

**TRIMER CAPITAL MANAGEMENT LP  
PART 2A OF FORM ADV: FIRM BROCHURE**

**535 Mission Street, 14th Floor  
San Francisco, California 94105**

**March 28, 2022**

This brochure (“**Brochure**”) provides information about the qualifications and business practices of Trimer Capital Management LP (the “**Adviser**”). If you have any questions about the contents of this Brochure, please contact Shaun Duncan, the Adviser’s Chief Compliance Officer, via email at [compliance@trimercap.com](mailto:compliance@trimercap.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 the Adviser also is available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov).

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

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***Item 2: Material Changes***

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This Brochure is the initial filing of the Form ADV Part 2A for the Adviser. In the future, only specific material changes that are made to this Brochure and a summary of such changes will be provided in Item 2.

Investors are encouraged to review this Brochure in its entirety. The information set forth in this Brochure is qualified in its entirety by the applicable offering and governing documents. In the event of a conflict between the information set forth herein and the applicable offering and governing documents, the information set forth in the applicable offering and governing documents shall supersede.

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***Item 3: Table of Contents***

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## ***Item 4: Advisory Business***

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### **Item 4A: General Description of Advisory Firm**

The Adviser is an investment management firm with its principal place of business located in San Francisco, California. The Adviser is a Delaware limited partnership founded in February 2022. The Adviser is wholly owned by Michael Chou (the “**Principal**”), directly and indirectly through TCMH LLC. For more information about the Adviser and the principal owners of the Adviser, please review Schedule A and Schedule B of the Form ADV Part 1A.

### **Item 4B: Description of Advisory Services**

The Adviser currently manages one private pooled investment vehicle, Day View Capital Partners I LP (the “**Day View Fund**”), and is expected to provide investment management and other services to additional affiliated and unaffiliated private pooled investment vehicles (the Day View Fund and such other vehicles, each a “**Fund**” and collectively, the “**Funds**”) with respect to investments in portfolio companies. The Adviser intends to provide investment advice consistent with the investment objectives, guidelines, and restrictions set forth in the applicable governing agreement and/or offering documents of the Funds.

In general, affiliated special purpose vehicles of the Adviser serve as general partners (each a “**General Partner**” and together, the “**General Partners**”) to the Funds and delegate authority to the Adviser to serve as the investment adviser. Each General Partner is subject to the Advisers Act pursuant to the Adviser’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partner(s), which operate as a single advisory business together with the Adviser (together with their affiliated entities “**Trimer**”). Unaffiliated Funds have other entities that serve as general partners that are unaffiliated to the Adviser.

The Adviser, through its clients (i.e. Funds), seeks to generate capital appreciation through direct and indirect investments in technology and technology-enabled companies. The Adviser’s advisory services to the Funds consist of investment advice and other management and administrative services including investigating, structuring, and negotiating the Funds’ potential investments, monitoring the performance of portfolio companies, and advising the Funds as to disposition opportunities.

In the remainder of this Brochure and unless the context requires otherwise, a reference to “the General Partner” must be read as a reference to the “the relevant General Partner” and a reference to “the Fund” must be read as a reference to the “relevant Fund.”

### **Item 4C: Tailoring Advisory Services**

The Adviser’s advisory services will be provided to each Fund pursuant to the terms of its governing documents and will be based on the specific investment objectives, strategies, or restrictions described therein. The Adviser does not tailor its advisory services to the individual needs of the investors in any Fund.

**Item 4D: Wrap Fee Program**

The Adviser does not sponsor or participate in a wrap fee program.

**Item 4E: Regulatory Assets Under Management**

As of December 31, 2021, the Adviser had \$28,680,067 regulatory assets under management. Within 120 days of the filing of this Brochure, the Adviser expects to manage in excess of \$100,000,000 in client assets on a discretionary basis.

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## ***Item 5: Fees and Compensation***

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### **Item 5A and 5B: Description of Compensation Arrangements**

#### **Management Fees**

The Adviser is expected to receive a management fee (the “**Management Fee**”) for advisory services rendered to each Fund that is payable in advance on a quarterly basis. The Management Fee for each Fund is negotiated collectively with the investors of that Fund and is subject to waiver or reduction in respect of certain investors at the Adviser’s sole discretion. Generally, the stated rate, calculation, and other terms of the Management Fee for each Fund is disclosed in that Fund’s governing documents. Management fees are generally paid quarterly in advance.

Management Fees are expected to be paid from the assets of the Funds and are allocated to the capital accounts of the investors. The cash to pay such Management Fees will typically be funded from drawdowns of investors’ unfunded capital commitments. If a capital call facility is in place, the Management Fee is expected to typically be paid by borrowing from such capital call facility, which will generally be repaid from drawdowns of investors’ unfunded capital commitments. Management Fees may also be paid using cash from interest, dividends, or disposition proceeds.

