisory Board**") of certain Funds, pursuant to the relevant Governing Documents. The relevant Governing Documents will provide that, to the fullest extent permitted by applicable law, none of the Advisory Board members shall owe any fiduciary duties to the relevant Fund or any other investor in such Fund. In addition, representatives of a Fund's Advisory Board may have various business and other relationships with Prysm and its Principals, employees and affiliates. These relationships may influence their decisions as members of the Advisory Board.

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

such investments. The impact of market and other economic events may also affect a Fund's ability to raise funding to support its investment objective.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. In the event that the global credit markets deteriorate and it becomes more difficult for a Fund to obtain favorable financing for investments, such Fund's ability to generate attractive investment returns may be adversely affected. Moreover, to the extent that such deterioration is not temporary, it may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such deterioration also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

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

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

Contingent Liabilities Upon Disposition. In connection with the disposition of an investment, a Fund and Prysm may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, *e.g.*, about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are

inaccurate. These arrangements may result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors.

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

Conflicts of Interest

Prysm and its related entities engage, or in the future may engage, in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. Prysm will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of Prysm conducting its activities, the interests of a Fund likely will conflict with the interests of Prysm, one or more other Funds, portfolio companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. As a general matter, Prysm will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the Advisory Boards of the participating Funds.

During the commitment period of a Fund, all appropriate investment opportunities will be pursued by the Principals through such Fund, subject to Prysm's allocation policies and certain exceptions set forth in the Fund's Governing Documents. Without limitation, the Principals expect in the future to manage several other investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investments. Prysm personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, and to pay or receive compensation relating to these arrangements. The Principals and Prysm's investment staff will manage and

monitor such investments until their realization. Such other investments that the Principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the commitment period of a Fund, the Principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments. Unless restricted by the Governing Documents, Prysm personnel are permitted to serve on boards or act in other roles unaffiliated with Prysm, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles.

From time to time, Prysm will be presented with investment opportunities that would be suitable not only for a Fund, but also for other Funds and other investment vehicles operated by Prysm. In determining which investment vehicles should participate in such investment opportunities, Prysm is subject to conflicts of interest among the investors in such investment vehicles. Except as required by the relevant Governing Documents, Prysm is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one Fund or other client of Prysm in a portfolio company also have the potential to raise the risk of using assets of one Fund or client to support positions taken by other Funds or clients.

Prysm must first determine which Fund(s) will, or are required to, participate in the relevant investment opportunity. Prysm generally will assess whether an investment opportunity is appropriate for a particular Fund based on the Fund's Governing Documents, as well as factors including, but not limited to: investment restrictions and objectives (including those set forth in the relevant Governing Documents, where applicable), strategy, risk profile, time horizon, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, life cycle, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Fund generally reserves the right to invest together with other Funds advised by an affiliated adviser of Prysm in the manner set forth in the relevant Governing Documents and Prysm's allocation policy. Prysm will determine the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with Prysm's obligations and reserves the right to take into consideration factors such as those set forth above.

Following such determination of allocation among Funds, Prysm will determine if the amount of an investment opportunity in which one or more Funds will invest exceeds the amount that would be appropriate for such Fund(s), and Prysm reserves the right to offer any such excess to one or more potential co-investors, including third parties, as determined by the Funds' Governing Documents, Side Letters and Prysm's procedures regarding allocation. Prysm's procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (*e.g.*, qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto;

Prysm's perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair Prysm's ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; existence of a formal or informal strategic relationship with the prospective co-investor; and whether Prysm believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Funds or Prysm. Although Prysm reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by Prysm in identifying co-investors. Prysm reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

A Fund may co-invest with third parties through partnerships, joint ventures or other entities or arrangements. Such investments may involve risks not present in investments where a third party is not involved, including the possibility that a third-party co-venturer or partner may at any time have economic or business interests or goals that are inconsistent with those of the Fund, or may be in a position to take action contrary to the investment objectives of the Fund. In addition, a Fund may in certain circumstances be liable for actions of its third-party co-venturer or partner. There can be no assurance that a Fund's return from a transaction would be equal to and not less than the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

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

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

In certain cases, Prysm will have opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, Prysm will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

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

Potential conflicts are expected to arise when and to the extent a Fund makes investments in conjunction with an investment being made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other Funds. This likely will result in differences in price, investment terms, leverage and associated costs between such Funds. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Prysm may from time to time express inconsistent views of commonly held investments or of market conditions more generally, including in instances where different portfolio managers express different views regarding the same investment. There can be no assurance that the return on one Fund's investments will be the

same as the returns achieved by other Funds participating in a given transaction. Given the nature of these conflicts, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents of the Funds, Prysm, in its sole discretion, will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, Prysm expects to be faced with a variety of potential conflicts of interest.

