

NORTHWESTERN MUTUAL INVESTMENT MANAGEMENT COMPANY, LLC

720 East Wisconsin Avenue

Milwaukee, Wisconsin 53202-4797

Firm Brochure Dated March 31, 2022

This brochure provides information about the qualifications and business practices of Northwestern Mutual Investment Management Company, LLC. If you have any questions about the contents of this brochure, please contact us at 414-665-1444 or EC-INVCOMPLIANCE@northwesternmutual.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission ("SEC") or by any state securities authority.

Additional information about Northwestern Mutual Investment Management Company, LLC also is available on the SEC's website at www.adviserinfo.sec.gov.

Northwestern Mutual Investment Management Company, LLC is an investment adviser registered under the Investment Advisers Act of 1940. Registration does not imply a certain level of skill or training.

Item 2. Material Changes

This brochure is dated March 31, 2022 and serves as the annual updating amendment. This brochure was last updated on September 1, 2021. There have been no material changes to this brochure since the last delivery or posting of this document on the SEC's public disclosure website (www.adviserinfo.sec.gov). However, please note the following:

- As noted in Item 4, NMIMC expects to launch a credit investment platform during 2022 that would advise vehicles such as CLOs that invest primarily in loans.
- The "Additional Information" section at the end of the brochure was updated to include additional clarifying information about NMIMC's role in providing valuation assistance tailored by client type.

Our clients and fund investors are encouraged to read this updated brochure in its entirety. We may, at any time, update this brochure and either send you a copy or offer to send you a copy either by electronic means or in hard copy form. Current clients may request a copy of our current brochure at any time by contacting us at the mailing address, telephone number or e-mail address that appears on the cover page of this brochure.

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Item 4. Advisory Business

Northwestern Mutual Investment Management Company, LLC (“NMIMC”), a Delaware limited liability company, is a wholly-owned subsidiary of The Northwestern Mutual Life Insurance Company (“Northwestern Mutual”). Founded in 1857, Northwestern Mutual is a mutual insurance company domiciled in the State of Wisconsin. NMIMC was formed in January 2015 from the merger of Northwestern Mutual Capital, LLC and Northwestern Mutual Real Estate Investments, LLC, each a previously wholly-owned subsidiary of Northwestern Mutual. NMIMC is registered as an investment adviser with the U.S. Securities and Exchange Commission (“SEC”). NMIMC may also be referred to as “we,” “our,” or “us” throughout this brochure.

NMIMC provides investment advisory services to institutional investors through separately managed accounts and private investment funds. We offer investment strategies and advice with respect to privately placed debt and equity securities, real estate investments, publicly traded debt and equity securities, derivatives and related investments. NMIMC supervises and directs the investments of client accounts in accordance with the written investment objectives, policies and/or restrictions of each client. Such objectives, policies and/or restrictions are generally established at the beginning of the client relationship and reflected in a written investment management agreement (and, for private investment fund clients, the limited partnership agreement) and may be amended from time to time. Clients may impose restrictions on investing in certain securities or instruments, or types of securities or instruments.

NMIMC consists of four divisions: (i) Northwestern Mutual Capital; (ii) Public Investments; (iii) Northwestern Mutual Real Estate; and (iv) Investment Strategy. The divisions are not separate legal entities or individually registered investment advisers. Rather, each division consists of teams of investment professionals responsible for managing certain asset classes and investment strategies and performing other responsibilities for NMIMC’s clients. Our advisory clients currently consist of (i) Northwestern Mutual (for its general account and a separate account), (ii) certain wholly-owned subsidiaries of Northwestern Mutual for their capital accounts, (iii) Northwestern Mutual Foundation, Inc. (“Foundation”), Northwestern Mutual’s charitable foundation, and (iv) certain private investment funds described below under “Private Funds”.

Northwestern Mutual Capital (“NMC”)

NMC supervises and directs the domestic and foreign privately placed (non-registered) debt and equity investments of client portfolios. From time to time NMC may also provide investment advisory services to clients with respect to a small number of public (registered) securities typically obtained in connection with privately-placed investments (such as private equity securities that subsequently become registered, registered securities received through an in-kind distribution in respect of limited partnership interests in private equity funds, or investments with accompanying registration rights that are initially offered pursuant to Rule 144A under the Securities Act of 1933, as amended). These services are currently provided to Northwestern Mutual (for its general account and a separate account) and to our private investment fund clients described below under “Private Funds”.

Public Investments ("PI")

PI provides investment management and investment advisory services with respect to domestic and foreign public debt investments and related derivatives investments. These services are provided to Northwestern Mutual (for its general account and a separate account) and certain Northwestern Mutual wholly owned subsidiaries for their capital accounts. PI does not manage assets for non-affiliated clients.

Northwestern Mutual Real Estate ("NMRE")

NMRE provides investment management and investment advisory services with respect to real estate investments. These services are provided to Northwestern Mutual for its general account. NMRE does not manage assets for non-affiliated clients.

Investment Strategy Department ("ISD")

ISD has responsibility for leading Northwestern Mutual's strategic asset allocation strategy and managing its composite investment portfolios and equity index strategies (for its general account and a separate account). ISD is also responsible for managing the assets of the Foundation and for the selection and oversight of unaffiliated external managers appointed by NMIMC to manage certain sleeves of assets of Northwestern Mutual accounts. ISD does not provide services to other clients.

Private Funds

NMIMC provides portfolio management and investment advisory and sub-advisory services to private investment funds, the interests of which are offered to qualified investors on a private placement basis (each a "Private Fund" and collectively the "Private Funds"). Of our four divisions, only NMC provides services to Private Fund clients. NMIMC tailors its investment advisory services with respect to each of the Private Funds in accordance with the investment objectives and guidelines set forth in the relevant Private Fund's limited partnership agreement, confidential private placement memorandum and/or other governing documents ("Fund Documents"). The Private Funds are generally expected to invest alongside one or more Northwestern Mutual affiliated accounts, including Northwestern Mutual's general account, for certain investment strategies. The investment strategy, associated risks and other information for each Private Fund is described in the confidential private placement memorandum and other Fund Documents of the relevant Private Fund and in other sections of this brochure.

NMIMC provides investment advice directly to the Private Funds, subject to the discretion and control of the general partner, in accordance with each Private Fund's investment guidelines and restrictions. Such investment advice is generally not tailored to the individual needs of the investors in the Private Funds. An investment in a Private Fund does not in itself create an advisory relationship between the Private Fund investors and NMIMC or the general partner. Investors in a Private Fund must consider for themselves whether the Private Fund meets their individual objectives and risk tolerances prior to investing and should consult their own advisers concerning investment, legal, business, tax and other related matters concerning an investment in a Private Fund. While investors in the Private Funds participate in the Private Fund's overall investment program, subject to rights to be excused from a particular investment due to legal, regulatory or

other agreed-upon circumstances pursuant to the Fund Documents, the Private Fund or its general partner has entered, and is permitted in the future to enter, into side letters or other similar agreements with specific investors. Side letters and similar agreements have the effect of establishing rights under, or altering or supplementing the terms of, the investor's subscription agreement. The terms of a side letter govern only with respect to such investor and not the Private Fund's other investors. For more information on side letters, see Item 11 below and the applicable Fund Documents.

As of the date of this firm brochure, our Private Fund clients consist of the funds identified below.

Northwestern Mutual Funds

NMIMC serves as portfolio manager and investment adviser for a private co-investment equity fund strategy that has been implemented in collaboration with other Northwestern Mutual affiliates and made available to eligible and qualified investors on Northwestern Mutual's brokerage and wealth management platforms (each a "Northwestern Mutual Fund" and collectively the "Northwestern Mutual Funds"). The first Northwestern Mutual Fund, identified below, launched in September 2021 and makes investments alongside Northwestern Mutual and other accounts managed by NMIMC in directly originated private equity co-investments in performing, high-quality, middle-market companies.

- Northwestern Mutual Private Equity Co-Investment Fund I, LP, a Delaware limited partnership

The general partner, NMPE I GP, LLC, a Delaware limited liability company, is controlled by NMIMC and operates as part of its advisory business. The general partner is subject to the Investment Advisers Act of 1940, as amended (the "Advisers Act") pursuant to NMIMC's registration in accordance with SEC guidance. This brochure also describes the business practices of the general partner, which operates as a single advisory business together with NMIMC.

Strategic Institutional Funds

NMIMC serves as portfolio manager and sub-adviser for a private junior capital fund strategy that has been implemented through a strategic partnership with RREEF America L.L.C., an SEC-registered investment adviser and part of the global investment business of DWS Group GmbH & Co. KGaA (a/k/a DWS Group) ("RREEF") and made available to eligible institutional investors identified by RREEF and/or NMIMC (each a "Strategic Institutional Fund" and collectively the "Strategic Institutional Funds"). The first of these Strategic Institutional Funds identified below, launched in February 2021 and, together with any parallel investment entities, feeder vehicles or alternative investment vehicles, make investments alongside Northwestern Mutual and other accounts managed by NMIMC in private equity sponsored, privately offered junior debt capital structures, including second lien debt, mezzanine debt and payment-in-kind security interests, and opportunistically makes equity co-investments in conjunction with these junior debt capital investments.

- Four Columns Junior Capital Fund VI, L.P., a Delaware limited partnership
- Four Columns Junior Capital Fund VI-A, L.P., a Delaware limited partnership

RREEF serves as fund manager and investment adviser for the Strategic Institutional Funds. The general partner, FC JCAF VI GP, LLC, a Delaware limited liability company, is not affiliated with NMIMC and is not part of NMIMC's advisory business; accordingly, the general partner does not rely on NMIMC's registration with the SEC.

NMC Co-Invest Funds

NMIMC serves as portfolio manager and investment adviser for the following Private Funds (the "NMC Co-Invest Funds"), all of which are organized as Delaware limited partnerships. Certain NMC Co-Invest Funds are private equity funds that made investments alongside Northwestern Mutual and other accounts managed by NMIMC in directly originated private equity co-investments in performing, high-quality, middle-market companies. The other NMC Co-Invest Funds invest primarily in privately placed debt instruments and make investments alongside Northwestern Mutual and other accounts managed by NMIMC in private equity sponsored, privately offered junior debt capital structures, including second lien debt, mezzanine debt and payment-in-kind security interests, and also opportunistically made equity co-investments in conjunction with these junior debt capital investments. The NMC Co-Invest Funds are available to a limited number of life insurance companies with whom NMC has a long-standing investor relationship.

The general partners of the NMC Co-Invest Funds, all organized as Delaware limited liability companies, are controlled by NMIMC and operate as part of its advisory business. Each general partner is subject to the Advisers Act pursuant to NMIMC'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 NMIMC.

The NMC Co-Invest Funds and the general partners of each are identified in the table below.

NMC Co-Invest Funds	General Partner
Northwestern Mutual Capital Strategic Equity Fund I, LP	Northwestern Mutual Capital GP, LLC
Northwestern Mutual Capital Strategic Equity Fund II, LP Northwestern Mutual Capital Mezzanine Fund II, L.P.	Northwestern Mutual Capital GP II, LLC
Northwestern Mutual Capital Strategic Equity Fund III, LP Northwestern Mutual Capital Mezzanine Fund III, L.P.	Northwestern Mutual Capital GP III, LLC
Northwestern Mutual Capital Strategic Equity Fund IV, LP Northwestern Mutual Capital Mezzanine Fund IV, L.P.	Northwestern Mutual Capital GP IV, LLC
NMC V Equity Fund, LP NMC V Mezz Fund, LP	NMC V GP, LLC
NMC VI Equity Fund, LP	NMC VI GP, LLC

Each NMC Co-Invest Fund is closed to new capital commitments. In addition, Northwestern Mutual Capital Mezzanine Fund II, L.P. and Northwestern Mutual Capital Strategic Equity Fund II, LP have concluded their investment periods and are in the process of liquidating their assets and dissolving the partnership.

As of December 31, 2021, NMIMC managed approximately \$288.1 billion of client assets. These assets are generally managed on a discretionary basis, however certain clients reserve the right to approve certain investments which NMIMC has recommended, depending upon the type and amount of the investment. NMIMC's assets under management primarily consist of the assets of its parent, Northwestern Mutual, and its related entities. As of December 31, 2021, these entities represented approximately \$287.7 billion of NMIMC's \$288.2 billion of regulatory assets under management ("RAUM").

Proposed CLO Platform

NMIMC is in the process of developing a credit investment platform, through which it plans to sponsor and serve as investment adviser to issuers of collateralized loan obligations (CLOs) – private funds that invest primarily in loans and issue multiple classes of notes backed by the vehicle's assets to investors – and potentially to other accounts or vehicles that make similar investments. NMIMC expects to launch the new platform during 2022 and to update this Brochure when the platform becomes active.

This brochure generally includes disclosure about investment advisory services NMIMC provides to third-party clients and affiliates. While much of this brochure applies to all third-party clients and affiliates,

certain information included herein applies to specific third-party clients or affiliates only. This brochure does not constitute an offer to sell or solicitation of an offer to buy any securities. NMIMC may offer any advisory services, engage in any investment strategy and make any investment, including any not described in this brochure, that NMIMC considers appropriate, subject to each client's investment objectives and guidelines.

Item 5. Fees and Compensation

NMIMC does not have a standard advisory (or management) fee schedule for clients. Fees payable by each client are individually negotiated at the time NMIMC and the client enter into an advisory contract. Accordingly, NMIMC may negotiate and charge different fees for different client accounts. Fees are based on the individual needs of each client and vary depending on client investment objectives and needs, and the specific services we are to provide.

Separately Managed Accounts

NMIMC receives management fees from its separately managed account clients based on a percentage of a client's net assets under management, and computed based on the value of assets under management, in accordance with the terms of the investment management agreements with the client. NMIMC's separately managed account clients currently consist of Northwestern Mutual affiliated accounts, including its general account and a separate account, certain wholly owned subsidiaries for their capital accounts, and the Foundation. For certain Northwestern Mutual affiliated accounts, NMIMC has appointed external managers who serve as sub-advisers and are responsible for the day-to-day investment management, the implementation of investment strategies and the selection of specific investments. In these instances, NMIMC's advisory role is to oversee the external managers and their management of the portfolios they manage. NMIMC typically pays the external manager fees from its advisory fee in accordance with the investment sub-advisory agreement between NMIMC and the external manager.

The advisory fees are typically computed by Northwestern Mutual and accrued monthly and are payable quarterly in arrears no later than thirty days after the end of each calendar quarter. Separately managed account clients typically do not pay advisory fees in advance. For a discussion of NMIMC's valuation policy, see "Additional Information," below.

Private Funds

Management Fee

NMIMC receives management fees from its Private Fund clients in accordance with their respective Fund Documents. These management fees are generally computed based on each partner's invested capital in the Private Fund. More information about the fees paid by the Private Funds is summarized below and described in and qualified by the applicable Fund documents.

A Private Fund's management fees are typically set at the Private Fund's first close as set forth in the Fund Documents and are generally non-negotiable after such date. However, management fees are subject to negotiation on an individual basis with the Private Funds' investors during the fundraising period of the applicable Private Fund subject to the discretion of the Private Fund's general partner in accordance with the applicable Fund Documents. Individually negotiated fees with a Private Fund investor will be reflected in a side letter. See Items 4 and 11 for more information on side letters. Accordingly, management fees may differ from one Private Fund to another, as well as among investors in the same Private Fund. NMIMC may elect to waive all or a portion of any future management fees payable by certain Private Funds or investors. In addition, any employee vehicle that invests in the Private Funds will not pay fees or carry or vote its interest, as permitted by the terms of the applicable Private Fund's Fund Documents. Management fees borne by investors of the Private Funds are summarized below. Detailed information regarding management fees is contained in the relevant Private Fund's Fund Documents. Investors should not consider an investment in a Fund without fully understanding the Private Fund's management fee structure.

- a. Northwestern Mutual Funds – In general, it is expected the Northwestern Mutual Funds will pay NMIMC an annual fee of 1.50%, payable semi-annually in arrears, representing a percentage of aggregate contributions made by the limited partners to the funds, minus contributions made with respect to investments (or the portion thereof) which have been disposed of or written off as a result of a permanent decline in the value of the investment. This fee is reduced by each fund's proportionate share in any directors', financial consulting or transaction fees and any break-up fees from transactions not completed, in each case, paid to NMIMC or its affiliates with respect to any of such fund's investments.
- b. Strategic Institutional Funds – In general, it is expected the Strategic Institutional Funds will pay NMIMC and RREEF collectively an annual fee ranging from 1.25% to 1.50%, payable quarterly in advance, generally based on each partner's invested capital in the Strategic Institutional Funds. Except as otherwise agreed with a limited partner, typically the unused portion of the management fee would be refunded in the event the limited partnership agreement is terminated prior to the end of a billing period.
- c. NMC Co-Invest Funds – Limited partners in the NMC Co-Invest Funds pay NMIMC an annual fee ranging from 0.50% to 1.00%, payable semi-annually in arrears, representing a percentage of aggregate contributions made by the limited partners to the funds, minus contributions made with respect to investments (or the portion thereof) which have been disposed of or written off as a result of a permanent decline in the value of the investment. This fee is reduced by each fund's proportionate share in any directors', financial consulting or transaction fees and any break-up fees from transactions not completed, in each case, paid to NMIMC or its affiliates with respect to any of such fund's investments.

Management fees are paid by the Private Funds on behalf of the limited partners by (i) requiring limited partners to make capital contributions in respect of such fees, or (ii) withholding the amount of such fees from investment proceeds that would otherwise be distributable to the limited partners of such Private Fund.

Performance-Based Fees

In addition to the management fees described above, each of the general partners of the Private Funds are also entitled to performance-based fees. For additional information regarding performance-based fees, please refer to Item 6 below.

Portfolio Company Related Fees

NMIMC (and in the case of the Strategic Institutional Funds, RREEF, if applicable), or its designated affiliates expect to earn certain fees in connection with portfolio investments and from such Private Fund's unconsummated transactions, including financial consulting fees, directors' fees, advisory fees, monitoring fees, amendment fees, agency fees, transaction fees, break-up fees, settlement fees, trustees' fees, topping fees, closing fees, restructuring fees and other similar fees (collectively, "Other Fees").

Monitoring fees received by NMIMC typically consist of recurring fees received for certain monitoring services provided by NMIMC to a portfolio investment of a Private Fund. The payment of any such monitoring fees to NMIMC will cease from and after the termination of the related monitoring services, which typically occurs upon the complete (as opposed to upon a partial) disposition of a Private Fund's investment in the applicable portfolio company.

Other Fees charged to Private Fund portfolio companies are determined, in part, by the investment professionals and may create a short-term incentive to complete transactions.

Also, such Other Fees are not always based on an exit or sale of a Private Fund investment. Accordingly, NMIMC may receive Other Fees when a Private Fund does not ultimately profit from an investment. Detailed information regarding Other Fees and such management fee offsets for each Private Fund is contained in the relevant Private Fund's Fund Documents. Investors should not consider an investment in a Private Fund without fully understanding the Private Fund's Other Fee and management fee offset structure.