Management Fees are not collected on the capital commitments of the General Partners. The General Partners do not contribute capital to the Funds to pay for the Management Fee and are not allocated any Management Fee expense to their capital accounts. Adviser employees, independent contractors, and certain consultants who are investors in the General Partners do not pay a Management Fee.

The Management Fee for the Day View Fund is equal to, on a quarterly basis, the excess, if any, of 0.625% of aggregate capital commitments of the limited partners minus 100% of all Fee Income (after reimbursement to the General Partner of any third party expenses arising from a transaction that gave rise to a break-up fee, if any). “**Fee Income**” means the amount that is actually received by the Adviser or the General Partner in respect of the Partnership’s *pro rata* share (based on the capital invested or committed for investment, directly or indirectly, by the Day View Fund) of any transaction, monitoring, advisory, director’s, break-up and similar fees either from portfolio companies or in connection with portfolio companies due to the investment by the Fund, net of all unreimbursed costs, fees and expenses advanced by the Adviser, or incurred by the Manager. Notwithstanding the foregoing, Fee Income excludes any amounts paid to the Adviser or the General Partner for rebates related to any pooled purchasing program involving portfolio companies and Day View Fund expenses.

#### **Transaction Fees**

The Management Fee charged to the other Funds is expected to be reduced by an amount equal to 100% of transaction fees (“**Transaction Fees**”) attributable to investors not designated as “affiliated partners” by the General Partner. Transaction Fees include: (i) closing fees, commitment fees, monitoring fees, financial consulting fees, advisory fees, directors’ fees, and

other similar fees paid to the General Partner with respect to any Fund investment, (ii) transaction fees paid to the General Partner with respect to any Fund investment, and (iii) break-up fees and litigation proceeds with respect to Fund transactions not consummated that are paid to the General Partner. Transaction Fees do not include any amount received by the General Partner, or other person from an investment, prospective investment, or other person (A) as reimbursement for expenses directly related to such investment or prospective investment, (B) as compensation for services provided to such investment or prospective investment in the ordinary course of such investment's or prospective investment's business, (C) as compensation for services provided by the General Partner or other person as an employee of or in a similar capacity for such investment or prospective investment, or (D) any other amounts that the Fund's investor advisory board otherwise approves as not constituting "Transaction Fees."

Various costs and expenses will reduce Transaction Fees (and therefore will not reduce the Management Fee), including out-of-pocket costs and expenses (including travel expenses) incurred by the General Partner in connection with any consummated or unconsummated transactions or in connection with the generation of any such Transaction Fees.

Any Transaction Fees with respect to an investment or potential investment (including a transaction not consummated) shall be allocated to each Fund (and offset against the Management Fee as described above) only to the extent of that Fund's relative ownership (or anticipated ownership) of such investment or potential investment on a fully diluted basis, or in such other manner as the General Partner considers fair and equitable to its clients under the circumstances. Accordingly, a Fund will, in most cases, only benefit from the Management Fee reduction described above with respect to its allocable portion of any such Transaction Fee and not the portion allocable to any other person that holds an economic interest in (or, in the case of a transaction not consummated, would have held an economic interest in) the applicable investment (e.g., co-investors).

### **Carried Interest / Performance-Based Fees**

The relevant General Partner will receive a carried interest with respect to the Funds, generally equal to 25% of all realized profits subject to a preferred return, as more fully described in each Fund's governing documents.

### **Other Information**

The General Partner is authorized, in its sole discretion, to designate certain investors as "affiliated partners" (whether or not they are actual affiliates of Trimer), including Trimer employees, "friends and family" of Trimer or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors. Such "affiliated partners" generally will be exempted from all or some portion of the Management Fee and/or carried interest. For example, the General Partner and investors who are affiliates, employees, or other designees, including persons designated as "affiliated partners" generally will not be subject to the Management Fee or carried interest. Trimer is also permitted to waive or reduce Management Fees and/or carried interest for any "executive fund" it manages. In general, the

Management Fee offsets described above apply only with respect to the capital commitments of fee-paying investors.

Any such exemption from Management Fees and/or carried interest is permitted to be made by a direct exemption, a rebate by the Adviser and/or its affiliates, or through other Funds, which co-invest with a Fund. Additionally, the General Partner has the right to permit investors, affiliated with the Adviser or otherwise (including the persons indicated above), to invest through the General Partner or other vehicles that do not bear Management Fees or carried interest.

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

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

In general, Trimer attempts to address any material conflicts through disclosure in the applicable offering documents and this Brochure.