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

As a result of the Funds' controlling interests in portfolio companies, Prysm typically has the right to appoint portfolio company board members (including current or former Prysm personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to Prysm in connection with services provided. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to Prysm. Prysm's authority to appoint or influence the appointment of portfolio company board members who may be involved in approving compensation payable to Prysm subjects Prysm and any such portfolio company board appointees to potential conflicts of interest.

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

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

Over the life of a Fund, Prysm generally expects to exercise its discretion to recommend to the Fund or to a portfolio company thereof that it contract for services with various service providers, potentially including, among others: (i) Prysm (or its affiliates, which may include other portfolio companies of such Fund or other Funds) and at rates determined or substantively influenced by Prysm; (ii) an entity with which Prysm or a current or former member of its personnel has a relationship or from which such person derives a financial or other benefit, including relationships with joint ventures or co-ventures, or relationships where Prysm personnel are seconded, or from which Prysm receives secondees; (iii) an investor or its affiliates; or (iv) operating partners. For example, Prysm expects to be presented with opportunities to receive financing and/or other services in connection with a Fund's investments from certain investors or their affiliates that are engaged in lending or related business. This subjects Prysm to potential conflicts of interest, because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance, Prysm has a potential incentive to recommend the related or other person because of its financial or business interest. Additionally, there is a possibility that Prysm, because of such incentives or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to Prysm or the Funds), would favor such retention or continuation even if a better price and/or quality of service provider could be obtained from another person. Prysm will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although Prysm generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other other factors in retaining or recommending service providers. In certain circumstances where Prysm

commits or has committed to seek “market” or “arms-length” rates or terms, Prysm will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. Consequently, Prysm undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets or services to which such rates or terms relate. Where such rates or terms include hourly components, Prysm reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not Prysm has a relationship with or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

In certain circumstances, current or former Prysm personnel are expected to serve in interim or part-time roles at a portfolio company, or provide services to a portfolio company as a secondee or in similar capacities, whether or not while maintaining certain benefits, support services or indicia of employment at Prysm. Under such arrangements, Prysm and/or the relevant portfolio company is authorized to pay all or a portion of the personnel costs of such employee, or supervise or oversee such employee. These arrangements have the potential to create conflicts of interest, in that amounts paid by a portfolio company in connection with secondee relationships or to former employees generally will not offset or reduce the Management Fee. Due to the nature of secondee relationships, which are often initiated to meet a temporary portfolio company need, the arrangements between such employees and the related portfolio company are expected to change over time, and in many cases will be terminated when the portfolio company is sold or when the position can be filled on a longer-term or permanent basis. Employees may or may not return to Prysm at the end of such secondee arrangement.

In addition, as described above, portfolio companies and/or the Funds expect to pay certain fees to operating partners and other consultants (including consultants introduced or arranged by Prysm that regularly provide services to one or more portfolio companies), and such fees do not offset or reduce the Management Fee as described herein. Operating partners generally expect to make use of Prysm’s resources or otherwise be associated with Prysm. Prysm reserves the right to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operating partners generally are expected to receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein. To the extent that operating partners are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of the operating partner’s services at a time when fewer portfolio companies or Funds make use of such operating partner. Although the use of operating partners and the allocation of compensation paid to them by the Funds and/or the portfolio companies subjects Prysm to potential conflicts of interest, Prysm believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the cost of the operating partner is lower than market rates for the services provided and/or if the services of the operating partner align with Prysm’s model for the portfolio company and improve portfolio company performance. Although Prysm seeks to retain operating partners with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio

company performance, a number of factors may result in limited or no cost savings from such retention. Prysm also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Prysm believes will align such persons' interests with those of the Funds' investors, and seeks to retain only operating partners and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

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

Although Prysm generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' shares of the relevant obligation and/or joint and several liability among Funds. In such case, Prysm intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