Fund Expenses

In addition to the management fees and carried interest or other performance-based compensation payable to NMIMC, each Private Fund bears certain expenses. As set forth more fully in the Fund Documents, a Private Fund bears all fees, costs, expenses, liabilities and obligations relating to the Private 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 management fees, including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to pursuing, structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any

subscriptions to any periodicals, databases and/or research services), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of, as applicable, portfolio companies and the Private Fund's actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) indebtedness of, or guarantees made by, a Private Fund, NMIMC, a general partner or any Affiliated Partner (as defined in the Fund Documents) on behalf of the Private Fund (including any credit facility, letter of credit or similar credit support), including interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar fees and expenses; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (v) brokerage, sale, custodial, depository, local paying agent, trustee, record keeping, account, registered office and similar services (including, if applicable to the Private Fund, any depository appointed pursuant to the AIFMD and any Swiss representative or paying agent appointed pursuant to the Swiss Collective Investment Schemes Act (as amended), including any law, rule or regulation relating to the implementation thereof); (vi) reporting, filings and other ongoing compliance requirements contemplated by the AIFMD or any similar law, rule or regulation (excluding, for the avoidance of doubt, the initial and/or preliminary registrations, filings and compliance obligations related thereto), including secondary legislation, regulations, rules and/or associated guidance, and any related requirements; (vii) developing, structuring, maintaining, operating and winding up administrative structures in the jurisdictions that are put in place to establish required residence and/or operate the investment activities of the Private Fund (including the salary and benefits of any personnel reasonably necessary for the maintenance of such structures, other overhead, rent and similar costs in connection therewith and the Private Fund's share of any such costs of any such structure involving other persons managed by, or affiliated with, NMIMC, a general partner or any of their respective affiliates); (viii) legal, accounting, research, auditing, technology, administration (including costs associated with any third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services), consulting (including consulting and retainer fees, salary and other compensation paid to, and benefits or personnel costs provided to or on behalf of, consultants performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies and other consultants), tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (ix) reverse breakup, termination and other similar fees; (x) insurance, including directors and officers liability, fidelity bond, cybersecurity, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (including costs related to any retention or deductibles and broker costs and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance; (xi) filing, title, transfer, registration and other similar fees and expenses; (xii) printing, communications and

mailing/courier; (xiii) the preparation, distribution or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with limited partners, any other administrative, compliance or regulatory filings or reports (including Form PF and Bureau of Economic Analysis Reports) or other information, including costs of any third-party service providers and professionals related to the foregoing; (xiv) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services); (xv) compliance with any tax or financial account reporting regime, including FATCA, the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard and any similar laws, rules and regulations, including any costs of any third-party service providers and professionals related to the foregoing; (xvi) any activities with respect to protecting the confidential or non-public nature of any information or data, including Confidential Information (including any costs incurred in connection with the EU Data Protection Law or FOIA); (xvii) indemnification (including any legal and other fees, costs and expenses incurred in connection with indemnifying any Partner (as defined in the Fund Documents) or other person pursuant to the Fund Documents or otherwise and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the partnership agreement), except as otherwise set forth in the partnership agreement; (xviii) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xix) any annual, periodic or special meeting of the partners and any other conference, meeting or webcast or other video conference with any partner(s) (in each case, including any costs associated with venue, set-up, room and board, dining, entertainment, gifts and mementos, honorarium, events or speakers and other meeting or conference-related costs, if any), in each case to the extent incurred by the Private Fund, the general partner or any other affiliate of the general partner; (xx) the management fee; (xxi) except as otherwise determined by the General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any Alternative Investment Vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such Alternative Investment Vehicle) that would be a Partnership Expense if it were incurred in connection with the Private Fund; (xxii) the termination, liquidation, winding up or dissolution of the Private Fund and any Persons owned directly or indirectly by the Private Fund (including portfolio companies) and related entities; (xxiii) defaults by limited partners in the payment of any capital contributions; (xxiv) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Private Fund and any alternative investment vehicle of the Private Fund, including the preparation, distribution and implementation thereof; (xxv) (A) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations), including any legal, administrator, consulting or other third-party service provider costs related thereto, any regulatory costs of the general partner or any of its affiliates incurred in connection with the operation of the Private Fund and any costs related to compliance with any environmental, social or governance or other investment considerations and policies applicable to the Private Fund, the general Partner and/or any of their respective affiliates

and/or (B) the validation or other confirmation of any payments made to the Private Fund or the general Partner (including as a result of any anti-money laundering laws, rules or regulations); (xxvi) any litigation or governmental inquiry, investigation or proceeding, including any costs of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith; (xxvii) any consultants, experts or advisors engaged, including independent appraisers engaged in connection with the Private Fund considering, making, holding or disposing of, directly or indirectly, an investment in the same person as one or more investment vehicles (other than the Private Fund) managed or controlled by the general partner or any of its affiliates; (xxviii) unreimbursed costs incurred in connection with any transfer or proposed transfer by a limited partner to the extent not borne or reimbursed by the relevant transferring limited partner or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian; (xxix) any taxes, fees and other governmental charges levied against the Private Fund and all costs incurred in connection with any tax audit, inquiry, investigation settlement or review of the Private Fund (except to the extent reimbursable by a partner under the relevant Fund Documents and any costs of or related to the "partnership representative" of the Private Fund; (xxx) distributions to the limited partners and other expenses associated with the acquisition, holding and disposition of the Private Fund's investments, including extraordinary expenses; (xxxi) compliance or regulatory matters related to the Private Fund, including compliance with the Fund Documents; (xxxii) any travel (including first-class air travel, car or ride sharing services, other modes of transportation, meals, lodging and entertainment) and other meals and entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; and (xxxiii) any organizational expenses of a Private Fund.

Subject to a Private Fund's limited partnership agreement, NMIMC (and in the case of the Strategic Institutional Funds, RREEF) will generally bear all ordinary administrative and overhead expenses incurred in connection with maintaining their offices, including employees' salaries, rent, utilities, and equipment expenses (although, as noted above, compensation for services provided in the ordinary course to or for serving as an employee or in a similar capacity for a portfolio company are not part of NMIMC's and RREEF's overhead expenses).

Additional Compensation and Related Conflicts of Interest

The Northwestern Mutual Funds are distributed by Northwestern Mutual's qualified advisors and financial representatives through Northwestern Mutual's subsidiaries (and NMIMC's affiliates) Northwestern Mutual Investment Services, LLC ("NMIS"), a broker-dealer and investment adviser registered with the SEC and a member of the Financial Industry Regulatory Authority ("FINRA"), and Northwestern Mutual Wealth Management Company ("WMC"), a limited purpose federal savings bank that provides fee-based financial planning and investment advisory programs. These advisors receive compensation from NMIS or WMC, as applicable, for the Northwestern Mutual Funds held by NMIS or WMC clients for which they are the registered representative. As a result of this incentive-based compensation, NMIS and WMC advisors may be incentivized to recommend the Northwestern Mutual Funds over the other third-party private funds and products they are selling that may be more suitable for those clients. In evaluating their recommendations, the risks associated with an investment in the Northwestern Mutual Funds as well as

the potential conflicts of interest presented due to the incentive-based compensation should be considered. See also “*Certain Conflicts of Interest and Conflicts Inventory – Compensation of NMIMC and Affiliates*” under Item 11 below for additional information.

Other Fees and Expenses – All Clients

In addition to the fees and expenses described above, clients are responsible for, and may incur, other expenses in connection with the management of their assets. These expenses may include, but are not limited to, custodian fees and sales fees upon the disposition of a private security and, to the extent public securities are sold, brokerage fees. See Item 12 below for more information on brokerage practices. Additionally, circumstances may arise in which attorney’s fees or other costs may be incurred in connection with events of default by issuers or renegotiations of terms of investments. Though these fees are generally paid by the issuer, there may be times when this is not the case and the client is responsible for such fees. In addition, clients may incur expenses indirectly in connection with certain investments, such as investments in third-party private equity funds, where the general partner is paid a management fee and is eligible to receive a portion of the proceeds, if any, from investments in excess of the initial cost of the investments (or some other threshold established in such fund’s partnership agreement). In addition, clients may incur service fees in connection with investments made by NMIMC on behalf of its clients. In addition, clients may incur expenses indirectly in connection with investments in mutual funds, exchange-traded funds (ETFs) or similar investment vehicles made on their behalf. These include administration, investment advisory, transfer agent, custody and other related expenses charged by these investment vehicles.

Clients’ advisory or management agreements may also provide that the advisory fee compensates NMIMC not only for advisory services, but also for administrative services and/or expenses related thereto. Such services are provided based on individual negotiations with clients and may not be provided to all clients with or without applicable fees. These services may include assistance in the preparation of the client’s investment guidelines.

From time to time clients may be paid a fee by an issuer in connection with its request for approval of a consent request by an issuer or an amendment to securities documentation. All of these fees are credited to client accounts in accordance with their respective holdings.

No NMIMC supervised person accepts compensation in connection with the purchase or sale of securities or other investment products.

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

NMIMC charges its separately managed account clients advisory fees based on a percentage of assets under management. Accordingly, in those cases our fees increase when assets in the applicable client account increase and decrease when those assets decrease. NMIMC does not charge any other performance-based fees for its separately managed account clients.

In addition to the management fees described in Item 5 above, the general partners of the Private Funds are also entitled to receive performance-based fees, also known as carried interest. Performance-based fees will generally be applied following the return of the relevant fund investor's applicable invested capital plus a preferred rate of return (sometimes referred to as the total return benchmark or "hurdle"). Detailed information regarding the carried interest to be borne by the investors in each of the Private Funds is contained in the relevant Private Fund's Fund Documents. Investors should not consider an investment in a Private Fund without fully understanding the Private Fund's carried interest structure. NMIMC charges performance-based fees only in accordance with Section 205 of the Advisers Act, or Rule 205-3 thereunder.

The Private Funds are generally expected to invest pursuant to the same or similar investment strategy as NMIMC pursues for certain affiliated Northwestern Mutual accounts, and generally invest *pro rata* on a side-by-side basis with these accounts for certain of these investment strategies. Where investment opportunities in these strategies are limited, it will be necessary for NMIMC to allocate them among the Private Funds, as applicable, and such affiliated accounts, which presents a conflict of interest. In allocating investment opportunities, it is NMIMC's policy to allocate investment opportunities among its clients fairly and equitably over time. Nonetheless, in making allocations, there could be incentives for NMIMC to favor client accounts that are affiliated or for which it receives a performance-based fee over those for which it does not. The only clients who currently or are expected to pay NMIMC performance-based fees are the Private Funds. Each Private Fund's limited partnership agreement generally requires that it participate in particular classes of NMIMC-managed investments at a specific percentage of NMIMC's total allocation for each applicable investment as determined by an allocation percentage calculation and, in some cases, subject to other investment policies and restrictions adopted by the Private Fund. Consequently, these requirements limit the ability of NMIMC to favor the Private Funds or affiliated accounts over other client accounts in making investment decisions. In addition, NMIMC has adopted its Trade Aggregation and Allocation Policies and Procedures to seek to manage or further mitigate the conflict. See the description of these policies under Item 11, below. As noted above in Item 4, certain clients reserve the right to approve certain investments which NMIMC has recommended, depending upon the type and amount of the investment.

The nature and amount of compensation paid to NMIMC by a client or an investor in the Private Funds may differ from that paid by other clients or other Private Fund investors, even those investing in the same Private Fund, or in similar, competing or conflicting investments.

NMIMC faces a potential conflict of interest when (1) the actions taken on behalf of one client may adversely impact another client (e.g., because such clients have the same or similar investment strategies and compete for investment opportunities or such clients have conflicting investment strategies and one client could gain an advantage trading ahead of another client or clients are invested in different levels of the same company's capital structure) and (2) NMIMC or its personnel have a pecuniary interest in client accounts, such as earning a performance fee, because NMIMC may have an incentive to favor affiliated

clients or certain clients over others with less lucrative fee structures. Such conflicts may present particular concern when, for example, NMIMC places, or allocates the results of, securities transactions that NMIMC believes could more likely result in favorable performance for one client and a loss to another, or engages in cross trades or executes potentially conflicting or competing investments.

A portion of the individual compensation from NMIMC to its managing directors and others managing client advisory accounts is based on the overall performance of Northwestern Mutual, including Northwestern Mutual's entire managed investment portfolio compared to relevant benchmarks, and the investments for which each such individual is responsible compared to the performance of relevant benchmarks and/or peer groups, or other objectives or goals as may be established. In addition, a portion of individual compensation for certain managing directors and others managing client advisory accounts is based on income, net gains and earnings realized on private equity and subordinated debt investments made for clients and realized cash proceeds received on such investments over a predetermined return. To the extent NMIMC investment personnel may face a conflict of interest with respect to the treatment of individual client investments as a result of these compensation factors, NMIMC has adopted its Trade Aggregation and Allocation Policies and Procedures to seek to manage or mitigate the conflict. See the description of these policies under Item 11, below.

It is expected that many of NMIMC's clients (including the Private Funds) will invest in the same investments and/or companies in which the affiliated Northwestern Mutual accounts have invested. In making decisions regarding such investments for such affiliated and unaffiliated accounts, NMIMC seeks to make independent decisions in the best interest of each client. Nonetheless, NMIMC will face a conflict of interest where an action for the affiliated accounts could be detrimental to the unaffiliated accounts or vice-versa. NMIMC seeks to mitigate this conflict of interest through various policies and procedures, including its trade allocation policy.

Performance-based compensation arrangements have the potential to create an incentive for NMIMC to recommend investments that are more risky or speculative than those that would be recommended under a different arrangement. Additionally, under a performance-based allocation structure, NMIMC may benefit when capital gains are recognized and, because it determines when an investment is sold, NMIMC controls the timing of the recognition of such capital gains. NMIMC or its affiliates, or their respective principals or personnel, may also own a portion of the Private Funds managed by NMIMC. This may create a similar performance-based incentive to that mentioned above.

To mitigate these potential and actual conflicts, NMIMC has adopted policies and procedures that are reasonably designed to help mitigate conflicts, prevent any client or group of clients from being systematically favored or disadvantaged and provide for investment decisions are made in accordance with the fiduciary duties owed to clients and investors, without consideration of NMIMC's (or NMIMC's personnel's) other interests.

Item 7. Types of Clients

NMIMC's advisory clients, all of which are institutional investors, currently consist of: (i) Northwestern Mutual which is NMIMC's largest client, for (a) its general account and (b) a separate account that serves as a funding vehicle for annuity contracts held by Northwestern Mutual's benefit plans; (ii) the capital accounts of certain wholly-owned subsidiaries of Northwestern Mutual; (iii) the Foundation, Northwestern Mutual's charitable foundation; and (iv) the Private Funds described in Item 4 above.

Separately Managed Accounts

NMIMC's separately managed account clients currently consist of Northwestern Mutual affiliated accounts, including its general account and a separate account, certain wholly owned subsidiaries for their capital accounts, and the Foundation, Northwestern Mutual's charitable foundation. NMIMC accepts new institutional separately managed account clients infrequently and pursuant to individually negotiated advisory contracts. Therefore, requirements for opening or maintaining an institutional separately managed account have not been established.

Private Funds

NMIMC provides portfolio management services to the Private Funds. Investment advice is provided directly to the Private Funds, subject to the supervision of the general partner of each such Private Fund (and in the case of the Institutional Funds, RREEF as fund manager), and not individually to the limited partners of such Private Funds. For Private Fund clients, the requirements for the opening and maintenance of accounts are described in the applicable Fund Documents, including the limited partnership agreement.

Interests in the Private Funds are and will be offered pursuant to applicable exemptions from registration under the Securities Act of 1933, as amended (the "Securities Act") and the Investment Company Act of 1940, as amended (the "1940 Act"). Investors in the Private Funds are expected to include institutional investors such as pension and profit-sharing plans, university endowments, sovereign wealth funds, charitable organizations and other entities, and may include other types of investors such as high net worth individuals and other entities.

Northwestern Mutual Funds

Limited Partnership interests in the Northwestern Mutual Funds are offered and sold to persons who are "accredited investors" within the meaning of Regulation D under the Securities Act and "qualified purchasers" within the meaning of Section 3(c)(7) of the 1940 Act. In addition, other legal eligibility requirements must be met. Investors in the Northwestern Mutual Funds are expected to include high net worth individuals and qualifying entities. Interests in the Northwestern Mutual Funds are made available to eligible investors on Northwestern Mutual's brokerage and wealth management platforms to qualifying investors. It is expected that the minimum commitment by a limited partner of the Northwestern Mutual

Funds will be \$100,000, however the general partner, in its sole discretion, may permit investments that are less than the minimum investment commitment set forth in the applicable Fund Documents.

Strategic Institutional Funds

Limited Partnership interests in the Strategic Institutional Funds are offered and sold to persons who are “accredited investors” within the meaning of Regulation D under the Securities Act and who are “qualified purchasers” within the meaning of Section 3(c)(7) of the 1940 Act. In addition, other legal eligibility requirements must be met. Investors in the Strategic Institutional Funds are expected to include institutional investors such as pension and profit-sharing plans, university endowments, sovereign wealth funds, charitable organizations and other entities. It is expected that the minimum commitment by a limited partner of the Strategic Institutional Funds will be \$5 million, however the general partner, in its sole discretion, may permit investments that are less than the minimum investment commitment set forth in the applicable Fund Documents.

NMC Co-Invest Funds

The NMC Co-Invest Funds are available to a limited number of life insurance companies with whom NMC has a long-standing investor relationship. Minimum commitments by a limited partner in the NMC Co-Invest Funds are described in the applicable Fund Documents.

The general partners of the Private Funds are also generally permitted from time to time to establish fund entities 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 Fund Documents of the related Private Fund.

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

Generally

This Item 8 describes various methods of analysis and investment strategies utilized by NMIMC in managing client accounts, as well as the primary risks associated with these investment strategies. However, it is not possible to identify all of the risks associated with investing and the particular risks applicable to a client account will depend on the nature of the account, its investment strategy or strategies and the types of securities held. For more information about the methods of analysis and risks associated with a particular Private Fund’s investment strategy, Private Fund investors should carefully review the confidential private placement memorandum and other Fund Documents.

Each client account is managed by one or more of our teams of investment professionals, including portfolio managers, directors or managing directors, associates, analysts and others, each of which have

specific roles in the investment process. NMIMC uses a variety of sources of information in formulating our investment advice, including proprietary models and analysis, financial publications, on-site due diligence and inspections of corporate activities, research material provided by others, corporate rating services, annual reports, prospectuses, company press releases and filings with the SEC or similar foreign regulatory agencies. NMIMC may also use information from sources such as industry, trade association and academic publications and conferences, personal interviews with individuals knowledgeable about a company or industry, and material provided by government agencies, such as the U.S. Departments of Commerce and Labor and the Federal Reserve Board.