## **Item 5C: Other Fees and Expenses**

### **Fund Expenses**

In addition to the Management Fees, Fee Income, and Transaction Fees described above, and as further described in the applicable governing agreements, each Fund will pay, or reimburse the General Partner (or any affiliate thereof), at the General Partner's discretion, for all fees, costs, expenses, liabilities, and obligations (referred to collectively in this definition as "costs") relating to the Fund's and/or its subsidiaries' and intermediate entities' activities, business, current or potential portfolio companies, or actual or potential investments, including with respect to any entity (including alternative investment vehicles) formed to effect the acquisition and/or holding of an investment (to the extent not borne or reimbursed by an investment or potential investment), including all costs relating or attributable to: (i) activities with respect to origination, identification, and sourcing of investment opportunities for the Fund, including meeting with consultants, broker-dealers, investment banks, and other sources of investments and developing an investment pipeline, (ii) activities with respect to the pursuing, structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals, databases, deal sourcing, 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, the Fund's portfolio companies and its 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 costs payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party diligence, software and service providers, consultants, and similar professionals in connection therewith and any costs related to transactions that may have



been offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful, (iii) indebtedness of, or guarantees made by, the Fund, the Adviser, the General Partner, or any “affiliated partner” on behalf of the Fund (including any credit facility, letter of credit, or similar credit support), including the repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee, (iv) financing, commitment, origination, and similar activities, (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder, and similar services (including buy- and sell-side finders’ fees as well as similar deal sourcing payments), (vi) brokerage, sale, custodial, depository, and local paying agent (including any depository appointed pursuant to the AIFMD or any law, rule, or regulation relating to the implementation thereof in any relevant jurisdiction), expenses of a Swiss representative and paying agent appointed pursuant to the Swiss Collective Investment Scheme Act (as amended), including any related law, rule, or regulation relating to the implementation thereof but excluding, for clarity, the initial engagement expenses described in “Organizational Expenses” above, trustee, record keeping, account, registered office, and similar services, (vii) legal, accounting, research (including expert consultants, research reports, subscriptions to research services, research calls and meetings, and research or industry conferences), auditing, administration (including costs associated with compliance with any anti-money laundering laws and regulations and any third-party Fund administrator and administration, tracking, or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals, or pricing services, including with respect to transactions entered into between the Fund and other investment vehicles affiliated with the General Partner, as well as costs related to the establishment or maintenance of such services), consulting including consulting and retainer fees, salary, and other compensation or expense reimbursements paid to, and benefits or personnel costs provided to or on behalf of, consultants, or consultants performing investment initiatives, including those related to sourcing or identifying investment opportunities, or providing services related to environmental, social and governance (“ESG”) investment considerations and policies, and other consultants (including those with respect to go-to-market, supply chain, lean management, and change management), recruiting (including executive recruiters for portfolio companies and any costs associated with recruiting, including headhunter fees, background checks, or relocation expenses), tax, information technology (including costs associated with the engagement of third-party IT service providers and cybersecurity audits), and other professional services, (viii) reverse breakup, termination, and other similar arrangements, (ix) insurance (including directors and officers liability, fidelity bond, cybersecurity, investment management liability, errors and omissions liability, crime coverage, and general partnership liability premiums and other insurance and regulatory expenses, including any costs related to any retention or deductibles and broker costs and commissions) and the costs of any consultants or other advisors utilized in the procurement, review, and analysis of insurance policies, (x) filing, title, transfer, survey, registration, and other similar activities, (xi) printing, communications, mailing, courier, marketing, advertising, and publicity costs, (xii) the preparation, distribution, or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s, or similar forms, other communications with investors, or 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, (xiii) expenses associated with the reporting, filings, or other ongoing compliance with the requirements contemplated by the AIFMD

(excluding, for clarity, the initial and/or preliminary registrations, filings, and compliance described in “Organizational Expenses” above), as implemented in any relevant jurisdiction or any similar law, rule, or regulation and including any secondary legislation, regulations, rules, and/or associated guidance, and any related requirements, (xiv) compliance with any financial account reporting regime applicable to the Fund, any alternative investment vehicle, and/or the General Partner, including the “Foreign Account Tax Compliance Act” or “FATCA” and the OECD Standard for Automatic Exchange of Financial Account Information - Common Reporting Standard and any similar laws, rules or regulations, and any costs of any third-party services providers and professionals related to the foregoing, (xv) developing, licensing, implementing, maintaining, or upgrading any web portal, website, extranet tools, computer software (including accounting, investor tracking, investor reporting, ledger systems, financial management, and cybersecurity), or other administrative or reporting tools (including subscription-based services), (xvi) any activities with respect to protecting the confidential or non-public nature of any information or data (including any costs and expenses incurred in connection with compliance with the General Data Protection Regulation (EU 2016/679) (as amended) and the Freedom of Information Act, 5 U.S.C. § 552), (xvii) any activities or proceedings of an advisory board of a Fund (including any costs incurred by representatives of the General Partner, the advisory board members, permitted observers, and other persons in attending or otherwise participating in meetings of the advisory board), (xviii) indemnification obligations (including legal and any other costs incurred in connection with indemnifying any investor or other person pursuant to the governing agreement of the Fund or otherwise and advancing costs incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to such governing agreement), except as otherwise set forth in such governing agreement, (xix) actual, threatened, or otherwise anticipated litigation, mediation, arbitration, or other dispute resolution process, including the costs of any discovery related thereto and any judgment, other award, or settlement entered into in connection therewith, (xx) any annual, periodic, or special investor meeting, and any other conference, meeting, or webcast, or other video conference with any investor(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) and any other activities necessitated by and incidental to the Fund’s global investor base, in each case to the extent incurred by the Fund, the General Partner or any other affiliate of the General Partner, (xxi) the Management Fee, (xxii) except as otherwise determined by the General Partner in its sole discretion, any cost 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 an investment of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with the Fund, any costs incurred in connection with the formation, management, operation, termination, winding up, and dissolution of any feeder vehicles related to the Fund to the extent not paid by the investors investing in such entities, and any other costs related to any structuring or restructuring of the Fund and/or its affiliated entities, (xxiii) the termination, liquidation, winding up, or dissolution of the Fund and any legal entities owned directly or indirectly by the Fund, including portfolio companies and related entities, (xxiv) defaults by investors in the payment of any capital contributions, (xxv) amendments to, and waivers, consents, or approvals pursuant to, the constituent documents of the Fund, the General Partner, and related entities or any entities owned directly or indirectly by the Fund (including portfolio companies) and any alternative investment vehicle of the Fund, including the preparation, distribution, and