Prysm reserves the right to employ personnel and/or engage operating partners with pre-existing ownership interests in portfolio companies owned by the Funds or other investment vehicles advised by Prysm; conversely, current or former personnel or executives of Prysm and/or current or former operating partners are expected to from time to time to serve in significant management roles at portfolio companies or service providers recommended by Prysm. Similarly, Prysm and/or personnel and/or operating partners maintain relationships with (or may invest in)

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

Prysm and its equity holders, officers, principals and employees reserve the right to buy or sell securities or other instruments that Prysm has recommended to a Fund. In addition, officers, principals and employees reserve the right to buy securities in transactions deemed unsuitable for a Fund. Such transactions are subject to any restrictions in the Fund's Governing Documents and any policies and procedures set forth in Prysm's code of ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Fund. Employees and related persons of Prysm, and, potentially, operating partners, have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore Prysm expects to have additional potential conflicting interests in connection with these investments.

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

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

Since Prysm is permitted to retain certain Portfolio Company Fees (as described under “Fees and Compensation”) in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, Portfolio Company Fees are based on enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of Portfolio Company Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company. Additionally, Prysm, its personnel, affiliates or others designated by Prysm, such as operating partners, are expected from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the relevant Governing Documents are applied, Prysm and/or such other recipients will be permitted to retain such securities as Portfolio Company Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or Prysm) or to retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Fund. In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund’s relative ownership of the portfolio company awarding such compensation.

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

Prysm reserves the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures (including discounted or rebated compensation terms), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, and liquidity or transfer rights. Side Letters may also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. As a consequence of one or more limited partners being excused or excluded, or from regulatory or other factors limiting their participation in investments, the aggregate returns realized by participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments.

It is possible that Prysm will institute a program under which portfolio companies owned by the Funds are given the option or required to participate in purchasing, vendor, or similar arrangements with Prysm and/or other portfolio companies. Program participants would be expected to receive discounts negotiated with various vendors and service providers on a group wide basis. To the extent formed, participants may participate in the program without cost, or

Prysm may allocate costs for the program to the Funds and/or the portfolio companies. In certain cases, such arrangements will involve the sharing of risk, such as under group insurance arrangements where deductibles are shared or calculated with regard to the group rather than individual insured parties. Prysm may also have the option to participate in the program and receive similar benefits and discounts as the portfolio companies participating therein. No such amounts will offset or reduce the Management Fee. Prysm believes the potential for conflicts relating to such arrangements would be mitigated by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the Funds) that will result if the rates for goods and services are discounted due to scale or relative to those widely available in the market.

Prysm has incentives to use or to recommend products or services of one portfolio company to another, which may involve fees, commissions, servicing payments or other compensation. Potential conflicts of interest arise in making such recommendations, as Prysm has incentives to maintain goodwill with former, existing and prospective portfolio companies, and as a result the products or services recommended may not necessarily be the best or lowest cost option. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements. From time to time, Prysm and its personnel expect to receive the benefit of “friends and family” and similar discounts from portfolio companies owned by the Funds under which such portfolio companies make their goods and/or services available at reduced rates. Prysm and its personnel generally refrain from requesting or negotiating for such discounts in the ordinary course. Discounted prices or better terms offered by a portfolio company to Prysm, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

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

DISCIPLINARY INFORMATION

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

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Prysm Capital is affiliated with the General Partners, which are formed from time to time and expect to be subject to the Advisers Act pursuant to Prysm’s anticipated registration in accordance with SEC guidance. The General Partners and other Prysm entities will operate as a single advisory business together with Prysm Capital and serve as managers, general partners, or in similar capacities with respect to Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Prysm has adopted the Prysm Code of Ethics and Securities Trading Policy and Procedures (the “**Code**”), which sets forth standards of conduct that are expected of the Principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Prysm personnel to report their personal securities transactions, prohibits Prysm personnel from or requires pre-clearance for directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Prysm personnel from directly or indirectly acquiring beneficial ownership of securities with limited exceptions, without first obtaining approval from the Prysm Chief Compliance Officer. In addition, the Code requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Muhammad Mian, the Prysm Chief Compliance Officer. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client’s interests in client eligible investments.