The particular investment strategies utilized and specific investments selected for a client depend upon the investment objectives, goals and risk tolerances of the client as established at the beginning of the advisory relationship and as modified thereafter from time to time by the client. Subject to such specific client investment objectives or guidelines, our overall investment strategy is to maximize long-term economic benefits to our clients. The specific investment strategies used to implement these goals include purchases intended to be held until maturity (in the case of fixed income securities) or until other disposition, such as a company sale or public registration of securities (in the case of equity securities) or liquidation after sales or other dispositions of underlying assets (in the case of limited partnership investments in funds). NMIMC is permitted, however, to sell securities prior to maturity or other disposition for a variety of reasons, for example when valuation targets are achieved, when a portfolio reaches an applicable concentration limit, when new information becomes available, if a distribution of public equity is considered to be too small to be held for long-term management in a portfolio of private investments (generally if the valuation at the time of distribution is less than \$5 million), or when better investment opportunities are identified. NMIMC may also decide to continue to hold a troubled investment through the process of restructuring if NMIMC believes it is in the best long-term economic interests of the client(s) holding the investment.

As noted in Item 4, NMIMC consists of the following four divisions: Northwestern Mutual Capital (NMC), Public Investments (PI), Northwestern Mutual Real Estate (NMRE), and Investment Strategy (ISD). The general strategies employed by each of these divisions is described further below. Of our four divisions, only NMC provides services to Private Fund clients.

NMC

Fixed Income Securities

NMC typically invests in U.S. and foreign privately placed fixed income assets as part of NMIMC's overall investment strategy. This includes, but is not limited to, directly-originated, rated and unrated, and privately-negotiated: investment grade and non-investment grade senior and subordinated corporate debt, including first lien, second lien, unitranche, mezzanine and other private high yield debt securities; below investment grade loans; certain preferred stocks; and other non-publicly listed investments. In addition, derivatives contracts such as foreign currency swaps, interest rate swaps, and LIBOR/SOFR contracts may be used to hedge certain risks.

The proportion of a client's portfolio committed to fixed-income investments in securities of different issuers or different types of securities (i.e., corporate and government) and in securities with particular characteristics (i.e., credit quality, industry sector, geography, interest rate or maturity) depends on the investment strategy and varies based on a variety of factors included in NMIMC's overall investment analysis. NMIMC's "macro" analysis includes factors such as NMIMC's outlook for the economy, the financial markets and other factors, as well as the client's specific investment objectives, directives, risk tolerances and restrictions. In selecting individual corporate fixed income securities and instruments for NMIMC's clients, NMC undertakes a "bottom-up" credit analysis and an evaluation of the available financial covenants, prepayment risk, and legal terms, subject to any specific directives from the client. This approach focuses on fundamental research of issuers to identify issuers that appear to have strong relative credit quality, solid balance sheets, improving company-specific fundamentals and/or free cash flows, and favorable legal documentation relative to comparable public market securities.

Equity Securities

NMC typically invests in directly originated private equity co-investments as part of NMIMC's overall investment strategy. Equity co-investments include equity co-investments directly sourced and invested alongside the equity investments of private equity sponsors, and are typically structured as common equity. In selecting U.S. and foreign private equity securities and instruments (e.g. common stocks, preferred stocks, warrants, limited liability company membership interests and limited partnership interests in private funds (or their equivalents under local law)), NMC generally follows a stable cash flow strategy. NMC employs the combined "macro" and "bottom-up" investment analysis described above under "Fixed Income Securities" to identify companies that have a high potential to maintain cash flow as well as to grow at an attractive rate given current and expected economic conditions and the outlook for the economic sector and industry in which they compete. In evaluating individual companies, NMC considers factors such as the company management team, product outlook, competitive position, financial metrics, and valuation.

Environmental, Social and Governance Matters

NMC incorporates environmental, social and governance ("ESG") factors it believes are relevant in its investment analysis and throughout the decision-making process for its investments for the Private Funds. This is accomplished through fundamental analysis and research and the use of traditional measures of financial performance, complemented with an ESG risk assessment. This assessment is conducted initially at the pre-investment stage to facilitate the identification of potential material risks and opportunities by assigning scores to individual ESG factors as well as an overall ESG risk assessment for a given investment. NMC evaluates ESG factors as part of its due diligence process, and a negative ESG score will not necessarily prohibit NMC from making an investment; however, NMC is permitted to specifically exclude certain types of investments from the Private Funds based on ESG factors in accordance with the applicable Private Fund's investment guidelines.

If during the investment holding period or in preparation for an exit, material ESG concerns are brought to NMC's attention by the portfolio company or private equity sponsor, NMC will make reasonable efforts

to diligence the ESG concerns by engaging with the portfolio company or private equity sponsors to assess their strategies to address the ESG concerns.

ESG is only one of the many factors NMC will consider in making an investment, and there is no guarantee that NMC will successfully implement and make investments that create positive ESG impacts while enhancing value and achieving financial returns.

Sourcing and Due Diligence of Investments

NMC sources the majority of its investments from longstanding relationships with private equity sponsors with whom it has made one or more private equity fund investments as a limited partner. NMC also opportunistically sources a portion of its deal flow from private equity sponsors with whom it does not have an investment as a limited partner. NMC's deal teams conduct preliminary assessments of new investment opportunities, including both qualitative and quantitative analyses of the target company, sector and deal structure. Based on these preliminary assessments, a deal team may conduct additional due diligence through a variety of methods, including review of written materials, in-person meetings, facility tours and conference calls. If NMC proceeds with an investment, the original deal team typically remains responsible for monitoring each investment until the investment is fully realized.

PI

Fixed Income Securities

PI invests in publicly traded U.S. and foreign fixed income assets. This includes US Treasury, investment grade corporate bonds, high yield corporate bonds and loans, convertible bonds, foreign sovereign and quasi-sovereign debt, municipal securities, mortgage-backed securities, asset-backed securities, commercial mortgage-backed securities, collateralized loan obligations, fixed income ETFs and other assets. Additionally, the team manages the company's temporary cash investments using commercial paper, agency discount notes, money market funds and repo markets. Derivatives contracts such as interest rate futures and currency swaps are also used to help manage various exposures and mitigate risks.

The allocation of funds among various investment grade sectors is informed by the department's analysis of the macro economy, market conditions, and relative value. The overall analysis also includes the client's specific investment objectives, risk tolerances, restrictions and liquidity needs.

Security selection across portfolios is driven by a comprehensive and disciplined "bottom up" analysis which incorporates expected cash flows, issuer credit worthiness, industry analysis and other fundamentals, in the context of market technical factors and relative value. For our total return-oriented portfolios, performance is measured against sector-specific, customized industry standard benchmarks. Certain other portfolios are evaluated based on income targets, with careful consideration given to specific asset/liability management objectives.

NMRE

Commercial Mortgage Loans and Real Estate

NMRE typically invests in commercial mortgage loans secured by income producing property located in the U.S. This includes, but is not limited to, fixed-rate loans, construction-permanent loans, floating-rate loans and mezzanine debt. These loans are primarily secured by apartments, shopping centers, office buildings and industrial warehouses. NMRE originates these loans through a network of experienced real estate professionals located in regional office throughout the country. In selecting individual commercial mortgage loans for NMRE's clients, NMRE undertakes a comprehensive property analysis informed by market and sub-market outlook as well as property type outlook. Additionally, a borrower's financial strength and experience are considered.

In selecting real estate investments, NMRE generally follows a stable cash flow or development strategy. These properties are either wholly owned or held in a joint venture and are primarily in apartments, shopping centers, office buildings and industrial warehouses located in the U.S. NMRE originates these investments through a network of experienced real estate professionals located in regional office throughout the country. In selecting individual properties for NMRE's clients, NMRE undertakes a comprehensive property analysis informed by market and sub-market outlook as well as property type outlook. Additionally, a joint venture partner's financial strength and experience are considered.

ISD

Strategic Investment Management

ISD is primarily responsible for providing strategic investment guidance and top-down portfolio management for client portfolios, as well as leading Northwestern Mutual's spread lending business. ISD manages institutional public equity portfolios directly and through third-party external asset managers, and is responsible for selection, oversight and management of these external asset managers across accounts. ISD also leads the technology and data strategy for NMIMC.

Derivatives

NMIMC is permitted to utilize certain derivatives, such as options, futures, forwards, and swap agreements to seek to gain exposure to certain markets, sectors or regions as alternatives to direct investments; to hedge various market based risk exposures; to adjust a portfolio's term structure or duration; to provide increased flexibility in asset allocation; or to earn income and to otherwise seek to enhance returns.

Risk of Loss

Investing in securities involves risk of loss that NMIMC's clients should be prepared to bear. Markets fluctuate substantially over time, and all investments include a risk of loss of principal and/or any profits that have not been realized. Performance of any investment is not guaranteed, and NMIMC cannot

guarantee that its clients will not experience a loss of their account assets. Among the risks our clients should expect to bear are the following:

- *Market Risk:* The price of a security may drop in reaction to market events and conditions.
- *Management Risk:* The performance of a client's account will reflect in part NMIMC's ability to make investment decisions that are suited to achieving the client's investment objective.
- *Issuer Risk:* The value of a security may decline if the financial condition or prospects of the issuer of that security declines or if overall market and/or economic conditions deteriorate.
- *Capital Structure Position Risk:* NMIMC invests a portion of each client's funds, depending upon their individual guidelines, in securities which may be among the most junior in a company's capital structure, and thus subject to the greatest risk of loss. Though there are usually covenants to limit leverage and certain other corporate activity, generally there is no collateral to protect an investment once made.
- *Credit Risk:* An issuer of a fixed income security may not be able to make principal and/or interest payments on its debt when due.
- *Liquidity Risk:* The sale of certain investments may be restricted under the terms of their documents. In addition, there are no public markets and only limited private opportunities to trade private debt and equity investments of the type managed by NMIMC. As a result, investments should generally be considered illiquid. With respect to private equity investments in particular, it is uncertain as to when profits, if any, will be realized.
- *Interest Rate Risk:* The value of fixed income securities may decline because of a change in market interest rates.
- *Inflation Risk:* Purchasing power may be eroded at the rate of inflation.
- *International and Foreign Currency Risk:* Non-U.S. investments may experience more rapid and extreme changes in value than U.S. companies, and are subject to fluctuations in the value of the U.S. dollar. In addition, foreign currency hedging, if utilized, may not achieve its intended results.
- *Reinvestment Risk:* Future proceeds from investments may have to be reinvested at interest rates or prices that may result in lower rates of return.

Risk of Loss – The Private Funds

Generally, the risks described below are increased the lower (i.e., the more “junior” or “subordinated”) an investment is in the capital structure of a portfolio company or where investments are less liquid. This is particularly true for NMIMC's mezzanine strategy, which generally invests in lower levels of the capital structure, more levered capital structures, distressed investments or privately negotiated investments. Although mezzanine securities are typically senior to common stock and other equity securities in the capital structure, they may be subordinated to large amounts of senior debt and in the U.S. are usually unsecured. Should an issuer trigger an event of default, depending on the capital structure and the issuer's financial situation, the client could lose the entire value of its investment. The ability of the subordinated debt holders to influence a company's affairs, especially during periods of financial distress or following insolvency, is likely to be substantially less than that of senior creditors. For example, under the terms of subordination agreements, senior creditors are typically able to block the acceleration of the

subordinated debt or other exercises by the subordinated creditors of their rights. Accordingly, the client may not be able to take the steps necessary to protect its investments in a timely manner or at all.

Specific risks applicable to a particular client are enumerated in the operative Fund Documents or the investment management agreements or related documents with respect to each client. Limited partners in any of the Private Funds should understand the risks and conflicts associated with investing in the Private Funds as described in each Private Fund's private placement memorandum. Each limited partner in a Private Fund inherits the risks and conflicts detailed in the private placement memorandum upon acceptance into a Private Fund by the general partner. The risks involved with the investment strategies and an investment in the Private Funds include, but are not limited to:

1. *Business Risks.* The Private Funds' investment portfolios 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 that can result in substantial losses.
2. *Investment in Junior Securities.* The debt and equity investments of the Private Funds will typically be subordinated to the senior obligations of an issuer, either contractually, in the case of debt securities, or because of the nature of the security, in the case of preferred stock, or structurally, in the case of an investment at the holding company level. Such subordinated investments may be characterized by greater credit risks than those associated with the senior obligations of the same issuer. Adverse changes in the financial condition of an issuer, general economic conditions, or both may impair the ability of such issuer to make payments on the subordinated securities and result in defaults on such securities more quickly than in the case of the senior obligations of such issuer.
3. *Concentration of Investments.* The Private Funds will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment. As a result, a Private Fund's investment portfolio could become highly concentrated, and the performance of a few holdings may substantially affect its aggregate return. At times, such industry or industry segment may also be out of favor and underperform other industries or industry segments or the market as a whole. Furthermore, to the extent that the capital raised is less than the targeted amount, a Private Fund may invest in fewer portfolio companies and thus be less diversified.
4. *Lack of Sufficient Investment Opportunities.* The business of identifying, structuring and completing private debt and equity transactions is highly competitive and involves a high degree of uncertainty. The Private Funds may be unable to find a sufficient number of attractive opportunities to meet their investment objectives. The success of each Private Fund will depend on the ability of NMIMC to identify suitable investments, to negotiate and arrange the closing of appropriate transactions and to arrange the timely disposition of such investments. It is

possible that a Private Fund will never be fully invested if enough sufficiently attractive investments are not identified. However, limited partners will be required to bear management fees based on the entire amount of the limited partners' invested capital and other expenses as set forth in the operative Fund Documents. Furthermore, to the extent the investment strategy of a particular Private Fund relies upon the recovery, stabilization or improvement of market and economic conditions and such events do not occur for an extended period of time, such Private Fund may not be able to invest a significant portion of its committed capital during its commitment period.

5. *Growth Equity Transactions.* The Private Funds are permitted to make 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.
6. *Regulation and Litigation.* The growth of the private debt and equity industries, and the increasing size and reach of transactions, as well as the increasing attention to hedge funds, has prompted additional governmental and public attention to the private equity industry and its practices. Regulation generally, as well as regulation more specifically addressed to the private equity industry, including tax laws and regulation, whether in the United States or abroad, could increase the cost of acquiring, holding, or divesting portfolio companies, the profitability of enterprises, and the cost of operating for NMIMC clients. Additional regulation could also increase the risk of third-party litigation. The transactional nature of the business of NMIMC's clients exposes NMIMC's clients and NMIMC generally to the risks of third-party litigation. Under NMIMC's clients' governing documents, NMIMC's clients will generally be responsible for indemnifying NMIMC and related parties for costs they may incur with respect to such litigation not covered by insurance.

Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as the Private Funds (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law is treated as an allocation of the partnership's income, which may be taxed at lower rates than ordinary income. Enactment of any such legislation, whether during or after the initial closing of the Private Funds, could adversely affect the ability of the principals, employees or other individuals associated with the Private Funds or NMIMC who were or may in the future be granted direct or indirect interests in the carried interest entity, to benefit from carried interest taxed at lower

rates. This may reduce such persons' after-tax returns from the Private Funds and NMIMC, which could make it more difficult for NMIMC and its affiliates to incentivize, attract and retain individuals to perform services for the Private Funds. These same issues may also apply to officers, directors and employees of the Private Funds' portfolio companies if such persons receive a profits interest in such companies.

7. *Illiquidity; Lack of Current Distributions.* An investment in the Private Funds 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 the Private Funds (including the management fee payable to NMIMC, and in the case of the Strategic Institutional Funds, RREEF) may exceed its income, thereby requiring that the difference be paid from such Private Fund's capital, including unfunded commitments.
8. *Conflicts Among Limited Partners.* The investors in the Private Funds are expected to include diverse investors that generally will have conflicting tax and other interests with respect to their investment in the Private Funds. As a result, potential conflicts of interest are expected to arise in connection with decisions made by NMIMC that may be more beneficial for one type of investor. In making decisions, NMIMC intends to consider the investment objectives and investment guidelines of the Private Fund, and not the investment objectives of any investor individually. At its discretion, NMIMC is permitted to elect to undertake a distribution-in-kind of public securities so that each investor can make its own election whether to sell or hold the security based upon their tax considerations and other factors. NMIMC is not obligated to undertake distributions-in-kind.
9. *Leveraged Investments.* The Private Funds are permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company, including in companies not rated by credit their agencies. Leverage generally magnifies both a Private Fund's opportunities for gain and their risk and amount of loss from a particular investment. Furthermore, the use of leverage may magnify the up and down volatility of a Private Fund. 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 will also result in interest expense and other costs to the Private Funds that may not be covered by distributions made to the Private Funds or appreciation of their investments.

The use of leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of the Private Funds' 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 Private Funds' 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 Private Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Private Fund. Furthermore, should the credit markets be limited or costly at the time a Private Fund determines that it is desirable to sell all or a part of a portfolio company, the Private Fund may not achieve an exit multiple or enterprise valuation consistent with their forecasts. Moreover, the companies in which the Private Funds will invest generally will not be rated by a credit rating agency. The Private Funds are also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt). The use of leverage by the Private Funds also will result in interest expense and other costs to the Private Funds that may not be covered by distributions made to the Private Funds or appreciation of their investments. The Private Funds are permitted to incur leverage on a joint and several basis with one or more other investment funds and entities managed by NMIMC or any of its affiliates and may have a right of contribution, subrogation or reimbursement from or against such entities. In addition, to the extent the Private Funds incur leverage (or provides such guaranties), such amounts may be secured by capital commitments made by the Private Funds' investors and such investors' contributions may be required to be made directly to the lenders instead of the Private Funds. NMIMC reserves the right to provide interim financing to the Private Funds in order to facilitate an investment or to allow the relevant general partner to make periodic draws.

10. Subscription Lines. The Private Funds generally are permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Private Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant general partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Private Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Private Fund would likely be subordinate to the Private 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 Private Fund's limited partners and the terms of the governing documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the Private Fund's cost of borrowing, Private Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Private Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Private Fund-level borrowing typically delays the need for limited partners to make contributions to the Private Fund, which in certain circumstances enhances the Private Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the relevant 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, 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 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 the Private Fund and the limited partners or impose additional obligations on them. For example, a subscription line may impose restrictions on the general partner's ability to consent to the transfer of a limited partner's interest in the Fund or impose concentration or other limits on the Private Fund's investments. In addition, in order to secure a subscription line, the relevant general partner may request certain financial information and other documentation from limited partners to share with lenders. The general partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners.

Private 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 limited partners that would not arise had the relevant general partner called smaller amounts of capital incrementally over time as needed by the Private Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. The general partner is authorized to use Private Fund-level borrowing to pay Management Fees and to reimburse NMIMC for expenses incurred on behalf of the Fund. A Private Fund is also permitted to utilize Private Fund-level borrowing when the general partner expects to repay the amount outstanding

through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Private Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

11. Limited Transferability of Partnership Interests. There will be no public market for a Private Fund's interests and none is expected to develop. There will be substantial restrictions upon the transferability of Private Fund interests under the operative documents of the Private Funds, and applicable securities laws. In general, withdrawals of Private Fund interests are not permitted and Private Fund interests are not redeemable.
12. Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of the Private Funds' investments, and hence, most of the Private Funds' investments will be difficult to value. Certain investments may be distributed in kind to the partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the operative documents of such Private Fund, including the value used to determine the amount of carried interest available to NMIMC (and in the case of the Strategic Institutional Funds, RREEF) with respect to such investment.
13. Projections. Projected operating results of a company in which the Private Funds invest normally will be based primarily on financial projections prepared by such company's management, with adjustments to projections made by NMIMC in its discretion. In all cases, projections are only estimates of future results that are based upon information received from the company and assumptions made at the time the projections are developed. There can be no assurance that the results set forth in the projections will be attained, and actual results may be significantly different from the projections. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections.
14. Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Private Fund reserves the right to 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 the Private Funds will make follow-on investments or that the Private Funds will have sufficient funds to make all or any of such investments.