implementation thereof, (xxvi) (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 expenses of the General Partner incurred in connection with the operation of the Fund and any costs related to compliance with any ESG investment considerations and policies of the General Partner and/or the Fund and/or (B) any costs related to the validation of any payments made to the Fund or the General Partner in connection with any voluntary or compulsory review (including as a result of any anti-money laundering laws, rules, or regulations), (xxvii) 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, except as set forth in the governing agreement of the Fund, (xxviii) any third-party experts, including independent appraisers or ESG experts, engaged by the General Partner in connection with the Fund considering, making, holding, or disposing of, directly or indirectly, an investment in the same entity as one or more investment vehicles (other than the Fund) sponsored, managed, or controlled by the General Partner or any of its affiliates, (xxix) unreimbursed costs incurred in connection with any transfer or proposed transfer by an investor or any investor's name change, internal restructuring or change in trust, registered agent or custodian, (xxx) any taxes, fees, and other governmental charges levied against the Fund and/or any alternative investment vehicle, and all expenses incurred in connection with any tax audit, inquiry, investigation settlement, or review of the Fund and/or any alternative investment vehicle (except to the extent that the Fund is reimbursed therefor by a reimbursing Partner) and any costs of or related to the "partnership representative" of the Fund and any "designated individual" thereof, (xxxi) distributions to the investors and other costs associated with the acquisition, holding, and disposition of investments, including extraordinary expenses, (xxxii) compliance or regulatory matters, except as otherwise set forth in the governing agreement of the Fund, including compliance with the governing agreement of the Fund and/or any side letter or similar agreement (including the Fund's most-favored-nations process), (xxxiii) amendments to, and waivers, consents, or approvals pursuant to, side letters and similar agreements with investors and "most-favored-nations" election processes in connection therewith, (xxxiv) attendance of any member, manager, shareholder, partner, director, officer, employee, or affiliate of the General Partner or the Adviser, at any trade show or conference, including any applicable registration fees and exhibition, sponsorship, or other presentation costs, (xxxv) hosting or attending training programs, meetings, or other events for portfolio companies and/or their personnel, (xxxvi) all costs associated with negotiating, forming, and operating a feeder fund, which invests all or substantially all of its assets in the Fund, including all expenses associated with its management, operation, winding-up, liquidating, and dissolution and with preparing and distributing such feeder fund's financial statements, tax returns, and feeder fund investor reports, but not including any income based or similar taxes, fees, or other governmental charges levied against such feeder fund, (xxxvii) any travel (including, where appropriate as determined by the General Partner, the cost of using or chartering private aircraft or other private air travel (at a cost not to exceed the cost of corresponding first class (or equivalent) commercial airfare except during certain extenuating circumstances (e.g., during a viral pandemic); provided that portfolio companies or prospective portfolio companies may use or charter such private aircraft or private air travel at a cost above the cost of corresponding first class (or equivalent) commercial airfare), other air travel, car, or ride sharing services or other modes of transportation), lodging, meals, or entertainment relating to any of the foregoing, including in connection with

consummated and unconsummated investment and disposition opportunities, (xxxviii) any of the items listed above relating to any investment, restructuring, taking public or private, disposition, or other opportunity not consummated, whether undertaken prior to the initial closing date of the Fund or otherwise and including any opportunity offered to co-investors, (xxxix) any Organizational Expenses, (xl) any Placement Fees, and any other cost, liabilities, or obligations approved by the advisory board.

To the extent the General Partner, the Adviser, or their affiliates bear any Fund Expenses, they shall be entitled to be reimbursed by the Fund or to offset such amounts against any reduction of the Management Fee, as described above.