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

Accordingly, should Prysm or any of its affiliated persons come into possession of material non-public or other confidential information with respect to any public company, Prysm generally would be prohibited from communicating such information to clients, and Prysm will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Prysm personnel serving as directors of public companies and may restrict trading on behalf of clients, including a Fund.

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

Prysm and its principals and employees expect from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which may differ from advice given to, or securities recommended or bought for, any Fund, even though their investment objectives may be the same

or similar. The Governing Documents and investment programs of certain Funds generally restrict, limit or prohibit, in whole or subject to certain procedural requirements, investments of certain other vehicles in issuers held by such Funds or give priority with respect to investments to such Funds. Some of these restrictions could be waived by investors (or their representatives) in such Funds or be subject to limitations (*e.g.*, by time or percentage of capital deployed).

From time to time, Prysm may advance funds on behalf of a Fund and contribute such amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing typically is borne by the relevant Fund, consistent with the Governing Documents.

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

Prysm will effect such borrowings consistent with a Fund's Governing Documents and in a manner it believes to be fair and equitable under the circumstances to the relevant Fund.

BROKERAGE PRACTICES

Prysm focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, Prysm reserves the right to distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. To the extent that Prysm engages in public securities transactions, it intends to follow the brokerage practices described below.

If Prysm sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by Prysm. In such event, Prysm will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, Prysm reserves the right to consider a variety of factors,

including, but not limited to: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

Prysm has no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or “posted” commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although Prysm generally seeks competitive commission rates, it may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

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

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

Prysm will periodically determine which brokers have provided research that has been helpful in the management of Funds. To the extent consistent with Prysm’s goal to obtain best execution for its clients, Prysm reserves the right to seek to place a portion of the trades that it directs with the brokers who are identified through this process.

To the extent that Prysm allocates brokerage business on the basis of research services, it expects to have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Funds’ interest in receiving most favorable execution. To the extent Prysm uses “soft dollars” on behalf of the Funds, it intends to seek to do so within the safe harbor provided by Section 28(e) of the Securities Exchange Act of 1934, as amended.

To the extent that Prysm engages in public securities transactions, orders for purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Funds are completed independently, Prysm also reserves the right to purchase or sell the same securities or instruments for several Funds simultaneously. From time to time, Prysm expects, but is not obligated, to purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Fund of Prysm is favored over any other Fund. When an aggregated order is filled in its entirety, each participating Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

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

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

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

REVIEW OF ACCOUNTS

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

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

CLIENT REFERRALS AND OTHER COMPENSATION

Prysm intends to provide certain business or consulting services to companies in a Fund’s portfolio and expects to receive compensation from these companies in connection with such

services. As described in the Governing Documents, this compensation will, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees will be in addition to Management Fees. *See* “Fees and Compensation.”

Prysm reserves the right from time to time to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents generally will be borne by Prysm indirectly through an offset against the Management Fee under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including, but not limited to, placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

CUSTODY

Prysm will maintain custody of assets held in the name of one or more Funds with one or more qualified custodians.

INVESTMENT DISCRETION

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

VOTING CLIENT SECURITIES

Prysm has adopted the Prysm Voting Policies and Procedures (the “**Proxy Policy**”) to address how it will vote proxies, as applicable, for a Fund’s portfolio investments. The Proxy Policy seeks to ensure that Prysm votes proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. Prysm generally believes its interests are aligned with those of each Fund’s investors, for example, through the Principals’ beneficial ownership interests in such Fund, and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that Prysm may address the conflict using several alternatives, including by voting the proxy in the best interest of the Funds, use of a pre-established voting policy or plan that affords little or no discretion to Prysm, or use of a recommendation of an independent third party or through other alternatives set forth in the Proxy Policy. Additionally, a Fund’s Advisory Board is authorized to approve Prysm’s vote in a particular solicitation. Prysm does not consider service on portfolio company boards by Prysm personnel or Prysm’s receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by Prysm when voting proxies on behalf of a Fund. Clients or investors that would like a copy of Prysm’s complete Proxy Policy

or information regarding how Prysm voted proxies for particular portfolio companies may contact Muhammad Mian, the Prysm Chief Compliance Officer, and it will be provided at no charge.

FINANCIAL INFORMATION

Prysm does not require prepayment of Management Fees more than six months in advance or have any other events requiring disclosure under this item of the Brochure.