Any decision by such Private 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 such Private Fund to increase its participation in a successful portfolio company or the dilution of such Private Fund's ownership in a portfolio company if a third-party invests in such portfolio company.

15. *Distressed Investments.* The Private Funds reserve the right to 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 a general partner 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, the relevant Private 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 the Private Fund invested.
16. *Hedging Arrangements; Related Regulations.* NMIMC reserves the right (but is not obligated) to endeavor to manage the Private Funds' or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. The Private Funds 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 the Private Funds 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 the Private Funds to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the general partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission or other regulator or comply with an applicable exemption.

17. *Non-U.S. Investments.* The Private Funds are generally permitted to invest in portfolio companies that are organized or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments are 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 Private Funds), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on the Private Funds and/or the partners with respect to the Private Fund's income, and possible non-U.S. tax return filing requirements for the Private Fund and/or the partners.

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

18. *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, virus, disease epidemics or pandemics 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 the Private Funds and their 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 the Private Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon the Private Funds' portfolio companies.

19. *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, have resulted and are resulting in market volatility and disruption, and COVID-19 and any 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 Private Funds.

Currently, there is an ongoing outbreak of COVID-19, which has significantly diminished global economic production and activity of all kinds. The ultimate impact of COVID-19 — and the resulting decline in economic and commercial activity across nearly all of the world's largest economies — 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 ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Private Funds. The extent of the impact on NMIMC, the Private Funds and any portfolio investments' 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 general partners and the Private 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 general partners and the Private Funds intend to pursue, all of which could adversely affect the Private Funds' ability to fulfill its investment objectives. They may also impair the ability of portfolio investments 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 NMIMC, the Private Funds, their portfolio investments and the general partner 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.

20. *Market Conditions.* From time to time, the capital markets experience 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 the Private Funds and may affect the Private Funds' ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) may also increase the risks inherent in the Private Funds' investments and could

have a negative impact on the performance and/or valuation of the portfolio companies. The Private Funds' 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 the Private Funds' performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of the Private Funds to sell and/or partially dispose of its portfolio company investments. Such adverse effects may include the requirement of the Private Funds to pay break-up, termination or other fees and expenses in the event the Private Funds are not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Private Funds to dispose of investments at prices that NMIMC believes reflect the fair value of such investments. The impact of market and other economic events may also affect the Private Funds' ability to raise funding to support their investment objective.

21. Valuation of Assets. NMIMC may provide advice and assistance to clients regarding the fair valuation of portfolio investments using the valuation methodologies supplied by NMIMC's clients. When providing fair value advice and assistance, NMIMC will apply a methodology based on its good faith judgment of the nature, facts, and circumstances of the investment. Assigned values may not be realized. Unless otherwise agreed to with a client, NMIMC expects to provide advice and assistance regarding the value of portfolio investments in accordance with Northwestern Mutual's valuation policies and procedures. Accordingly, the investments of the Northwestern Mutual Funds and the NMC Co-Invest Funds are expected to be valued by the general partner in accordance with Northwestern Mutual's valuation policies and procedures. It is expected that the investments of the Strategic Institutional Funds will be valued by RREEF as the fund manager. For more information on NMIMC's valuation policy, see "Additional Information," below.
22. Vintage Years and Effect of Business Cycles. The Private Funds may be launched and funded during varying points in various business cycles leading to performance which may be greater or worse than what is expected. Business cycles occur with periods of economic growth, peaks, declines and recoveries. Investing during any economic period will produce varying results. The performance of different Private Funds with different vintage years can help understand the risks of investing by showing how performance has varied from year to year and within the business cycle.
23. Borrowing. The flexibility to borrow money varies among NMIMC's clients. Certain of NMIMC's clients borrow money to pay expenses of NMIMC's clients (including, without limitation, management fees) or to provide interim or long-term financing to facilitate the consummation or furtherance of NMIMC's clients' investments prior to or in lieu of NMIMC's clients' receipt of

capital contributions or co-investment funds becoming available, in each case, as permitted by NMIMC's clients' constituent documents. Such borrowings are typically secured by capital contributions, a pledge of the general partner's right to draw down on such obligations, and/or a security interest in NMIMC's clients' investments. The inability of NMIMC's clients to repay borrowings under a credit facility secured by the capital commitments of its limited partners could enable a lender to call unfunded commitments from the limited partners and, if the limited partners' unfunded commitments are insufficient to repay such borrowings, limited partners may be required to return amounts previously distributed to them to fund such borrowings, subject to certain limitations set forth in NMIMC's clients' constituent documents. Borrowing may represent a significant portion of capital commitments and will generally enhance internal rates of return.

24. Reliance on Portfolio Company Management. Although the general partner will monitor the performance of each Private Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although NMIMC and the Private Funds generally intend to invest in companies with strong management, 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 Private Funds' objectives.
25. Alternative Investment Fund Managers Directive. The EU Alternative Investment Fund Managers Directive (the "AIFMD") regulates the activities of certain private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area ("EEA"). If the Private Funds are actively marketed to investors domiciled or having their registered office in the EEA in circumstances where no transitional relief is available: (i) the Private Funds may be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which may result in the Private Funds incurring additional costs and expenses; (ii) the Private Funds (and/or in the case of the Strategic Institutional Funds RREEF, as Fund Manager) may become subject to additional regulatory or compliance obligations arising under national law and certain jurisdictions, which may result in the Private Funds incurring additional costs and expenses or otherwise affect the management and operation of the Private Funds; (iii) in the case of the Strategic Institutional Funds, RREEF, as Fund Manager, may be required to make detailed information relating to the Strategic Institutional Funds and their investments available to regulators and third parties; and (iv) the AIFMD may also restrict certain activities of the Private Funds in relation to EEA portfolio companies including, in some circumstances, the Private Funds' ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership. In addition, it is possible that some EEA jurisdictions will elect to restrict or prohibit the marketing of non-EEA funds to investors based in those jurisdictions, which may make it more difficult for the Private Funds to raise their targeted amount of commitments.
26. Director Liability. The Private Funds may 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 Private

Funds' representatives, and ultimately the Private Funds, 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 Private Funds' investment activities.

27. Advisory Board. In the case of the Strategic Institutional Fund, RREEF and NMIMC will appoint one or more limited partner representatives to the Strategic Institutional Funds' advisory boards. The Partnership Agreement may provide that to the fullest extent permitted by applicable law, none of the advisory board members shall owe any fiduciary duties to the Strategic Institutional Funds or any other partner. In addition, representatives of the advisory board may have various business and other relationships with NMIMC and its partners, employees and affiliates. These relationships may influence their decisions as members of the advisory board. Finally, the advisory boards of the Strategic Institutional Funds may include substantial overlap of members, which may cause a conflict of interest in the event of transactions between two Strategic Institutional Funds where the advisory board is asked to consent to the proposed transaction.
28. Cyber Security Breaches and Identity Theft. NMIMC, each Private Fund and each Private Fund's portfolio companies generally rely on information technology systems for current and planned operations. Information and technology systems of NMIMC and each Private Fund's portfolio companies may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events such as fires, tornadoes, floods, hurricanes and earthquakes. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, NMIMC, a Private Fund and/or a portfolio company may have to make a significant investment to fix or replace them. Any disruption in any of these systems or the failure of any of these systems to operate as expected could, depending on the magnitude of the problem, adversely affect the Private Fund's investment results and its ability to make distributions to its partners. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in NMIMC's, the Private Funds' and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). Such a failure could harm NMIMC's, the Private Funds' or a portfolio company's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.
29. Dependence on Key Personnel. The success of NMIMC's clients will be highly dependent on the financial and managerial expertise of the NMIMC's investment professionals. The loss of one or more of these individuals could have a material adverse effect on the performance of NMIMC clients. NMIMC's investment professionals are under no contractual obligation to remain with the

NMIMC for all or any portion of the term of NMIMC's clients' investments. As a result, the ability of NMIMC's clients to carry on their activities successfully is dependent upon the skill and experience of the personnel of NMIMC. From time to time, NMIMC will add employees and others will leave and/or reduce their level of activity.

30. *Expedited Transactions.* Investment analyses and decisions by NMIMC may be undertaken on an expedited basis in order for NMIMC clients to take advantage of available investment opportunities. In such cases, the information available to NMIMC at the time of an investment decision may be limited, and NMIMC may not have access to the detailed information necessary for a full evaluation of the investment opportunity. Further, NMIMC may conduct its due diligence activities in a very brief period and may cause NMIMC clients to assume the risks of obtaining certain consents or waivers under contractual obligations.
31. *Bridge Financing.* From time to time, NMIMC clients reserve the right to provide bridge financings to facilitate investments organized by NMIMC's clients. Bridge financings to a particular portfolio company may not exceed amount set forth in the applicable governing documents of NMIMC's clients. Such bridge financings, if not repaid, would typically be convertible into a more permanent, long-term security. However, for reasons not always in NMIMC's client's control, such long-term securities may not be issued and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by NMIMC's clients.
32. *Co-Investments by Independent Third Parties.* At times, NMIMC's clients invest in companies alongside financial, strategic or other third-party investors. Such investments will involve additional risks not present in investments where a third-party is not involved, including the possibility that such third-party investor may have interests or objectives that are inconsistent with those of the applicable NMIMC client or may be in a position to take action contrary to the NMIMC's client's investment objectives. Such investors will not be under the control of NMIMC and may be independent strategic partners or investors, industrial companies, or other private equity funds or investors in one or more of the NMIMC's clients. These investors will generally not pay expenses and/or costs incurred directly or indirectly by NMIMC's clients. In addition, NMIMC's clients may in certain circumstances be liable for actions of their third-party co-ventures or partners.
33. *Failure to Make Capital Contributions.* If limited partners fail to pay when installments of their commitments to a Private Fund are due, the Private Fund may be unable to pay its obligations when such obligations are due. As a result, a Private Fund may be subjected to significant penalties that could limit opportunities, investment diversification and materially adversely affect the returns to all limited partners.

34. *No Right to Control a Private Fund's Operations.* Limited partners will have no opportunity to control the operations of a Private Fund, including, without limitation, its investment and disposition decisions and decisions regarding the selection of service providers and the operation of a portfolio company. The limited partners will also have no opportunity to evaluate any economic, financial, and other information that will be utilized by NMIMC in its selection of portfolio investments. In addition, to the extent that a limited partner is not represented on the board of advisors, if any, such limited partner will have no influence over matters submitted to the board of advisors for review or approval.
35. *Middle Market Companies.* A significant component of the Private Funds' investment objectives is to invest in middle market companies. Although investments in middle market companies can present greater opportunities for growth, such investments also entail larger risks than are customarily associated with investments in larger companies. Middle market companies tend to have relatively limited product lines, markets, and financial and other resources. As a result, such companies tend to be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which tends to make realizations of gains more difficult. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in middle market companies, could make it difficult for a Private Fund to react quickly to negative economic or political developments.
36. *Nature of Structured Capital Securities.* The Private Funds expect to invest in preferred equity and junior debt securities, as applicable, in accordance with the governing investment strategy and guidelines reflected in the Fund Documents. Although preferred equity and junior debt securities are typically senior to common stock or other equity securities, the preferred equity and debt securities in which the Private Funds may invest will generally be unsecured and subordinated to substantial amounts of senior debt, all or a significant portion of which may be secured. In addition, these securities may not be protected by all of the financial covenants, such as limitations upon additional indebtedness, typically protecting such senior debt. Holders of subordinated debt generally are not entitled to receive any payments in bankruptcy or liquidation until senior creditors are paid in full. Holders of preferred equity and junior debt securities are not entitled to payments until all creditors are paid. In addition, the remedies available to holders of subordinated debt are normally limited by restrictions benefitting senior creditors. In the event any portfolio company in which the Private Funds invest cannot generate adequate cash flow to meet senior debt service, the Private Funds may suffer a partial or total loss of capital invested. Client accounts also may be invested in different parts of an issuer's capital structure which have different preferences and rights, and thus, disparate interests (e.g., credit quality versus growth potential).

37. *Nature of Preferred Securities.* The Private Funds are permitted to invest in preferred securities which are rated in the lower rating categories by the various credit rating agencies or, more commonly, in comparable non-rated securities. Securities in the lower rating categories and comparable non-rated securities are subject to greater risk of loss of principal and interest than higher rated and comparable non-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. They are also generally considered to be subject to greater risk than securities with higher ratings and comparable non-rated securities in the case of deterioration of general economic conditions. Because investors generally perceive that there are greater risks associated with the lower rated and comparable non-rated securities, the yields and prices of such securities may be more volatile than those for higher rated and comparable non-rated securities. The market for lower rated and comparable non-rated securities is thinner, often less liquid and less active than that for higher rated and comparable non-rated securities, which can adversely affect the prices at which these securities can be sold and may even make it impracticable to sell such securities.

38. *Debt Investments.* Certain Private Funds are permitted to invest in public or private debt and/or debt-related securities or other similar instruments (collectively, "Debt Investments"), subject to certain conditions set forth in the Private Fund's limited partnership agreement and other Fund Documents.

Such Debt Investments could be unsecured and structurally or contractually subordinated to substantial amounts of senior indebtedness, all or a significant portion of which could be secured and bear floating interest rates. Moreover, such Debt Investments may not be protected by financial covenants or limitations upon additional indebtedness and there is no minimum credit rating for Debt Investments. Other factors could materially and adversely affect the market price and yield of such Debt Investments, including investor demand, changes in the financial condition of the applicable issuer, government fiscal policy and domestic or worldwide economic conditions. Debt Investments will also entail normal credit risks (*i.e.*, the risk of non-payment of interest and principal). Moreover, a Debt Investment bearing "paid-in-kind" interest will generally have a higher risk of non-payment of interest since there will be no cash payments of interest from the borrower prior to maturity or refinancing. In addition, a Debt Investment could be subject to redemption at the option of the issuer. If a Debt Investment held by the Private Funds is called for redemption, the Private Funds will be required to permit the issuer to redeem such investment, which could have an adverse effect on the Private Funds' ability to achieve its investment objective.

39. *LIBOR (London Interbank Offering Rate) and Other "IBOR" Rates.* LIBOR is an estimate of the interest rate to borrow U.S. Dollars in the London unsecured interbank market, and is widely used as a reference for setting the interest rate on loans, bonds, and derivatives globally. The United Kingdom's Financial Conduct Authority, which regulates LIBOR, and the ICE Benchmark

Administration (IBA), which publishes LIBOR, announced that most IBOR rates would cease to be published after December 31, 2021 and 1-month, 3-month, and 6-month USD LIBOR to cease publication after June 30, 2023. The Alternative Reference Rate Committee (ARRC), which was convened by the Federal Reserve Board and New York Fed, is recommending the use of the Secured Overnight Financing Rate (“SOFR”) as an alternative reference rate to USD LIBOR.

A number of the Private Funds’ investments are expected to have interest rates with a LIBOR reference. As a result, the transition away from LIBOR could adversely impact the Private Funds. Even if replacement conventions (e.g., SOFR) are adopted in the lending and bond markets, it is uncertain whether they might affect the Private Funds as investors in floating-rate instruments, including by: (a) affecting liquidity of the Private Funds’ investments in the secondary market and their market value; (b) reducing the interest rate earned by the Private Funds as holders of such investments (either generally or in certain market cycles) due to the use of a collateralized, overnight rate and credit spread adjustments instead of an unsecured, term rate; or (c) causing the Private Funds to incur expenses to manage the transition away from LIBOR ; or (d) having refinancing activity that may be incentivized based on existing fallback rates relative to then current market levels. Also, while it is common for recently issued instruments to contemplate a scenario where LIBOR is no longer available by providing for an alternative rate setting methodology and mechanisms to amend the applicable reference rate, not all instruments have such provisions and there are significant uncertainties regarding the effectiveness of any such alternative methodologies. As such, the Private Funds may need to renegotiate the terms of credit agreements with certain issuers of investments that utilize LIBOR in order to replace it with the new standard convention that is established, which could result in increased costs for the Private Funds.

The Private Funds are expected to make investments in floating rate notes and subordinated notes of CLOs. As such, to the extent that the terms of the applicable CLO instrument do not provide for an alternative rate setting methodology and mechanisms to amend the applicable reference rate in the event of a transition away from LIBOR, the rate applicable to such CLO instrument could be “locked in” at the LIBOR rate immediately preceding the transition, which could result in the applicable CLO instrument bearing higher or lower rates as compared to the market rates applicable to similar instruments. In such circumstances, bringing the instrument’s rate in line with market would require requisite consent from CLO noteholders, which may or may not include investments made by the Private Funds, thereby resulting in outcomes that will be out of the Private Funds’ control. Even in circumstances where the terms of the Private Funds’ applicable investment provide for such an alternative rate setting methodology, the CLO manager may have significant discretion as to the applicable replacement rate, which could also result in the selection of a higher or lower rate for such instruments as compared to other similar instruments in the market. In either case, a transition away from LIBOR could result in situations where the replacement base rate utilized by a CLO issuer to pay its debt service payments is higher than the replacement base rate received on the underlying CLO investments, thereby creating

interest rate basis mismatch that may reduce the “spread” (i.e., the difference between the interest collected on the issuer’s investments and the sum of the issuer’s obligations) that otherwise would be available as credit support and, in turn, affect the creditworthiness of the Private Funds’ investments.

The Private Funds may also enter into swaps and similar instruments that reference LIBOR, including swaps used to manage long-term interest rate risk related to assets and/or liabilities. In addition to the Private Funds potentially needing to renegotiate some of those instruments to address a transition away from LIBOR, there also may be different conventions that arise in different but related market segments, which could result in mismatches between different assets and liabilities and, in turn, in possible unexpected gains and/or losses for the Private Funds. In addition and as further described above, some of the standard conventions under consideration, including SOFR, are conceptually different than LIBOR, in that they are overnight, secured rates instead of unsecured, term rates, which could behave differently from LIBOR in ways that cause the Private Funds to owe greater payments or receive less payments under its derivatives, at least during certain market cycles. Some of these replacement rates may also be subject to compounding or similar adjustments that cause the amount of any payment referencing a replacement rate not to be determined until the end of the relevant calculation period, rather than at the beginning, which could lead to administrative challenges and/or could reduce the effectiveness of interest rate risk management strategies for the Private Funds.

Furthermore, even though the terms of the Private Funds’ credit facility may provide for mechanics to amend the credit facility in order to reflect a replacement rate in the event of a transition away from LIBOR, the determination of such replacement rate may require further negotiation, including between the General Partner, NMIMC (and/or RREEF in the case of the Strategic Institutional Funds) and the applicable lender. There can be no certainty that an agreement between the parties will be reached, and the terms of the Private Funds’ credit facility may also provide that, during any applicable transition period, the amounts drawn under the Private Funds’ credit facility may bear interest at a higher rate. In addition, even if an agreement is reached with respect to a replacement rate for LIBOR, the applicable lender may have the ability to make certain changes to the terms of the Private Funds’ credit facility to implement the new rate, which the Private Funds may have no control over.