The Funds also bear expenses indirectly to the extent a portfolio company (or intermediate entity) pays expenses, including expenses of the Adviser and/or its affiliates. Generally included in the expenses permitted to be borne by a Fund are the fees, costs, expenses, liabilities, and obligations of legal counsel, consultants, and/or other service providers to procure, develop, establish, review, revise, customize, upgrade, and/or negotiate relationships relating to the foregoing items, which generally are expected to be significant. As is typical for private funds, the Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth in Item 12.

In certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Funds, subject to Trimer's related policies and the relevant governing documents and/or side letter(s). Where a proposed transaction that was to have included one or more co-investors is not consummated, or a potential co-investor does not invest in a planned co-investment, all fees, costs, and expenses or other liabilities or obligations (including broken deal fees and expenses) relating to such proposed transaction will be borne by the relevant Fund and not by any prospective co-investors that were to have participated in such transaction. Typically, a Fund will bear such fees and expenses regardless of whether any co-investor(s) had yet been identified or confirmed, or whether any co-investment vehicle had yet been formed in connection with the relevant transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to also bear its share of such fees and expenses.

The Adviser and/or its affiliates generally have discretion over whether to charge Transaction Fees, monitoring fees, or other compensation to a portfolio company and, if so, the rate, timing, method, and/or amount of such compensation. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Funds, on the one hand, and the Adviser and/or its affiliates on the other hand.

Trimer's policy is to allocate expenses applicable to multiple Funds among such Funds in a fair and equitable manner, consistent with its fiduciary obligations.

Subject to the governing documents and agreements of the relevant Fund, Trimer will bear all its own operating and overhead costs and expenses, including rent, salaries, and benefits of its employees.

**Item 5D: Management Fees in Advance**

The Management Fee payable for any period other than a full three-month period generally is adjusted on a pro rata basis according to the actual number of days in such period, pursuant to the governing agreement of each Fund.

**Item 5E: Receipt of Compensation for Sales**

Not applicable. Neither the Adviser nor its supervised persons are compensated for the sale of securities or other investment products.

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

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As described under “Fees and Compensation,” the relevant General Partner generally receives a carried interest allocation on certain realized profits in the relevant Fund.

To the extent the Adviser advises Funds with varying carried interest terms, the Adviser will be subject to potential conflicts of interest to the extent the Adviser is involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage. Trimer seeks to address the potential for conflicts of interest in these matters with allocation policies and practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund’s investment guidelines and governing documents, as well as other factors that do not include the amount of performance-based compensation received by Trimer or any personnel.

The existence of carried interest has the potential to create an incentive for the Adviser or the applicable General Partner to make more speculative investments on behalf of each Fund than it would otherwise make in the absence of such performance-based compensation. In addition, the method of calculating the carried interest poses potential conflicts of interest between the General Partner, and a Fund with respect to the management and disposition of investments, as well as the determination of the timing, method, and amount of distributions by the Fund, and the use of Fund-level credit facilities, as discussed below in Item 8B and 8C “Methods of Analysis, Investment Strategies and Risk of Loss – Material Risk Factors – Subscription Lines; Use of Credit Facilities.”

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*Item 7: Types of Clients*

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The Adviser is expected to serve as the investment manager of affiliated Funds exempt from the requirement to register as an investment company under Section 3(c)(7) of Investment Company Act of 1940, as amended.

Interests in each Fund will be offered and sold under the exemption provided by Section 4(a)(2) of the Securities Act and Rule 506 of Regulation D promulgated thereunder and other exemptions of similar import in the laws of the states and jurisdictions where the offering will be made. Each investor in a Fund generally is required to certify that it is, among other things, an “accredited investor,” as defined in Rule 501(a) of Regulation D under the Securities Act of 1933, as amended, and a “qualified purchaser” within the meaning of the Investment Company Act of 1940, as amended (with the exception of certain qualified knowledgeable Adviser personnel). The investors participating in the Funds are expected to include individuals, banks or thrift institutions, insurance companies, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations, or other corporations or business entities and, directly or indirectly, principals or other employees of the Adviser and its affiliates and members of their families, or other service providers retained by the Adviser.

The minimum initial capital commitment generally required from an investor in a Fund is set forth in such Fund’s offering documents, and is currently expected to be \$2.5 million. The General Partner may, in its sole discretion, accept a lesser amount.

Subscriptions may be accepted or rejected at the sole discretion of the General Partner.

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

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**Item 8A: Methods of Analysis and Investment Strategies Generally**

The Adviser is a private investment firm that intends to principally focus on primary and secondary equity investments in high-growth technology and technology-enabled companies typically with at least \$25 million of run rate revenue at the time of initial investment. The Adviser intends to focus on investments in private software and internet technology companies that are leaders in large markets with defensible businesses and a path to liquidity. The Adviser's investment advisory services consist of identifying and evaluating investment opportunities, negotiating investments, managing and monitoring investments, and achieving dispositions for investments.

The Adviser seeks to provide creative and flexible capital solutions to companies, founders, employees, and investors. The Adviser intends to structure a significant portion of its investments as direct and indirect purchases of common and preferred equity. The Adviser is permitted to make credit or structured investments. The Adviser is also permitted to purchase publicly traded securities.

The Adviser intends to focus on investing in technology companies that its team believes are market leaders. The Adviser intends to focus on situations where it believes the Trimer team can conduct thorough due diligence to gather what the members of the Trimer team consider deeper or underappreciated insights and identify mispriced risk. The Adviser's investment origination strategy seeks to identify investment opportunities through a comprehensive, proactive sourcing strategy. The Adviser seeks to identify and catalyze opportunities that allow the Adviser team to conduct extensive diligence processes, enabling more exhaustive research and thesis building.

Once a portfolio company has reached appropriate growth levels, the Adviser will consider appropriate exit strategies, including sales to third-parties, an initial or secondary public offering, or a recapitalization.

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

**Items 8B and 8C: Material Risk Factors**

An investment in each Fund involves significant risks and other considerations and, therefore, should be undertaken only by prospective investors capable of evaluating and bearing such risks. Fund returns will be unpredictable and, accordingly, an investment in each Fund is not suitable as the sole investment vehicle for an investor. A prospective investor should only invest in a Fund as part of a broader overall investment strategy, and only if the prospective investor is able to withstand both extended periods of illiquidity and a total loss of its investment. Prospective investors should carefully consider, among other factors, the matters described below, each of which could have an adverse effect on the value of the limited partner interests in a Fund. As a result of these factors, as well as other risks inherent in any investment or set forth elsewhere in each Fund's private placement memorandum, there can be no assurance that a Fund will meet its



investment objectives or otherwise be able to successfully carry out its investment program. The following list is not a complete list of all risks and other considerations involved in connection with an investment in a Fund. Prospective investors should make their own inquiries and investigation of the investment, and should consult their own advisors regarding the offering of limited partner interests described herein, including the merits and risks involved and the legality and tax consequences of an investment in a Fund.

The foregoing list of risk factors and conflicts of interest is illustrative only and does not purport to be complete. It serves only to identify certain of the principal risks and conflicts of interest related to an investment in a Fund. Prospective investors should read in its entirety the relevant governing agreement and offering documents and consult with their own legal, financial, tax, and/or other advisers before deciding to make an investment in a Fund.

### **Business Risks**

Each Fund's investment portfolio is expected to consist primarily of securities issued by one or more privately held unseasoned 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.

### **Concentration of Investments**

Each Fund intends to participate in a limited number of investments, and intends to make most of its investments in one industry and/or one industry segment, and within a short period of time. As a result, each Fund's investment portfolio is likely to become highly concentrated, and the performance of one or a few holding(s) or of a particular industry may substantially affect a Fund's aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Fund may invest in fewer portfolio companies and thus be less diversified.

In particular, any concentration of a Fund's investments in technology, software, and technology-enabled companies (the "technology industry") creates risks to such Fund that instability, fluctuation, or an overall decline within the technology industry would not be balanced by investments in other industries not so affected. In such circumstances, if the technology industry as a whole declines, returns to investors will likely decrease. In addition, investments in the technology industry are subject to certain specific industry risks that could adversely affect those businesses, including: (i) new competing products and improvements in existing products which may quickly render existing products or technologies obsolete, (ii) rapidly changing and difficult to predict market conditions and consumer preferences, (iii) short product life cycles, (iv) scarcity of and high demand for management, technical, scientific, research, and marketing personnel with appropriate training, (v) the possibility of lawsuits related to patents and other intellectual property and their associated rights, and (vi) rapidly changing investor sentiments and preferences with regard to investments in the technology industry. Many of the Funds' portfolio companies are likely to compete in this volatile environment, and such competition could result in significant downward pressure on the prices of such portfolio companies' products and/or services.

## **Illiquidity; Lack of Current Distributions**

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

## **Lack of Sufficient Investment Opportunities**

The business of identifying, structuring, and completing investment transactions is highly competitive and involves a high degree of uncertainty. The Funds will encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, strategic industry acquirers, and other financial investors, including hedge funds, and special purpose acquisition companies ("SPACs"), including potentially SPACs that are affiliates of the Fund. Over the past several years, an increasing number of investment funds have been or are being formed, and many fund sponsors have increased the size of successor funds as compared to their corresponding prior funds. Other investment funds with similar investment objectives to the Funds likely will be formed in the future by other unrelated parties. Some of the Funds' competitors will likely have more relevant experience, greater financial resources, a greater willingness to take on risk, or more personnel than the Adviser, the Funds, and their respective affiliates. To the extent that a Fund encounters significant competition for investments, returns to investors may be negatively affected. In addition, it is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified and consummated. However, regardless of the extent to which investors' commitments are invested, investors will be required to bear the Management Fee through a Fund during the investment period of such Fund based on the entire amount of investors' commitments as well as other expenses as set forth in the applicable partnership agreement.