40. Unsecured Loans and Collateral Impairment. In the event of a default by a borrower underlying a Debt Investment, the Private Funds might not receive payments to which it is entitled and thereby could experience a decline in the value of its portfolio investments in the borrower. If the Private Funds invest in debt that is not secured by collateral, in the event of such default, such Private Fund will have only an unsecured claim against the borrower. In the case of loans that are secured by collateral, while NMIMC generally expects the value of the collateral to be greater than the value of such loans, the value of the collateral could actually be equal to or less than the value of such loans or could decline below the outstanding amount of such loans subsequent to the Private

Funds' investment. The ability of the Private Funds to have access to the collateral could be limited by bankruptcy and other insolvency laws. Under certain circumstances, the collateral could be released with the consent of the lenders or pursuant to the terms of the underlying loan agreement with the borrower. There is no assurance that the liquidation of the collateral securing a loan would satisfy the borrower's obligation in the event of non-payment of scheduled interest or principal, or that the collateral could be readily liquidated. As a result, the Private Funds might not receive full payment on a secured loan portfolio investment to which it is entitled and thereby could experience a decline in the value of, or a loss on, the portfolio investment.

41. *General Partner's Carried Interest.* The fact that the general partner's carried interest is based on a percentage of net profits creates an incentive for the general partner to cause the partnership more speculative investments or to hold an investment longer than otherwise would be the case.
42. *Material Non-Public Information.* NMIMC frequently comes into possession of confidential or material, non-public information. Therefore, NMIMC and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Private Fund. Consequently, the Private 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 NMIMC's internal policies and procedures. Due to these restrictions, the Private Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold. For conflicts of interest related to the receipt of Material Non-Public Information, see Insider Trading Policies in Item 11, below.

Item 9. Disciplinary Information

NMIMC is obligated to disclose legal or disciplinary events involving NMIMC or any of its "management persons" that are material to your evaluation of our advisory business or the integrity of NMIMC's management when considering initiating a client/adviser relationship, or to continuing a client/adviser relationship with NMIMC. When NMIMC refers to its "management persons," NMIMC is referring to its executive officers and the supervisors of those who determine the general investment advice provided to advisory clients. On an annual basis, management persons are required to complete a questionnaire eliciting disclosure of applicable disciplinary information and are obligated to promptly update their disclosures should they change or become materially inaccurate.

NMIMC does not have any legal or other disciplinary events to report that it believes are material to the evaluation of NMIMC's advisory business or the integrity of NMIMC's management.

Item 10. Other Financial Industry Activities and Affiliations

NMIMC is a wholly-owned subsidiary of Northwestern Mutual. Northwestern Mutual, either directly or through a number of financial services and insurance subsidiaries, offers a spectrum of insurance and/or investment products. As a wholly-owned subsidiary of Northwestern Mutual, NMIMC is affiliated with these entities, a number of which are broker-dealers, investment advisers, thrift institutions and insurance companies. NMIMC has identified below only those affiliated entities with which NMIMC has relationships or arrangements which may be considered material to NMIMC's advisory business or its advisory clients. NMIMC does not believe these affiliations or arrangements impair the objectivity of NMIMC's investment advice on behalf of its clients.

Insurance Company or Agency

Northwestern Mutual

Northwestern Mutual is a Wisconsin mutual insurance company, NMIMC's parent company and NMIMC's largest advisory client. NMIMC and Northwestern Mutual are parties to an administrative services agreement pursuant to which Northwestern Mutual performs certain administrative, corporate support, accounting, human resources, marketing and communications, compliance, information management, and other front, middle and back office administrative services with respect to NMIMC's investment management business. Northwestern Mutual also includes NMIMC employees under certain of Northwestern Mutual's benefit plans. Under the administrative services agreement, Northwestern Mutual also provides certain property, equipment and facilities to NMIMC and leases office space to NMIMC. Fees under the administrative services agreement are generally calculated based upon allocations of time or services rendered, or to the extent possible, actual costs. All of NMIMC's directors are members of Northwestern Mutual's enterprise leadership group, including NMIMC's President who also serves as Chief Investment Officer of Northwestern Mutual.

Other Investment Advisers, General Partners & Pooled Investment Vehicles

Mason Street Advisors, LLC

Mason Street Advisors, LLC ("MSA") is a registered investment adviser and a wholly-owned subsidiary of Northwestern Mutual. MSA serves as investment adviser for the Northwestern Mutual Series Fund, Inc. (the "Series Fund"). The Series Fund is Northwestern Mutual's proprietary mutual fund family consisting of 27 separate investment portfolios which are offered exclusively as underlying investment options for Northwestern Mutual's variable products. NMIMC and MSA are related persons because they are under the common control of Northwestern Mutual. As an investment adviser, MSA does not have a relationship or arrangement with NMIMC's advisory business or its clients. One of MSA's directors and Chairman also serves as director and Chairman of NMIMC.

Northwestern Mutual Fund General Partner

NMPE I GP, LLC is general partner of the Northwestern Mutual Fund, which also acts as the Northwestern Mutual Fund's sponsor. The general partner is an affiliate of and controlled by NMIMC and operates as part of its advisory business. The general partner is subject to the Advisers Act pursuant to NMIMC's registration in accordance with SEC guidance. This brochure also describes the business practices of the general partner, which operates as a single advisory business together with NMIMC.

NMC Co-Invest Funds General Partners

Northwestern Mutual Capital GP, LLC, Northwestern Mutual Capital GP II, LLC, Northwestern Mutual Capital GP III, LLC, Northwestern Mutual GP IV, LLC, NMC V GP, LLC and NMC VI GP, LLC (together, the "NMC Co-Invest Fund GPs") are general partners of the NMC Co-Invest Funds, which also acts as their sponsor. The NMC Co-Invest Fund general partners are affiliates of and controlled by NMIMC and operate as part of its advisory business. Each general partner is subject to the Advisers Act pursuant to NMIMC'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 NMIMC.

Northwestern Mutual Investment Services, LLC

Northwestern Mutual Investment Services, LLC ("NMIS"), is a dually registered broker-dealer and investment adviser, and wholly-owned subsidiary of Northwestern Mutual. In its role as an investment adviser, NMIS does not have a relationship or arrangement with NMIMC's advisory business or its advisory clients. However, please see below for more information about NMIS in its capacity as a registered broker-dealer.

Broker-Dealer and Banking Institutions***Northwestern Mutual Investment Services, LLC and Northwestern Mutual Wealth Management Company***

The Northwestern Mutual Fund will be distributed by Northwestern Mutual's qualified advisers and financial representatives through Northwestern Mutual's subsidiaries NMIS, a broker-dealer and investment adviser registered with the SEC and a member of the Financial Industry Regulatory Authority (FINRA), and Northwestern Mutual Wealth Management Company ("WMC"), a limited purpose federal savings bank that provides fee-based financial planning and investment advisory programs. NMIMC, NMIS and WMC are related persons because they are each wholly-owned subsidiaries of Northwestern Mutual. Please see Items 5 and 11 for information on the potential conflicts associated with the involvement of these affiliates in the sale of interests in the Northwestern Mutual Fund.

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

NMIMC has adopted the following policies designed to ensure that the interests of its clients come before the interests of NMIMC, its employees or its related persons: (i) Guidelines for Business Conduct (the "Conduct Guidelines"), (ii) Personal Trading Policy, (iii) Insider Trading Policy and Guidelines for Managing Investment-Related Information ("Insider Trading Policy"), (iv) Trade Aggregation and Allocation Policies and Procedures ("Trade Aggregation and Allocation Policies") (v) Policy and Procedures on Transactions with Affiliates ("Transactions with Affiliates Policy"). In addition, NMIMC maintains a Conflicts of Interest Inventory ("Conflicts Inventory") that is designed to identify and manage NMIMC's material conflicts of interest. Each of these is discussed below.

Code of Ethics

NMIMC's Conduct Guidelines and the Personal Trading Policy together comprise NMIMC's code of ethics. Below is a description of these two policies. Copies of these policies will be provided free of charge to any client or prospective client upon request by contacting us at the mailing address, telephone number or e-mail address that appears on the cover page of this brochure.

Conduct Guidelines

NMIMC's Conduct Guidelines complement its Insider Trading Policy and our Personal Trading Policy (each discussed below), and establish the standards of business conduct that NMIMC requires of all of its officers, directors, employees and certain other associated individuals ("Supervised Persons"), and reflect the fiduciary duty NMIMC owes to its clients. The Conduct Guidelines are based on the principle that Supervised Persons are expected to act with the highest standards of personal and professional honesty and integrity. The Conduct Guidelines set forth principles that should guide the conduct of all Supervised Persons and require that they comply with all applicable laws, rules and regulations, with all client investment mandates and directives and with NMIMC's fiduciary duties to its clients, in all matters related to the business activities of NMIMC. The Conduct Guidelines also addresses various affiliations and activities of Supervised Persons which could present conflicts, the receipt of gifts and entertainment, involvement in political activities and confidentiality of client information, as well as the obligation to report violations of the Conduct Guidelines.

Personal Trading Policy

Officers and employees of NMIMC may buy or sell for a client account securities in which they or a related person has a material financial interest, invest in the same or related securities that are recommended to clients, and may buy or sell securities for client accounts at about the same time they buy or sell for their own accounts. Because of the potential conflicts of interest these transactions may present, NMIMC has adopted the Personal Trading Policy which is designed to ensure the interests of NMIMC's clients come before the interests of NMIMC, its employees and its related persons.

The Personal Trading Policy sets out reporting and pre-clearance requirements for personal securities transactions by NMIMC “Access Persons” and limits some of the circumstances under which NMIMC Access Persons can engage in personal securities transactions. Access Persons generally include all directors, officers and full-time, part-time and temporary employees of NMIMC. Access Persons also include any other person who NMIMC’s Chief Compliance Officer determines to treat as such because of their status, the functions they perform or the information they obtain or have access to. The Personal Trading Policy requires all Access Persons to pre-clear personal transactions in securities that are reportable, subject to certain exceptions such as exchange-traded funds (ETFs) and securities whose values are based on broad-based market indexes. In addition to pre-clearance requirements, the Personal Trading Policy requires approval prior to the investment by any Access Person in initial public offerings or securities in a limited offering (e.g. private placements), and prohibits certain other trading activities, such as front-running.

The Personal Trading Policy requires Access Persons to report their personal securities transactions (either directly or through duplicate confirmations and statements from their brokers) within 30 days of the end of each calendar quarter. These transactions are subject to review for compliance with the Personal Trading Policy and the Insider Trading Policy.

Subject to certain exceptions, Access Persons are subject to certain black-out periods. The Personal Trading Policy also contains a 30-day profit rule that prohibits in certain instances an Access Person from profiting from the purchase and sale or sale and purchase of the same (or equivalent) securities within 30 days, subject to certain exceptions.

Insider Trading Policy

Because NMIMC provides investment services relating to privately-placed debt and equity investments, from time to time employees of NMIMC come into possession of material nonpublic information regarding the issuers of securities or the market for particular securities. NMIMC's Insider Trading Policy is designed to restrict NMIMC Access Persons from trading on the basis of such material non-public information or communicating material non-public information to others in violation of applicable law. It is further designed to restrict the communication of material information that is confidential to NMIMC and NMIMC’s clients to other companies, including other related persons of NMIMC. In the event NMIMC comes into possession of material non-public information, it may be limited in the actions it can take with respect to a security held by a client, or an investment opportunity being considered for a client. For example, NMIMC may be conflicted in circumstances where agreeing to the receipt of material non-public information in connection with a private investment opportunity would result in the PI department from being restricted from buying, selling or otherwise transacting in a position held in the public investments portfolio of Northwestern Mutual. Conversely, NMIMC could determine to receive material non-public information in connection with a private investment opportunity at the same time that a client account managed by the PI department has a position in the public issuer, which could restrict PI from buying,

selling or otherwise transacting in that particular security for a client account even if NMIMC believed it was prudent to do so.

NMIMC and its affiliates, including Northwestern Mutual, have established information barrier policies that serve to limit the dissemination of such information and provide NMIMC and its affiliates, including Northwestern Mutual, with flexibility in managing its clients' portfolios. However, such information barriers are not intended to prevent competition between the Private Funds and the business lines of NMIMC's affiliates, including Northwestern Mutual, which may operate to the detriment of the Private Funds. In addition, the presence of an information barrier may limit the ability of the Private Funds to benefit from NMIMC's or its affiliates' expertise in the event that the Private Funds are on the opposite side of an information barrier.

Trade Aggregation and Allocation Policies and Transactions with Affiliates Policy

NMIMC does not purchase any securities of the type it recommends to clients for its own account. However, because many of NMIMC's clients are related persons, it frequently recommends that a client purchase or sell a security in which a related person holds a financial interest or at the same time a related person is purchasing or selling the same security. See Item 6 for more information on side-by-side management. NMIMC's Trade Aggregation and Allocation Policies and Transactions with Affiliates Policy, among other aspects of its compliance program discussed elsewhere in this brochure, such as the Code of Ethics and Insider Trading Policy, above, are designed to ensure that all clients are treated fairly in such circumstances and to manage and mitigate actual and potential conflicts of interest.

Trade Aggregation and Allocation Policies

NMIMC's Trade Aggregation and Allocation Policies and Procedures are designed to provide for the fair treatment of all NMIMC clients with respect to the aggregation and allocation of investment opportunities. NMIMC may, when appropriate, aggregate contemporaneous client trades in the same security and allocate such trades among two or more clients. Aggregation is appropriate when, in the investment professional's reasonable judgment, aggregation is in the best interests of the relevant clients and consistent with NMIMC's fiduciary duties. Client trades will not be aggregated where aggregation is not possible, not permitted or would not be in the best interest of a client. In some cases, this policy might adversely affect the price received by an account or the size of the position liquidated for an account.

Allocation decisions are made for each client individually, based on the characteristics and needs of each client, as well as for all clients collectively, in an attempt to allocate investment opportunities in a fair and equitable manner. NMIMC's allocation procedures and processes vary depending on the asset class involved. Generally speaking, where a class of securities is to be allocated to more than one NMIMC client and it is anticipated there is sufficient supply to meet demand for the clients, the trades will be allocated to each account participating in the trade in the amount in which each participating client interest was identified. All client accounts participating in the order that day will receive the average price at which the order was executed and a *pro rata* portion of the execution cost of the order. Where an order cannot

be completely filled on the day it is placed, the allocation across clients will be determined by asset class according to the following general principles:

Private Securities. Allocations of private securities are determined in accordance with the Trade Allocation Procedures of NMIMC's NMC division, such allocation policies and guidelines as Northwestern Mutual, with the assistance of NMIMC, may establish from time to time for allocation among the various segments of its general account and related affiliates, and the Private Funds' underlying Fund Documents. As noted below under *Certain Conflicts of Interest and Conflicts Inventory – Allocation of Investment Opportunities and Co-Investment with Affiliates of NMIMC*, with respect to investment opportunities that fall within the investment objectives of the Private Funds, the Private Funds will primarily invest alongside Northwestern Mutual accounts in investment opportunities sourced or arranged by NMIMC and such investment opportunities will be allocated to the Private Funds in accordance with the Private Funds' allocation policy. Under NMC's allocation policy, the participation levels of NMIMC's clients based on the foregoing policies are set forth in an allocation grid that describes the allocations by client for investments in various private securities asset classes. Investments are allocated among clients promptly after receipt or confirmation of the total amount allocated to NMIMC for its clients. If the total amount allocated to NMIMC for its clients subsequently changes, the change is allocated *pro rata* among all clients participating in the investment according to the grid.

Public Securities. Allocations are determined in accordance with the Trade Allocation Procedures of NMIMC's PI and ISD departments. Currently, based on the investment objectives and directives of its clients, NMIMC invests in public securities on behalf of only Northwestern Mutual and its affiliates, and the Foundation. Allocations of public investments among the various segments of Northwestern Mutual's general account and related affiliates are determined in accordance with Northwestern Mutual's policies.

Real Estate. Currently, based on the investment objectives and directives of its clients, NMIMC invests in real estate on behalf of only Northwestern Mutual. Allocations of real estate investments among the various segments of Northwestern Mutual's general account are determined in accordance with Northwestern Mutual's policies.

Transactions with Affiliates Policy

The Transactions with Affiliates Policy governs certain transactions with or involving affiliates on behalf of client accounts. It addresses various affiliated transactions, and seeks to address the inherent potential conflicts of interest presented by these types of transactions. Such transactions are permitted only if in compliance with the Transactions with Affiliates Policy, applicable rules and regulations, and policies and procedures adopted or directed by NMIMC's advisory clients.

Section 206(3) of the Advisers Act generally requires that, when an investment adviser or an affiliate of the adviser proposes to purchase a security from, or sell a security to, an advisory client (a "principal transaction"), the adviser must make certain disclosures to the client regarding the terms of the proposed transaction and obtain the client's consent to the transaction. Accordingly, transactions in which NMIMC

or any of its affiliates act as principal for its own account with respect to the sale of a security to, or purchase of a security from, the Private Funds are deemed principal transactions. Other than described below, neither NMIMC nor any of its affiliates expect to enter into principal transactions with the Private Funds.

Notwithstanding the foregoing, NMIMC may cause Northwestern Mutual (or another affiliate subsidiary) to advance funding to Private Fund clients advised or sub-advised by NMIMC for portfolio investments pending receipt of capital contributions from the Private Fund's limited partners. Whenever such interim financing is provided, the subsequent drawdown for each Limited Partner generally will include such Limited Partner's proportionate share of (a) the original cost of such investment, plus (b) legal and out of pocket expenses related to such investment, plus (c) an amount calculated at the prime rate per annum on the amounts described in (a) and (b), provided that the general partner may waive any amount calculated under clause (c) in its sole discretion. Such advanced funding transactions may be considered principal transactions and will be conducted in accordance with Section 206(3). In addition, warehouse investment programs for the Private Funds must consider potential principal transactions issues and any such transactions must be effected in compliance with Section 206(3). Also, if ownership by NMIMC or its affiliates in any Private Fund involved in the transaction were to equal or exceed 25%, a principal transaction would result from what would otherwise have been a cross transaction (described below).

There may be circumstances under which NMIMC deems it appropriate that one of its advisory clients sell a security at or about the same time NMIMC deems it appropriate for another of its advisory clients to purchase the same security. Consistent with NMIMC's fiduciary obligations to each client and the requirements of best execution, NMIMC may, under such circumstances, arrange to have the purchase and sale transactions effected directly between clients ("cross transactions") to, among other factors, save the clients' brokerage commissions or other trading costs. Since, in such transactions, NMIMC will represent both client-seller and client-buyer, NMIMC may have a conflict of interest given the obligation to obtain the most favorable execution, and NMIMC's other obligations and responsibilities to the client. Clients, therefore, should consider the possible costs or disadvantages of this potential conflict versus the potential benefits, including transaction or execution costs, taxes or other related expenses that may be obtained from such cross trades. Because of the potential conflicts involved with effecting cross transactions and the complexity of laws as they relate to certain of NMIMC's client and other factors, the Transactions with Affiliates Policy generally prohibits cross transactions between and among clients of NMIMC without the prior approval NMIMC's CCO. NMIMC may determine not to pursue a cross transaction or satisfy an applicable exemption though available due to the potential conflicts and legal complexities and risks involved, among other reasons. In such cases, the client will incur brokerage commissions and/or other trading costs imposed by brokers. As a fiduciary, NMIMC must ensure that any permitted cross transactions are in the best interest of both clients and is in compliance with applicable legal requirements, restrictions and limitations with respect to such transactions.

There may be instances in which NMIMC holds contrasting orders for clients (i.e., a purchase for one client and a sale for another client of the same security) and crossing the transactions directly between the

clients is not legally permitted or NMIMC determines that crossing the transactions would either not be appropriate or advisable under the circumstances. In these instances, the Transactions with Affiliates Policy provides that NMIMC must take special care to avoid engaging in an inadvertent cross transaction that could be construed to be in circumvention of the law or regulations prohibiting cross transactions and to avoid the appearance of impropriety. The policy requires NMIMC to place contrasting orders with two separate unaffiliated brokers when practicable. However, the nature of certain transactions or securities may limit NMIMC's ability to use two separate brokers. For example, thinly-traded fixed income securities or exchange traded funds may not have sufficient trading volume. In such cases, NMIMC may use the same unaffiliated broker for both sides of the transaction, provided that NMIMC's traders (i) allow sufficient time to elapse between trades in order to subject the trades to market exposure, (ii) do not disclose to the broker with the first transaction that a subsequent transaction will be provided, and (iii) believe the transaction will be effected at the current market price and is consistent with NMIMC's best execution obligations. In such cases, clients will incur brokerage commissions and/or other trading costs imposed by the brokers. If an order is expected to unavoidably result in a benefit to one account (including as a result of the order in which such transactions are placed), NMIMC will seek to effect the transaction so that any such benefit inures to a client that is not a related person of NMIMC.

When one of the parties to a cross transaction is an affiliate of NMIMC, NMIMC will notify the client and obtain the client's consent prior to the completion of such transaction. Cross transactions will not be effected with any client account that is subject to ERISA except in circumstances in which there is a specific exemption from ERISA permitting the transaction and all of the requirements of the exemption are satisfied.

In addition, the self-dealing provisions of the Internal Revenue Code and regulations and interpretations thereunder prohibit affiliates of a non-profit entity that is categorized as a "private foundation" from buying or selling securities or other assets, as principal, to or from the private foundation or from otherwise acting as a dealer in buying securities from a private foundation and reselling to a third-party, absent a specific exemption. While an exemption may be available for private foundation clients and clients subject to ERISA provided certain conditions are met and actions taken, we may determine not to seek to satisfy the conditions and thus not cross transactions involving these clients. In such cases, clients will incur brokerage commissions and/or other trading costs imposed by brokers.

Subject to compliance with applicable law, NMIMC may from time to time buy or sell on behalf of its clients, including clients affiliated with NMIMC, securities or other investments in which NMIMC or a related person own the same or similar securities or otherwise have some financial interest. Affiliates of NMIMC may be current investors in companies that offer securities to NMIMC, and may receive a direct or indirect benefit, as selling shareholder, return of capital, or otherwise, from the purchase by our clients in such offerings. Employees of NMIMC's related persons may serve as directors, officers or in other capacities in which they may receive direct or indirect compensation from companies in which NMIMC may purchase securities.

NMIMC may buy and sell securities of issuers, or engage in other investments, on behalf of more than one of its clients. Circumstances may arise under which NMIMC determines that, while it would be both desirable and suitable that a particular security or other investment be purchased or sold for more than one client, there is a limited supply or demand for the security or other investment. NMIMC will seek to allocate the opportunity to purchase or sell that security or other investment among such clients on a fair and equitable basis based on the characteristics and needs of each client as well as for all clients collectively. NMIMC has adopted Trade Aggregation and Allocation Procedures that set forth general principles and are designed to provide for the fair treatment of all NMIMC clients across asset classes. Please see “Trade Aggregation and Allocation Policies” above in this Item 11 for more information. Pursuant to these procedures, and considerations of factors such as a client’s investment objectives, strategies, restrictions, guidelines, existing positions and available cash, there may be instances in which NMIMC may not buy, sell or recommend for a portfolio or client a security or other investment that it buys, sells or recommends for another client.

NMIMC may give advice and take actions in the performance of its duties to clients that differ from the advice given, or the timing or nature of actions taken, with respect to other clients' accounts that may invest in some of the same securities recommended to clients. NMIMC, from time to time, may not be free to divulge or act upon certain information in our possession on behalf of clients.

Certain Conflicts of Interest and Conflicts Inventory

NMIMC's Conflicts Inventory is designed to identify and manage NMIMC's material conflicts of interest. The Conflicts Inventory supplements the responsibility of Supervised Persons to disclose and manage conflicts of interest under the Conduct Guidelines. NMIMC seeks to identify and monitor material conflicts of interest on a continuous basis and catalogue them in the Conflicts Inventory. In addition to the conflicts of interest discussed throughout this Brochure, the disclosure below identifies certain other conflicts of interest to which NMIMC is subject. The following potential conflicts of interest are in addition to or supplement those described in other parts of this brochure. Additional conflicts that are specific to certain Private Funds are discussed in the applicable Private Fund’s respective offering documents.

1. *Relationship between the Private Funds and NMIMC*. Given the nature of the relationship between the Private Funds and NMIMC, there may be instances in which the interests of the Private Funds diverge from those of NMIMC. NMIMC is a wholly owned subsidiary of Northwestern Mutual. As NMIMC will primarily source as investments for the Private Funds co-investments where the Private Funds will invest alongside the general account of Northwestern Mutual, NMIMC will determine whether the terms of a given investment opportunity are eligible for the Private Funds. NMIMC’s relationship with Northwestern Mutual (NMIMC’s parent company) will create conflicts of interest in respect of the decisions made by NMIMC as to which investment opportunities are eligible for the Private Funds. For example, NMIMC may be incentivized to determine investments to be eligible for the Private Fund when co-investment by the Private Funds would be beneficial for Northwestern Mutual, for example by filling capacity, or NMIMC may be incentivized to source

investments that will bring better returns or terms for Northwestern Mutual which may be to the detriment of the Private Funds. NMIMC also reserves the right to present investment opportunities to the Private Funds in companies in which the Northwestern Mutual already has an investment, and is seeking to do a follow-on or add-on investment. In addition, the Private Funds and Northwestern Mutual are permitted to invest in a follow-on or add-on investment for a company in which both have an existing investment. Both in cases where the Northwestern Mutual has, or the Private Funds and Northwestern Mutual have, an existing investment, NMIMC's decision to invest may be influenced by Northwestern Mutual's existing investment and how the Private Funds' decision to invest or not invest in such investment will alter or affect Northwestern Mutual's existing investment, presenting numerous conflicts or the appearance of conflicts, including, for example, that the Private Funds may be acting for the benefit of Northwestern Mutual including at the expense of the Private Funds. There also likely will be circumstances where there are diverging interests between the Private Funds and Northwestern Mutual, including as to when to make or exit an investment. Any determination or action taken by NMIMC may be affected by its relationship to Northwestern Mutual. The pursuit of better returns or terms for Northwestern Mutual may lead to investment decisions that are, on the whole, relatively worse for the Private Funds than they could have been if NMIMC had not taken Northwestern Mutual's interests into consideration. NMIMC's and the Private Funds' allocation policies are designed to help mitigate the risk that financial or other incentives improperly influence the allocation of investments, but it may not succeed in doing so in all circumstances.

2. Sourcing of Investments. The Private Funds are generally expected to invest alongside Northwestern Mutual's general account. Northwestern Mutual is NMIMC's parent company and largest client, and the general account is a principal account managed by NMIMC. The Private Funds, by co-investing with certain Northwestern Mutual general account investments, tag along into investing in NMC's deal flow sourced primarily from long-standing relationships with private equity sponsors. The Northwestern Mutual general account has its own investment strategies and guidelines (including restrictions), which will be similar to those of the Private Funds, but may differ in some respects. Accordingly, because the Private Funds invest alongside Northwestern Mutual's general account, the range of investment opportunities sourced for the Private Funds will be primarily focused on and necessarily limited to those suitable and attractive in respect of the Northwestern Mutual general account's strategies and guidelines (including restrictions). As a result, NMIMC reserves the right to pass or to not pursue investment opportunities which may be suitable or attractive for the Private Funds but are not suitable or attractive for the Northwestern Mutual. In addition, since the Private Funds in general co-invest along with investments made by the Northwestern Mutual general account (including dispositions thereof) on similar terms and timing, the Private Funds are subject to the terms and timing desired or negotiated by the NMIMC or Northwestern Mutual's general account in respect of such investments, which may be more favorable than otherwise due to NMC's deep experience and relationships with private equity sponsors, but may also in some cases not be attractive to the Private Funds due to differences between the Private Funds and Northwestern Mutual's general

account, including their circumstances including valuation policies and existing investments and relationships. Also, the Northwestern Mutual general account or NMIMC may have a deep existing relationship with a private equity sponsor or portfolio company, and may make investments or engage in transactions (including dispositions) in order to maintain or further such existing relationships, and the Private Fund may co-invest in these investments or transactions pursuant to the partnership agreement and other Fund Documents even where such investments or transactions would not be attractive to the Private Fund.

3. Allocation of Investment Opportunities and Co-Investment with Affiliates of NMIMC. NMIMC intends to continue to, and its affiliates (including Northwestern Mutual, managers, investment professionals and other personnel) expects to, sponsor, manage or advise other portfolios, clients or accounts (whether currently in existence or established in the future) during the term of the Private Funds, and/or expect to, sponsor, manage or advise other portfolios or accounts in which certain limited partners invested in the Private Funds are also invested. The investment objectives of such entities may be similar or identical to those of the Private Funds. NMIMC will seek simultaneously to purchase investments for the Private Funds and Northwestern Mutual. If NMIMC is presented with investment opportunities that fall within the investment objectives of the Private Funds or Northwestern Mutual, NMIMC expects to allocate such opportunities between the Private Funds and Northwestern Mutual in accordance with each Private Fund's allocation policy and/or Fund Documents. The Private Funds will primarily make investments alongside Northwestern Mutual in investment opportunities sourced or arranged by NMIMC and will be allocated investment opportunities in accordance with the allocation policy and/or Fund Documents. This co-invest investment strategy gives rise to certain conflicts of interests. Though the allocation policy and Fund Documents of a particular Private Fund are detailed and include reasonably concrete and measurable allocation principles, various actual, apparent or potential conflicts of interest are expected to arise with respect to the allocation of investment opportunities to the Private Funds.
4. Investing in Different Levels of the Capital Structure. Client accounts are invested in different parts of an issuer's capital structure that have different preferences and rights, and thus, disparate interests (e.g., credit quality versus growth potential). The Private Funds are expected to invest in entities in which one or more of Northwestern Mutual's accounts may already have an investment in the same or different class or type of security than that in which the Private Fund is seeking to invest. Accordingly, in certain circumstances, the Private Funds expect to hold interests in an entity that are of a different class or type than the class or type of interest held by one or more of Northwestern Mutual's affiliated accounts in that same entity, which will give rise to actual, apparent or potential conflicts of interest, and such conflicts will be increased if the Private Fund holds equity that is junior to the equity held by Northwestern Mutual affiliated accounts, or in a distressed or workout scenario or where the Northwestern Mutual affiliated accounts have a right to vote in respect of their interests at other levels or hold a material equity interest in, or otherwise have a material influence on the management of, a company in which the Private Fund

and any Northwestern Mutual affiliated accounts hold a portfolio investment. NMIMC expects to, and expects the Private Funds and Northwestern Mutual affiliated accounts to, enter into transactions or otherwise take or abstain from taking actions where the interests of the Northwestern Mutual affiliated accounts, and including where the interests of the NMIMC, due to its relationship with the Northwestern Mutual affiliated accounts (in addition to the Private Fund), will not be aligned with the interests of the Private Fund. Actions may be taken (or fail to be taken) by the Private Fund's general partner and its respective affiliates and related persons and the Northwestern Mutual affiliated accounts that are adverse to the Private Fund. In addition, the Private Fund and Northwestern Mutual affiliated accounts may hold portfolio investments and pursue an investment strategy which diverge or are directly adverse to each other (including where a Northwestern Mutual affiliated account engages in a short sale or similar transaction in respect of any investment in which the Private Fund holds a long position). These situations would present numerous conflicts or the appearance of conflicts, including, for example, the appearance that the Private Fund or a Northwestern Mutual affiliated account declined to act in furtherance of its economic interests. Northwestern Mutual affiliated accounts will not be required to take any action or refrain from taking any action to mitigate potential losses by the Private Funds. Where multiple Private Funds or Northwestern Mutual affiliated accounts invest in the same company at different times, the first Private Fund or Northwestern Mutual affiliated account to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Private Funds or Northwestern Mutual affiliated accounts. At all times, NMIMC will endeavor to treat all of its clients, including the Private Funds, fairly, equitably and consistent with its applicable investment mandates in pursuing and managing these investments.

Where multiple Private Funds or Northwestern Mutual affiliated accounts 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 Private Funds or Northwestern Mutual affiliated accounts 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, Private Funds or Northwestern Mutual affiliated accounts may or may not provide such additional capital, and if provided, each Private Fund or Northwestern Mutual affiliated account generally will supply such additional capital in such amounts, if any, as determined by NMIMC in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, NMIMC 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 Private Fund or Northwestern Mutual affiliated account versus another Private Fund or Northwestern Mutual affiliated account (e.g., the terms of debt instruments, the enforcement of covenants, the terms

of recapitalizations and the resolution of workouts or bankruptcies). If a Private Fund or Northwestern Mutual affiliated account enters into any indebtedness with another Private Fund or Northwestern Mutual affiliated account on a joint and several basis, the applicable general partner is expected to enter into one or more agreements that provide each Private Fund or Northwestern Mutual affiliated account with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, NMIMC expects to be subject to potential conflicts of interest, for example between a Private Fund or Northwestern Mutual affiliated account with a reimbursement obligation and a Private Fund or Northwestern Mutual affiliated account seeking reimbursement. In certain circumstances Private Funds or Northwestern Mutual affiliated accounts are expected to be prohibited from exercising (or NMIMC 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 Private Fund or Northwestern Mutual affiliated account or the other may be subject to creditor claims regarding subordination of interests. NMIMC intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each Private Fund or Northwestern Mutual affiliated account to bear its proportionate share of the applicable indebtedness, without undue favoritism over time.

5. Warehousing. NMIMC, Northwestern Mutual or their respective affiliates are permitted to warehouse certain investments on their balance sheet before a Private Fund's initial closing and subsequently sell some or all of it to the Private Fund upon the initial closing at cost plus interest. Conflicts of interest are expected to arise in connection with these transactions, including with respect to timing, structuring, pricing and other terms. Please see the applicable Private Fund's confidential private placement memorandum for information regarding whether investments may be warehoused and additional related information.
6. General Activities of Northwestern Mutual and its Affiliates. Northwestern Mutual, NMIMC, and their respective affiliates, officers, directors, employees and members expect to have other business interests, including the formation and management of additional investment and debt origination businesses specializing in the types of private equity and private debt investment strategies and investments made by the Private Funds. Such interests are expected to be in competition with the Private Funds and/or involve substantial time and resources of NMIMC. Further, NMIMC or its affiliates either for themselves, or for accounts they manage, are permitted to provide investment advice or take actions that are different from, or in opposition to, the advice provided to, or transactions taken for, NMIMC's clients. For example, NMIMC is permitted to recommend that a client purchase a security, even though NMIMC's affiliate has decided to sell or to short such security. In addition, personnel of NMIMC are permitted to serve as members of the boards of directors of various companies, and such service may give rise to additional conflicts of interest. For example, such companies could engage in transactions that would be suitable for investment by the Private Funds but in which the Private Funds might nonetheless be unable to invest as a result of the foregoing types of affiliations. NMIMC and its affiliates expect to also have

ongoing relationships with, render services to or engage in transactions with other vehicles that invest in assets of a nature similar to those of the Private Funds, and with companies whose securities or loan interests form part of the Private Funds' portfolio, and may own equity or debt securities or loan interests issued by issuers of and other obligors on Private Fund investments. (For example, Northwestern Mutual and its affiliates are permitted to provide insurance services to portfolio companies of the Private Funds and/or the respective officers, directors and employees of such companies.) As result, for example, NMIMC's affiliates expect to have information about the Private Funds' portfolio companies, including their financial health, which is not known to NMIMC. In addition, NMIMC will face a conflict of interest in determining how to exercise the Private Funds' rights under instruments issued by portfolio companies with which NMIMC's affiliates have business relationships, such as deciding whether to exercise creditor remedies in the event of default by such a portfolio company.

7. Subsequent Funds. NMIMC and its affiliates have significant discretion in determining whether to form subsequent Private Funds, which may compete with other Private Funds.
8. Benefits from Service Providers. NMIMC and its affiliates retain or elect to use directly and indirectly on behalf of their clients, including in connection with the Private Funds, certain advisors and other service providers, or their affiliates (including accountants, administrators, bankers, brokers, attorneys, consultants and investment or commercial banking firms), who may also provide goods or services to, or have business, personal, political, financial or other relationships with NMIMC and its affiliates and/or one or more Northwestern Mutual affiliated accounts, including its general account and a separate account, certain wholly owned subsidiaries for their capital accounts, and the Foundation, or portfolio investments of Northwestern Mutual affiliated accounts. Such advisors and other service providers, or their affiliates, may also be investors in NMIMC, its affiliates or Northwestern Mutual affiliated accounts, sources of investment opportunities for NMIMC, its affiliates, the Private Funds or Northwestern Mutual affiliated accounts, portfolio investments of NMIMC, its affiliates or the Private Funds or may otherwise be co-investors with or counterparties to transactions involving the foregoing. NMIMC thus faces a conflict of interest in selecting such a service provider for its clients.
9. Leverage. The use of leverage creates the opportunity for greater total rates of returns and allows NMIMC to better manage the Private Funds' cash flows, but at the same time involves certain risks and potential conflicts of interest. Calculations of net and gross IRR in respect of investment and performance data with respect to the Private Funds, as reported to limited partners from time to time, are based on the payment date of capital contributions received from limited partners. The Private Funds' borrowing under a credit facility (or other long-term leverage) in lieu of capital contributions or in advance of receiving capital contributions will impact calculations of returns and may result in a higher or lower reported IRR than if a subscription facility had not been utilized in lieu of capital contribution at the inception of an investment.