## **Dynamic Investment Strategy**

Unless otherwise provided in the applicable governing agreement, a Fund is not restricted in terms of the percentage of its capital that can be invested in a particular industry or strategy. While the Adviser generally intends to seek attractive returns for each Fund primarily through making venture and growth-stage investments as described in the Fund's offering documents, many factors have the potential to contribute to changes in emphasis in the construction of the portfolio, including changes in market or economic conditions or regulation applicable to particular industries. As a result, the Adviser is permitted to pursue additional investment strategies and is permitted to modify or depart from its initial investment strategy, investment process, and investment techniques as it determines appropriate. The Adviser is permitted to pursue investments outside of the industries and sectors in which the employees of the Adviser have previously made investments or have internal operational experience.

## **Restricted Nature of Investment Positions**

Generally, there will be no readily available market for each Fund's investments, and hence, most of the Fund's 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 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 governing agreement of the relevant Fund, including the value used to determine the amount of carried interest available to the applicable General Partner with respect to such investment.

## **Absence of Operating History; Reliance on the Adviser and Portfolio Company Management**

The Adviser consists of newly organized entities that have no prior operating history or track record. The Adviser and the Funds do not have performance history for a prospective investor to consider. An investor should only invest in a Fund as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment in that Fund. While the Adviser intends for each Fund to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. With respect to any of a Fund's investments, loss of principal will be possible.

Each Fund has no operating history and will be entirely dependent on the Adviser. Control over the operation of each Fund will be vested with the Adviser, and the Fund's future profitability will depend largely upon the business and investment acumen of the Principal and other individuals employed by the Adviser and its affiliates. While the Principal has previous experience of making and managing investments like those contemplated by the Funds, the Principal has limited experience managing and investing a committed pool of funds. Each Fund's investments may differ from previous investments made by the Principal and other personnel in a number of respects, including target return levels, level of risk associated with a particular investment, amount invested in a particular company, types of companies within a particular industry sector, amount of leverage used, structure, and holding period. Furthermore, there can be no assurance that a Fund's investments will achieve results similar to those attained by previous investments of the Principal. The loss or reduction of service of the Principal could have an adverse effect on the Fund's ability to realize its investment objectives. In addition, the Principal and other personnel currently expect to, and will in the future, manage other investment funds besides the Funds advised by the Adviser and the Principal and such other personnel may need to devote substantial amounts of their time to the investment activities of such other funds, which will pose conflicts of interest in the allocation of their time. Investors generally have no right or power to take part in the management of each Fund, and as a result, the investment performance of each Fund will depend on the actions of the Adviser. In addition, certain changes in the General Partner or the Adviser or circumstances relating to the General Partner or the Adviser may have an adverse effect on each Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

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

### **Dependence on Key Personnel**

The success of each Fund will be highly dependent on the financial and managerial expertise of the Principal and other key individuals employed by the Adviser and its affiliates. Although the Adviser will consult with, and in certain circumstances seek the approval of, its advisory committee, investors will have no opportunity to control the day-to-day operations, including investment and disposition decisions, of each Fund. In order to safeguard their limited liability, investors will be relying entirely on such persons to manage the business of each Fund. There can be no assurance that the Principal or the other key investment professionals will continue to be associated with or employed by the Adviser or its affiliates throughout the life of each Fund. The loss of one or more of these individuals could have a material adverse effect on the performance of each Fund. There is ever-increasing competition among alternative asset managers, financial institutions, private fund managers, financial sponsors, investment managers, and other industry participants for hiring and retaining qualified investment professionals. There can be no assurance that the Adviser's personnel will not be solicited by and join competitors or other firms and/or that the Adviser will be able to hire and retain any new personnel that it seeks to maintain or add to its roster of investment professionals.

### **No Registration Under the Investment Company Act**

None of the Funds will be registered under the Investment Company Act of 1940, as amended (the "**Investment Company Act**"). The Adviser intends to conduct each Fund's activities so as not to be subject to the restrictions to which a registered investment company under the Investment Company Act would be subject and will differ significantly in many respects from a registered investment company. Investors will not have the benefits and protections arising out of the registration under the Investment Company Act. However, if a Fund was to become subject to the Investment Company Act because of a change in law or otherwise, the various restrictions imposed by the Investment Company Act and the substantial costs and burdens of compliance therewith could adversely affect the operating results and financial performance of the Funds. Moreover, parties to a contract with an entity that has improperly failed to register as an investment company under the Investment Company Act may be entitled to cancel or otherwise void their contracts with the unregistered investment company.

### **Investing in Private Secondary Transactions**

The Funds are expected to invest in private secondary transactions (i.e., purchasing securities from persons or entities other than the issuer thereof). Such transactions have the potential to include investments in funds or other vehicles managed by a third-party ("underlying funds"). The lack of an established resale market for these types of securities may require investments by each Fund in

circumstances where limited, if any, information is available regarding the subject issuer and its securities. In some instances, sellers may have privileged material non-public information which each Fund does not. The lack of or asymmetry of such information could materially and adversely affect each Fund and the performance of its investments.