10. Side Letters. The general partners expect to enter into side letters or other similar agreements with limited partners. These side letters are entered into with certain limited partners providing different or preferential rights or terms of a Private Fund. These rights or terms might be more beneficial for a particular limited partner due to tax requirements, regulation restrictions, or other factors and conditions. A general partner is the sole authority who is permitted to negotiate terms of a side letter on behalf of a Private Fund without any further act, approval, notice to or vote of any other limited partner.
11. Time and Attention of Personnel. The success of the Private Funds will depend substantially on investment professionals' ability to, among other things, source, underwrite, structure, finance, complete and manage investments. To achieve those ends, NMIMC personnel will devote such time to the activities of each Private Fund as they determine to be necessary to properly conduct the business affairs of the Private Fund. However, these people will also work on other projects, including the business or investment activities of other investment vehicles or accounts owned, sponsored or managed by NMIMC and its affiliates (including Northwestern Mutual) currently or in the future.
12. Allocation of Fees and Expenses for Broken Deals. NMIMC generally makes fee and expense allocation decisions while a transaction is pending based on its best judgment of to which of the Private Funds and Northwestern Mutual and/or other clients the investment will ultimately be allocated. These judgments are necessarily subjective, especially when a transaction is terminated particularly early in the diligence process. If, for example, a Private Fund and Northwestern Mutual considered making an investment that was not consummated, the expenses would typically be allocated among the Private Fund and Northwestern Mutual which would have participated in such investment. However, even where Northwestern Mutual is eligible for an investment, NMIMC (or in the case of the Strategic Institutional Fund, NMIMC or RREEF) is permitted to disapprove an investment, in which case the expenses are expected to be allocated to different Northwestern Mutual accounts, and/or the Private Funds. Although such fees and expenses will typically be allocated *pro rata* between the funds and accounts in accordance with their proposed investments in the investment opportunity, such allocations may not be proportional and in some circumstances another allocation method may be applied when it is determined to be more equitable. The financial position of the Private Funds and Northwestern Mutual and/or other clients may give NMIMC an incentive to allocate such fees and expenses to one fund or account and not another. For example, it would be advantageous to allocate broken deal fees and expenses to a fund or account that is not expected to pay carried interest to its general partner or otherwise, as the fees and expenses would not affect the amount of carried interest paid—it would be zero in any case; a similar incentive could arise where a fund or account is paying carried interest at a lower rate than other funds or accounts or the Private Funds. Conversely, it typically would be disadvantageous as an economic matter to allocate broken deal fees and expenses to a fund or account that is paying carried interest, as doing so would delay and reduce the amount of carried interest paid to the relevant general partner or otherwise. As

with its other allocation decisions, NMIMC seeks (but may not succeed) to help mitigate the risk that financial incentives improperly influence the allocation of broken deal fees and expenses. In addition, in certain instances NMIMC will evaluate investment opportunities that, if consummated, would likely be offered in part to prospective co-investors. If such a potential investment is not consummated, the full amount of any expenses relating to such potential but not consummated investment will typically be borne entirely by the Private Fund (and any other Northwestern Mutual accounts that would have participated in such investment), rather than by any prospective co-investors, even where a transaction is terminated late in the due diligence process and there was a substantial likelihood that such co-investors would have participated in the investment had the transaction been consummated.

13. *Affiliated Service Providers.* NMIMC is permitted to utilize certain affiliates to execute a portion of the Private Funds' portfolio transactions or retain Northwestern Mutual to provide financial advisory, debt structuring, and other investment banking services or trading activities or other administrative services of the types typically provided by third parties. Certain affiliates of NMIMC may receive commissions and remunerations in connection with such transactions in addition to investment banking or other fees from obligors on investments acquired by the Private Funds. NMIMC will utilize affiliates only where its commission charges are reasonable as compared with those charged by similar firms for similar transactions. However, such commission rates may not be the lowest commission rates available. The Private Funds are permitted to enter into transactions in loans, securities, derivative instruments or other Investments in which an affiliate may serve as the counterparty, principal or agent. Northwestern Mutual expects, from time to time, to act as principal for its own account in connection with investment transactions by the Private Funds, including selling securities as principal to, and buying securities as principal from, the Private Funds. Such principal transactions will be conducted in accordance with Section 206(3) of the Adviser's Act. See *Principal Transactions* below. Northwestern Mutual and/or one or more of its affiliates with acceptable credit support arrangements may act as counterparty with respect to all or some of certain hedge agreements, which may create conflicts of interest.
14. *Investment by Personnel of NMIMC and its Affiliates.* Persons employed by NMIMC and its affiliates (including, without limitation, Northwestern Mutual) expect, from time to time, to purchase interests in the Private Funds, either directly or indirectly through investment entities. Affiliates of NMIMC or other clients or accounts of NMIMC and its affiliates are permitted to acquire interests from the Private Funds at a discount. While we believe this generally helps align the interests of our professionals with those of third-party investors and provides a strong incentive to enhance fund performance, these arrangements could also give rise to conflicts of interest. For example, NMIMC professionals may have an incentive to attempt to influence the allocation of an attractive investment opportunity to the Private Funds in which they are invested and have the ability to earn the greatest return. Also, the existence of such investment by such individuals or entities, as well as the investment in the interests by NMIMC, may create an incentive for NMIMC to make more speculative investments on behalf of the Private Funds than

it would otherwise make in the absence of such investments. NMIMC professionals may also have personal investments in entities that are not affiliated with NMIMC, which likewise could give rise to conflicts of interest. NMIMC's allocation procedures and principles are designed to (but may not succeed to) mitigate the risk that financial incentives improperly influence allocation decisions. NMIMC professionals could also have an incentive to dispose of the Private Funds' investments at a time and in a sequence that would generate the most carried interest, even if it would not be in the Private Funds' interest to dispose of the investments in that manner.

Northwestern Mutual's qualified advisors and financial representatives, and NMIMC and Northwestern Mutual employees, officers and directors who qualify may be able to participate in the Northwestern Mutual Fund. Such participation by NMIMC personnel may reduce the capacity for other investors to participate in the partnership. Such NMIMC personnel are not expected to invest on different or better terms than non-NMIMC, non-Northwestern Mutual or non-adviser personnel; however, general partners have significant discretion and may agree to terms that are not the most favorable to one or more limited partners. See *Side Letters*, above. In addition, certain employees may have access to nonpublic transaction or securities holding information of NMIMC client accounts, including the Private Funds managed by NMIMC. All NMIMC and Northwestern Mutual employees are subject to Guidelines for Business Conduct and other policies that include a prohibition against insider trading.

15. *Service by Professionals on Boards of Directors and Creditors' Committees.* NMIMC professionals are permitted to serve on the boards of directors and creditors' committees of or relating to companies in which Northwestern Mutual's accounts hold portfolio investments. While these roles should generally advance the interests of the Private Funds, the professional's fiduciary duties to the company or its other creditors, as applicable, as a director or member of the creditors' committee could conflict with the interests of the Private Funds. Additionally, unless restricted by the Fund Documents, NMIMC professionals are permitted to serve on boards or act in other roles unaffiliated with NMIMC, the Private 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.
16. *Relationships with Private Equity Sponsors.* NMIMC's ability to source investment opportunities for its clients, including its affiliates, depends in part on maintaining good relationships with the private equity firms that sponsor the transactions in which NMIMC invests, which presents conflicts of interest for NMIMC. For example, NMIMC has an incentive to cause certain clients to invest in less favorable transactions with such private equity sponsors in order to gain access to better opportunities for the other clients. NMIMC seeks to mitigate this conflict by training its personnel on the importance of making investment decisions based on the best interests of the client making the investment.

17. Compensation of NMIMC and Affiliates. As described in Item 5 above, the Northwestern Mutual Funds will be distributed by qualified advisors and financial representatives of NMIMC's affiliates, NMIS and WMC. These advisors will receive compensation from NMIS or WMC, as applicable, for any Northwestern Mutual Fund that is held by NMIS or WMC clients for which they are the registered representative. For example, NMIS advisors will receive an upfront sales commission of 3.0% of commitments for any Northwestern Mutual Fund interests held in a brokerage account for which the NMIS professional is a registered representative. WMC advisors will receive ongoing quarterly compensation based on invested capital at the end of each quarter at a rate ranging between 0.50% and 1.65% of invested value. As a result of this incentive-based compensation, NMIS and WMC advisors may be incentivized to recommend the Northwestern Mutual Funds over the other third-party private funds and products they are selling that may be more suitable for those clients.
18. Fiduciary Duty of NMIMC. NMIMC personnel's obligations and fiduciary duty are to its clients. Each investment decision is recommended after a thorough due diligence and fundamental analysis process described in Item 8 above, and for Private Funds in the applicable confidential private offering memorandum. The investment process of the investment team within NMIMC is designed to ensure the best interests of its clients are the first and foremost objective.

An investment in a Private Fund does not in itself create an advisory relationship between the Private Fund investors and NMIMC or the general partner. Investors in a Private Fund must consider for themselves whether the Private Fund meets their individual objectives and risk tolerances prior to investing. Investors are encouraged to carefully review the confidential private offering memorandum and other Fund Documents, and should consult their own advisers concerning investment, legal, business, tax and other related matters concerning an investment in a Private Fund.

19. Principal Transactions. We are permitted to engage in principal transactions, subject to the relevant Fund Documents and any approvals required by the Advisers Act and permitted all participants of the transaction and clients are notified of these transactions. A principal transaction occurs when a client participant purchases a security and/or investment directly from NMIMC or an affiliate (e.g. Northwestern Mutual affiliated account or fund) without the use of an intermediate counterparty to eliminate conflicts. These transactions may be favorable to clients as fees, time, legal and other factors may be reduced in these situations. NMIMC and its clients do not intend to engage in principal transactions, but in situations for seeding of new investments, strategies and funds NMIMC or an affiliate may make the initial contribution with the intention of the clients acquiring those investments, strategies and funds at a later point of time. Other circumstances may arise in which NMIMC may consider a principal transaction for a client account. As described under "Transactions with Affiliates Policy" above, NMIMC may cause Northwestern Mutual (or another affiliate subsidiary) to advance funding to Private Fund clients advised or sub-advised by NMIMC for portfolio investments pending receipt of capital

contributions from the Private Fund's limited partners. Such advanced funding transactions may be considered principal transactions and shall be conducted in accordance with Section 206(3) of the Advisers Act.

20. General Partner Discretion. The Private Fund partnerships are structured so there is one general partner and many limited partners. The general partner maintains discretion of the Private Fund vehicle and investment advice to the Private Fund. The general partner has authority to introduce limited partners to the Private Funds and representation of what may be offered to those limited partners. Full discretion of a Private Fund's activities may be a conflict to the limited partners and they must be willing and able to accept those activities of the general partner.
21. Additional Conflicts of Interest. In connection with its services to the Private Funds and their investments, NMIMC, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of NMIMC's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, NMIMC and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Private Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "NMIMC Information"). In many cases, NMIMC Information will include tools, procedures and resources developed by NMIMC to organize or systematize NMIMC Information for ongoing or future use. Although NMIMC expects the Private Funds and their portfolio companies generally to benefit from NMIMC's possession of NMIMC Information, it is possible that any benefits will be experienced solely by other or future Private Funds or portfolio companies and not by the Private Fund or portfolio company from which NMIMC Information was originally received. NMIMC Information will be the sole intellectual property of NMIMC and solely for the use of NMIMC. NMIMC reserves the right to use, share, license, sell or monetize NMIMC Information, without offset to management fees, and the relevant Private 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 Private 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 Private Funds or their respective investors; no such rewards will offset management fees.

Item 12. Brokerage Practices

Among the specific obligations that flow from NMIMC's fiduciary duty to its clients is the requirement to seek best execution reasonably available under the circumstances of client securities transactions. Such execution must be effected in a manner such that each client's total cost or proceeds in each transaction is the most favorable under the circumstances. NMIMC is not obligated to get the lowest possible commission cost, but rather, should determine whether the transaction represents the best qualitative execution for the client. In selecting a broker-dealer to execute a trade, NMIMC is permitted to consider a range of factors. Because each order is unique, different factors will have different levels of importance for each order. Factors NMIMC expects to consider include, but are not limited to, price (including the applicable brokerage commission or dollar spread), size of order and the broker-dealer's (i) experience and financial stability; (ii) market familiarity for the particular security or security type; (iii) reliability; (iv) integrity (e.g. ability to maintain confidentiality); (v) brokerage or research capabilities; (vi) technology infrastructure and operational capabilities; (vii) trade settlement abilities; and (viii) willingness to commit capital (e.g. purchase thinly-traded security for its own inventory).

Broker-Dealer Evaluations

NMIMC evaluates the reasonableness of commissions and other compensation paid to broker-dealers on an ongoing basis. The evaluation of the reasonableness of commissions and other compensation paid is based primarily on the professional opinions of the persons responsible for the placement and review of such activity. When evaluating broker-dealer quality or other factors affecting best execution, investment personnel may use a variety of resources, including transaction cost analysis tools provided by third parties.

With respect to publicly-traded equity securities, investment personnel periodically evaluate a list of broker-dealers on the basis of several different factors, including the quality of the broker-dealer's (i) research; (ii) sales coverage; (iii) trading; and (iv) provision of access to conferences and company management. Once broker-dealers are evaluated, all scores are combined into a composite score, and the broker-dealers are ranked from highest to lowest. A meeting is then held to discuss the rankings and evaluate commission targets for each firm. Changes to these targets may be made based on discussions at the meeting. Commission targets may also be adjusted periodically throughout the year in response to changes in broker-dealer relationships, research needs, or other relevant factors.

With respect to publicly traded fixed income securities, best execution is evaluated on an overall basis with each broker-dealer, over an extended period of time. Evaluations of fixed income broker-dealers, including an imputed commission cost analysis, are conducted periodically.

NMIMC's Brokerage and Trading Committee is responsible for developing and maintaining brokerage and trading-related policies and procedures and for overseeing their implementation, as well as conflicts of interest that may arise in connection with the selection of brokers, as discussed in more detail in this Item 12.

NMIMC's investment personnel have principal responsibility for evaluating whether commissions generated on transactions for NMIMC's client accounts are used in a manner that is in the best interests of its clients and consistent with its applicable policies and procedures. Additional oversight is provided by NMIMC's Brokerage and Trading Committee.

NMIMC has the authority to determine, without obtaining specific client consent, the broker or dealer to be used and the commission rates paid.

NMC

NMC provides investment advisory and management services with respect to privately placed debt and equity securities. These securities are typically purchased without fees or commissions directly from the borrower or issuer (in the case of debt instruments) or directly from the issuer or an equity sponsor (either acting through a limited liability vehicle created for purposes of the specific transaction, in the case of direct equity investments, or as a limited partnership interest in a private equity fund). Purchases may also include so-called "144A securities" which are privately-placed securities sold pursuant to Rule 144A under the Securities Act of 1933, as amended, and which often carry an option to register the securities for public resale at some point in the future.

With some exceptions, as described above under Item 8, investments are typically held until the debt matures, the company which has issued the equity securities is either sold or its shares are registered for public sale, or all of the investment securities held by the private equity fund have been either disposed of, enabling a distribution of net proceeds to limited partners, or publicly-registered securities are distributed directly to the limited partners in a so-called "in-kind" distribution.

From time to time, NMC may also provide investment advisory services with respect to a small number of public (registered) securities, which are typically obtained as a result of holding privately placed investments as described above. As a result, NMC may, from time to time, require the services of a broker to sell public securities held by its clients. It is NMIMC's policy to effect any sale of these securities with the assistance of NMIMC's public trading desks in accordance with the policies described in this Item 12.

Client Commission Arrangements

As permitted by Section 28(e) of the Securities Exchange Act of 1934 ("Exchange Act"), NMIMC may engage in the longstanding investment management industry practice of paying higher commissions to brokers and dealers who provide research and brokerage products and services than to brokers and dealers who do not provide such research and brokerage services, if higher commissions are deemed reasonable in relation to the value of research and brokerage services provided. These types of transactions are commonly referred to as "soft dollar" transactions. It is the policy of NMIMC to use client commissions only within the confines of Section 28(e), as interpreted by the SEC through subsequent releases, no-action letters and other guidance, with respect to all of its clients.

The research and brokerage services provided to NMIMC includes both proprietary research (created or developed by the broker-dealer) and research created or developed by a third-party. When NMIMC uses client brokerage commissions to obtain research and brokerage services, it receives a benefit because NMIMC does not have to produce or pay for such research. The use of these products and services allows NMIMC to avoid the additional expenses which would be incurred if NMIMC utilized its own staff to develop comparable information. NMIMC may have an incentive to select or recommend a broker-dealer based on NMIMC's interest in receiving such products or services rather than its clients' interest in receiving most favorable execution the lowest cost of execution.

Research and brokerage services provided may include, but are not limited to, (i) furnishing advice, either directly or through publications or writings, as to the value of securities, the advisability of investing in, purchasing or selling securities, and the availability of securities, or purchasers or sellers of securities; (ii) furnishing seminars, information, analyses and reports concerning issuers, industries, securities, economic factors and trends, portfolio strategies, trading markets and methods, and the performance of accounts if used to assist in making investment decisions, and legislative, political and accounting developments related to the foregoing; (iii) access to research analysts, corporate management personnel, industry experts, economists and government officials; (iv) comparative performance evaluation and technical measurement services and quotation services; and (v) other similar research and brokerage products and services that assist NMIMC in making investment decisions. For example, a broker-dealer may provide pre-trade and post-trade analytics that include research on optimal execution venues and trading strategies. Research received from brokers or dealers is supplemental to NMIMC's own research efforts.

In determining whether a service or product qualifies as a "research" or "brokerage" product or service, NMIMC evaluates whether the service or product provides lawful and appropriate assistance to NMIMC in carrying out its investment decision-making responsibilities. When a product or service has a "mixed use" (i.e., it also serves functions that do not assist in the investment decision-making or trading process and is therefore partially ineligible under Section 28(e) of the Exchange Act), NMIMC may use client commissions to pay for the portion of the product or service that constitutes eligible research or brokerage provided the predominant use is eligible. In such event, NMIMC will make a reasonable allocation of the cost of the product or service according to its use, will use client commissions to pay for the portion of the product or service that NMIMC determines assists NMIMC in the investment decision-making or trading process, and will pay for the remaining cost of the product or service with its own monies. NMIMC has implemented policies and procedures designed to mitigate the potential conflicts of interest that this allocation process may present.

As NMIMC's largest client, Northwestern Mutual's general account generates all or substantially all of the commissions that are used to pay for research and brokerage services. As a result, research and brokerage services furnished by brokers-dealers are not necessarily utilized for the specific client that generated commissions to the broker-dealer providing such research and brokerage services. Some clients may benefit from the research and brokerage services despite the fact that their commissions may not be used

to pay for such research and brokerage services. NMIMC does not seek to allocate soft dollar benefits to client accounts proportionately to the soft dollar credits the accounts generate.

NMIMC has entered into client commission arrangements with certain broker-dealers under which it uses client commissions to pay for research and brokerage services produced by someone other than the executing broker-dealer, including third-party broker-dealers and non-broker research providers. Under such arrangements, the executing broker sets aside a portion of the commission to be used to provide NMIMC with certain products or services that qualify for a safe harbor for such activities provided by Section 28(e) of the Exchange Act.

In some instances, we expect to request a particular broker-dealer to provide a specific research or brokerage service. In such instances, the broker-dealer, in agreeing to provide the research or brokerage service, frequently will indicate to us a specific or minimum amount of commissions that it expects to receive by reason of its provision of the particular research service. Although we do not agree to direct a specific or minimum commission amount to a firm in that circumstance, we do maintain an internal procedure to identify those brokers who provide us with research and brokerage services and the quality of such research and brokerage services, and endeavor to direct where appropriate sufficient commissions to ensure the continued receipt of research and brokerage services, provided the commissions are considered reasonable in relation to the value of the research we receive.

Order Aggregation and Allocation

NMIMC strives for a fair and equitable allocation of securities transactions among client accounts. NMIMC may, when appropriate, aggregate purchases or sales of securities and allocate such trades among two or more clients. Transactions in the same securities on behalf of more than one client account may be executed separately or aggregated. Aggregation is appropriate when, in the investment professional's reasonable judgment, aggregation is in the best interests of the relevant clients and consistent with NMIMC's fiduciary duties. Client trades will not be aggregated where aggregation is not possible, not permitted or would not be in the best interest of a client. In some cases, this policy might adversely affect the price received by an account or the size of the position liquidated for an account. NMIMC seeks best execution on all client trades. In addition, NMIMC Trade Aggregation and Allocation Policies, described in detail in Item 11, seeks to manage and mitigate any conflicts that may arise in connection with our decisions to aggregate and allocate trades for its client accounts.

Directed Brokerage

From time to time, clients may direct NMIMC to execute transactions through a specific broker-dealer in accordance with or as permitted by applicable law. In such instances, the client may pay higher brokerage commissions because NMIMC may not be able to aggregate orders to reduce transaction costs. Additionally, NMIMC may not be able to obtain the most favorable prices on these transactions. Other than in circumstances where NMIMC is directed as described above, NMIMC has the authority to determine, without obtaining specific client consent, the broker or dealer to be used for any client transaction.

Cross Transactions

Consistent with our fiduciary obligations to each client and the requirements of best execution, NMIMC may arrange to have a purchase and a sale transaction effected directly between clients (“cross transactions”). See Item 11 above for more information on cross transactions.

Trade and Operational Errors

Any trade or operational error which results in a gain accrues to the benefit of the client account. Unless otherwise directed by the client, any error which results in a loss will be reimbursed by NMIMC (or other responsible party) to the client’s account.

Broker-dealers may make errors from time to time. In such cases, NMIMC will request that the broker-dealer reimburse the applicable client account. However, a broker-dealer may not absorb losses from an error caused by NMIMC.

All trade and operational errors are reported to NMIMC’s compliance department and to the Brokerage and Trading Committee.

Miscellaneous

Directors, officers and employees of NMIMC and members of their immediate family may own securities or other interests in, or otherwise hold positions with, brokers that may be utilized by NMIMC to effect client transactions. This can present a conflict in terms of the motive a portfolio manager or trader may have in selecting individual brokers to effect transactions for a client. The Conduct Guidelines discussed in Item 11 above require that all NMIMC personnel must act with the highest standards of personal and professional honesty and integrity and put client interests ahead of their own. In addition, these individuals are required to complete annual questionnaires and report quarterly securities transactions that would identify these potential conflicts and permit monitoring by compliance personnel, and/or the Brokerage and Trading Committee where deemed appropriate.

Item 13. Review of Accounts

Each deal team and/or portfolio manager, as applicable, has primary responsibility for the portfolio managed or co-managed by each of them. Each deal team and/or portfolio manager evaluates the portfolio for which they have responsibility on a continuous basis, using a variety of measures, including a continuing evaluation of investments, the percentage of investments in a particular security, sector or industry, comparisons to benchmarks, and the overall make-up of the portfolio.

Ongoing reviews of client accounts for compliance with investment policies and restrictions are conducted for all client accounts by the accounting or operations staff of Northwestern Mutual under the administrative services agreement discussed in Item 10 above. Such reviews are performed periodically or more frequently as necessary based on the circumstances of each portfolio and external conditions.

NMIMC regularly reports to each client on the performance and conditions of its portfolios and the issuers and securities represented in each. The frequency, content and format of reporting depend on the individual client's needs, requirements and directions and the arrangements agreed to between NMIMC and the client. NMIMC will furnish clients with such additional reports and details as the client may reasonably request. A variety of client reports are produced and communications with clients take place through a variety of means, including written reports and in-person presentations at client investment committee and/or board of directors meetings. With respect to the Private Funds, NMIMC and/or the general partner will furnish to the limited partners such statements and reports as required by and described in the applicable Fund Documents.

Subject to NMIMC's oversight, compliance reviews are conducted for all accounts by compliance and investment risk and operations staff of Northwestern Mutual under the administrative services agreement discussed above in Item 10 or related arrangements. Such reviews are performed periodically or more frequently as necessary based on the circumstances of each account and market conditions.

Item 14. Client Referrals and Other Compensation

NMIMC does not compensate any person for client referrals nor does NMIMC consider client referrals in connection with selecting or recommending broker-dealers. With respect to receipt of economic benefits from persons who are not advisory clients for providing investment advice or other advisory services to its clients, see Item 12 above for a discussion of client commission arrangements. Such arrangements provide an economic benefit to NMIMC in connection with giving advice to clients. In addition, from time to time, third parties may offer entertainment, recreational activities, travel and lodging in connection with out-of-town meetings, seminars or site visits by a fund sponsor, issuer, borrower or other third-party doing business with NMIMC, as well as gifts and favors. NMIMC's Conduct Guidelines governs the acceptance of benefits or gratuities and dictates the amount and the circumstances under which these may be accepted, if at all. The Conduct Guidelines sets forth principles that should guide the conduct of all Supervised Persons and requires that they comply with all applicable laws, rules and regulations, with all client investment mandates and directives and with our fiduciary duties to our clients, in all matters related to the business activities of NMIMC. A copy of the Conduct Guidelines will be provided to any client or prospective client upon request by contacting us at the mailing address, telephone number or e-mail address that appears on the cover page of this brochure.

In 2020, NMIMC entered into an agreement with RREEF whereby NMIMC agreed to serve as a portfolio manager in connection with the establishment of one or more investment vehicles to invest in private equity sponsored privately offered junior debt capital structures, including second lien debt, mezzanine debt and payment-in-kind security interests and also opportunistically make equity co-investments in conjunction with these junior debt capital investments. It is expected that such arrangement will provide an indirect economic benefit to NMIMC in connection with giving advice to third-party clients.

Item 15. Custody

NMIMC does not have physical custody of third-party client funds or securities. NMIMC is, however, deemed to have “custody” of client funds or securities for certain of its clients, as that term is defined in the Advisers Act. In applicable cases, the physical funds and securities for these clients are held by a third-party unaffiliated qualified custodian, NMIMC has arranged for clients to receive account statements directly from the qualified custodian, and an independent public accounting firm is engaged to conduct an annual surprise examination of the client funds and securities. With respect to certain Northwestern Mutual affiliated accounts, NMIMC does not comply with the custody rule in accordance with applicable regulatory guidance.

In other cases, for certain clients that are pooled vehicles, NMIMC complies with the custody rule using the "audit provision." In such cases, fund investors may not receive statements from the qualified custodian. Instead, the vehicles are subject to an annual audit and the audited financial statements, prepared in accordance with U.S. generally accepted accounting principles, are distributed to fund investors within 120 days of the vehicles' fiscal year end.

All clients should carefully review any statements they may receive from the custodian and compare statements received from us, if any, with the statements received from the custodian. For tax and other purposes, the custodial statement is the official record of your account and the assets in your account.

Item 16. Investment Discretion

NMIMC is generally appointed as discretionary investment manager with full discretion in its investment advisory agreements. NMIMC generally has the authority to determine, without obtaining specific client consent, the securities to be bought or sold, the amount of the securities to be bought or sold, the broker-dealer to be used and the commission rates paid. However certain clients reserve the right to approve certain investments based on the type and amount of the investment.

NMIMC has discretion to select individual securities subject to client mandates and investment restrictions and regulatory constraints. In instances where NMIMC retains an external manager when permitted under the terms of the applicable investment advisory agreement, the external manager generally manages the client’s investments subject to the supervision and oversight by NMIMC and the client.

Item 17. Voting Client Securities

In accordance with SEC rule 206(4)-6 under the Advisers Act, NMIMC has adopted written Proxy Voting Policies and Procedures (the “Proxy Policies”) that are reasonably designed to ensure that proxies are voted in the best interest of clients in those cases where a client has contractually delegated proxy voting responsibility. NMIMC has established a Proxy Voting Committee (the “Proxy Committee”), which is responsible for developing and maintaining the Proxy Policies and for overseeing their implementation. NMIMC has also engaged Institutional Shareholder Services Inc. (“ISS”), an unaffiliated proxy voting and research service, to assist with the administration and voting execution of client proxies.

NMIMC clients have the right to vote proxies their own behalf. The client may instruct NMIMC how to cast its vote in a particular proxy, or to vote proxies according to particular criteria. Such requests should be made in writing and submitted to NMIMC’s Chief Compliance Officer.

Voting Procedures

With the assistance of ISS, NMIMC has developed and adopted a set of Proxy Voting Guidelines (the “Proxy Guidelines”). NMIMC generally votes all client proxies based on the recommendations prepared by ISS through application of the Proxy Guidelines, or to the extent not covered by the Proxy Guidelines, in accordance with the applicable provisions of the Proxy Policies based upon the client’s best economic interests. The recommendations of ISS through application of the Proxy Guidelines are reviewed prior to voting by NMIMC’s portfolio managers, analysts and traders (collectively, the “Investment Professionals”) charged with managing the client account holding the applicable securities.

In the event the Investment Professionals determine that the interests of NMIMC’s clients warrant a vote contrary to the Proxy Guidelines or ISS’s recommendations with respect to the securities held in any of the client accounts they manage, the procedures require that they (i) prepare a written recommendation for the Proxy Committee members as to the appropriate vote and the rationale for the recommendation, and (ii) certify that he or she is not aware of any conflict that might influence his or her voting decision. If the issuer of the proxy in question is not on an internally prepared “watch list,” then at least two members of the Proxy Committee (plus the Investment Professional requesting the contrary vote, if he or she is a member of the Proxy Committee), reviews and considers the written recommendation and rationale, and permits the vote if such members determine that the rationale for the vote is sufficiently documented and the investment personnel responsible for the vote has properly certified that he or she is not aware of any conflict. If the issuer of the proxy in question is on the watch list, or if the investment personnel responsible for the vote is not able to certify that he or she is not aware of any conflict, then the full Proxy Committee determines the vote and will document its voting rationale.

To the extent applicable, these procedures will be used by NMIMC for exercising voting rights which may arise upon conversion of, or in connection with certain other situations with respect to, fixed income or other securities which do not ordinarily carry voting rights. In these limited circumstances, because no

recommendations are typically generated by ISS, the Investment Professional will submit a written recommendation as to how the client securities should be voted and the rationale for such recommendation to the Proxy Committee Chair, together with information regarding whether a conflict of interest exists in connection with the vote. Such review is not required in the case of ordinary course requests for amendments, consent solicitations or directions with respect to the exercise of remedies for fixed income or other traditionally non-voting securities. In each case, it is NMIMC's policy to cast such votes in a manner consistent with the best interests of its clients. A summary of such votes is reviewed by the Proxy Committee at its next regularly scheduled meeting.

In many cases, a security may be held by multiple client accounts. Because the interests of various clients may differ, NMIMC is not required to cast consistent votes on behalf of all clients. NMIMC also reserves the right to request a client to vote their shares themselves.

Although NMIMC attempts to process every proxy vote it receives, there are situations in which NMIMC may not vote proxies if the costs, resources or resulting restrictions required to vote such proxies outweigh the expected benefit to the applicable client of casting such a vote, or other circumstances prevent NMIMC from voting. These situations may involve (i) foreign securities requiring translation services or travel to a foreign country to vote, (ii) countries which restrict trading in a company's stock within a given period of time on or around the shareholder meeting date if shareholders vote proxies of the company (so-called "share blocking" countries), or (iii) circumstances in which NMIMC receives a meeting notice too late to vote or is unable to obtain a timely translation.

Conflicts of Interest

The Proxy Policies require that in making proxy voting determinations, NMIMC's personnel may not be influenced by personal or institutional conflicts of interest, and are designed to eliminate these influences. Any officer or employee of NMIMC who becomes aware of an actual or potential personal or institutional conflict of interest relating to a particular proxy vote is required under the Proxy Policies to immediately disclose that conflict to the Committee Chair.

In the event NMIMC becomes aware of a conflict of interest relating to a particular proxy proposal, the Investment Professional responsible for determining the vote must notify the Committee Chair of the existence of the conflict. If the conflict involves the Investment Professional responsible for voting the proxy, then the Committee Chair will reassign responsibility for voting the proxy to another Investment Professional that is not conflicted. If the conflict is an institutional conflict and the Investment Professional is not recommending a vote contrary to the Proxy Guidelines, the vote is cast in accordance with the Proxy Guidelines; however, if the Investment Professional is recommending a vote contrary to the Proxy Guidelines, the Investment Professional will provide the Committee with his or her recommendation as to how the proxy should be voted and the rationale for his or her recommendation. The Committee will review the Investment Professional's voting recommendation and all relevant facts and circumstances and determine how the proxy should be voted.

To obtain a copy of the Proxy Policies, including the Proxy Guidelines, please contact us at the mailing address, telephone number or e-mail address that appears on the cover page of this brochure. Clients may also request information on votes cast by making a request by phone or mail.

Notwithstanding the foregoing, in the case of voting proxies for client accounts subject to the Employee Retirement Income Security Act of 1974, as amended, NMIMC considers only those factors that may affect the economic value of its clients' accounts, and does not subordinate the interests of participants and beneficiaries to unrelated objectives.

Notwithstanding the foregoing, clients may instruct us how to cast their vote in a particular proxy, or to vote proxies according to particular criteria. Clients or prospective clients may also obtain a copy of our Proxy Policies or contact us with questions about a particular solicitation. All such instructions or requests should be made in writing and submitted to NMIMC's Chief Compliance Officer at the address set out on the cover page of this brochure.

Item 18. Financial Information

NMIMC does not have any financial condition that is reasonably likely to impair our ability to meet contractual or fiduciary commitments to clients, and NMIMC has not been the subject of a bankruptcy proceeding.

Additional Information

Security Valuation Assistance

NMIMC provides valuation support with respect to client account securities in accordance with the applicable investment advisory agreement and, in the case of Private Funds, the applicable limited partnership agreement and other Fund Documents. NMIMC provides its parent company, Northwestern Mutual, and its other Northwestern Mutual affiliated clients with advice and assistance regarding the value of securities managed for such accounts by NMIMC in accordance with Northwestern Mutual's Valuation Policy (the "NM Valuation Policy"). With respect to other clients, unless otherwise agreed to with the client, it is the policy of NMIMC to provide advice and assistance on valuations of portfolio securities in accordance with the NM Valuation Policy (although only NMIMC employees would be involved in applying the NM Valuation Policy to such a client's account). Accordingly, the investments of the Northwestern Mutual Funds and the NMC Co-Invest Funds are expected to be valued by the general partner in accordance with the NM Valuation Policy. The investments of the Strategic Institutional Funds will be valued by RREEF as the fund manager and NMIMC expects to provide advice and support to RREEF in accordance with the NM Valuation Policy.

The NM Valuation Policy is overseen by Northwestern Mutual's Valuation Committee (the "NM Valuation Committee"), which is comprised of Northwestern Mutual employees and NMIMC employees. The duties and responsibilities of the NM Valuation Committee include:

- determination, subject to ratification by Northwestern Mutual's investment committee, of the policies and procedures outlined in the NM Valuation Policy;
- ongoing review and maintenance of the NM Valuation Policy;
- ongoing monitoring of the fair market value of Northwestern Mutual's invested assets to determine whether the valuation policy has been consistently applied; and
- monitoring of applicable industry guidance, law and regulations.

The NM Valuation Policy requires reporting of the security's fair market value. Fair market value is defined in the NM Valuation Policy as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date." If a direct market quotation is not readily available or is deemed unreliable (as is the case with many private assets), the fair market value of a security is required to be determined in good faith in compliance with the procedures set out in the Valuation Policy, which sets out a hierarchy of valuation methodologies for each type of security managed by NMIMC.

In formulating a fair market value recommendation, the NM Valuation Policy requires NMIMC to consider all relevant factors unique to a particular asset. NMIMC may utilize any method listed within the hierarchy for the asset in question, so long as the manager adheres to the applicable prioritization requirements set out for such asset category.

While variations in methodology may arise due to the need to consider all relevant factors, the methodologies employed in determination of fair market value generally utilize the following pricing input ranking:

- a. Level One: Unadjusted quoted prices in active markets for identical assets or liabilities.
- b. Level Two: Pricing-related information other than quoted prices included in Level One, observable either directly or indirectly. Examples include quoted prices for similar but not identical assets; prices from inactive markets; inputs such as interest rates, volatility, prepayment speeds, and default rates; and inputs derived from observable market data.
- c. Level Three: Pricing-related information which is not observable. Unobservable inputs are to be determined based on the best information available under appropriate circumstances utilizing assumptions and inputs consistent with market participants.

If NMIMC concludes that the fair market value for a particular asset is most accurately reflected by the price determined using the valuation methodology listed last within the Hierarchy for a particular asset category, it is required to recommend the resulting fair market value, so long as it identifies the valuation as having been determined with reference to that methodology.

NMIMC generally proposes a fair value for a security in good faith under these policies and procedures. Because our compensation, and in some cases performance, is based on the value of assets held in an account, we may have a potential incentive to set a high valuation for a security and other conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of management fees. We believe that this potential conflict is mitigated to a certain extent by our Valuation Policy and the clients' role in valuing securities (as described above), subject to fee and performance calculations. Certain clients may be subject to special rules regarding valuation of investments. In those instances, at the direction of the client, the client's valuations will be used for purposes of calculating fees and, where applicable, performance. NMIMC may agree with new or existing clients in the future to provide valuation advice and assistance under valuations policies adopted by the respective client, or as otherwise agreed to between NMIMC and the client.

Confidentiality and Privacy

NMIMC and its employees are subject to Northwestern Mutual's policies and procedures with respect to the confidentiality of client and proprietary information. Northwestern Mutual expects all of its employees to maintain high standards of business ethics and to follow all policies regarding individual and business conduct. Each year, NMIMC's employees are required to acknowledge that they have read and understand Northwestern Mutual's "Statement on Confidentiality and Other Company Policies." In addition, NMIMC may obtain personal information and other nonpublic information from investors for use in connection with certain investments managed by NMIMC. NMIMC is committed to protecting the privacy of investors. NMIMC provides or arranges for the provision of the applicable Privacy Notice together with the applicable subscription agreement and related Private Fund documents.

Business Continuity Plan

NMIMC has adopted a business continuity plan which documents the strategies, personnel, procedures and resources that NMIMC and its primary service providers will use to respond to any short or long-term interruption to its essential business functions. The business continuity plan focuses on key continuity and recovery priorities, and provides a bridge between the immediate continuity needs of NMIMC and the large-scale continuity and recovery efforts provided by its key service providers. The business continuity plan is updated, exercised and tested in accordance with Northwestern Mutual's Business Continuity Planning Standards and Guidelines.