In addition, such secondary interests generally are subject to contractual or other restrictions on transfer. The Funds generally also will not have withdrawal or redemption rights with respect to any funds in which they invest. The market prices, if any, of such investments tend to be volatile and the Funds may not be able to sell such investments when they desire or, upon sale, to realize what the Adviser perceives to be fair value. To the extent a Fund invests in interests of underlying funds, such Fund will bear management fees, carried interest, and expenses of such underlying funds that are similar to those of such Fund, but in addition to those of such Fund.

The success of each of any underlying fund in which the Funds invest (and, as a result, the success of the Funds) is subject to those risks which are inherent in private company investments and similar to the risks herein with respect to the Funds. Although the Adviser will monitor the performance of each Fund investment, it will primarily be the responsibility of each underlying fund's investment team to monitor portfolio company performance, and each portfolio company's management team to operate each portfolio company on a day-to-day basis. The Adviser will not control the composition of an underlying fund's investments, and no Fund will be able to participate in the management or control of the underlying funds nor of the companies in which the underlying funds invest. Consequently, the Funds generally will not be able to control the amount and timing of distributions from the underlying funds, which may affect an investor's returns. The loss or reduction of service of one or more of the principals of an underlying fund could have an adverse effect on a Fund's ability to realize its investment objectives. Principals of underlying funds may manage other investment funds besides the one(s) in which a Fund invests and they may need to devote substantial amounts of their time to the investment activities of such other funds, which may pose conflicts of interest in the allocation of their time. In addition, conflicts of interest are likely to arise from time to time with respect to a general partner's management of an underlying fund. Investment advisers to underlying funds may not be registered with the SEC and/or other regulatory bodies and consequently the relevant Fund will not be afforded the same level of regulatory protections with respect to its investment in funds managed by such advisers as exists for funds managed by investment advisers registered with the SEC or another regulatory body. Underlying funds generally will be subject to similar and additional risks and conflicts of interest as those discussed herein with respect to a Fund.

## **Venture Capital Investments**

It is anticipated that Funds will make venture capital investments and will invest in growth-stage companies, which have inherently greater risk than more established businesses. Accordingly, the growth of these types of companies may require significant time and effort resulting in a longer investment horizon than can be expected with lower risk investment alternatives. Such investments can experience failure or substantial declines in value at any stage. Although many growth-stage companies, and the venture capital industry in general, have experienced growth over several years, there is no guarantee that such growth will continue, and investments in such companies may be more volatile and there may be a relatively limited number of investments available to a

Fund. Investments in growth-stage and venture capital funded companies impacted by lower valuations may become more difficult to exit. In particular, the lack of an active initial public offering market can hurt valuations of venture capital investments and discourage new investment in the venture capital sector and limit portfolio company exit opportunities for each Fund. There is no assurance that any such investments by a Fund will be successful.

The venture capital investments that each Fund is anticipated to make could include 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.

### **Risks Relating to Due Diligence of and Conduct at Portfolio Companies; Expedited Transactions**

Before making an investment, the Adviser will generally conduct such due diligence as it deems reasonable and appropriate based on the known facts and circumstances applicable to such investment. Due diligence may entail evaluation of important and complex business, financial, tax, accounting, technical, environmental, regulatory, and legal issues. Outside consultants, legal advisors, accountants, investment banks, and other third parties may be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto, and the Adviser may rely on the advice received from such third parties. Such involvement of third-party advisors or consultants may present a number of risks primarily relating to the Adviser's reduced control of the functions that are outsourced. In addition, if the Adviser is unable to timely engage third-party providers, its ability to evaluate and acquire more complex targets could be adversely affected. Investment analyses and decisions by the Adviser will often be undertaken on an expedited basis in order for the Funds to compete for investment opportunities and/or consummate investments. In such cases, the information available to the Adviser at the time of an investment decision may be limited, and the Adviser may not have access to the detailed information necessary for a full evaluation of an investment opportunity. The due diligence investigation carried out with respect to any investment opportunity may not reveal or highlight all relevant facts that may be necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in an investment being successful or even ensure a return on invested capital. While the Adviser intends to follow the due diligence process described in the offering documents of the applicable Fund, the Adviser reserves the right to modify such due diligence based on the facts and circumstances of each investment, and potentially will conduct less due diligence than otherwise indicated.

## **Risks in Effecting Operating Improvements**

The success of each Fund's investment strategy is likely to depend, in part, on the ability of such Fund to effect improvements in the operations of certain portfolio companies. Identifying and implementing operational improvements at portfolio companies entails a high degree of uncertainty. In addition, executing operational improvements may divert the attention of key portfolio company personnel and disrupt normal business. There can be no assurance that a Fund will be able to successfully identify and implement such improvements or that any such successfully implemented improvements will result in a return on invested capital with respect to such portfolio company.

## **Investment in Junior Securities**

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

## **Investments in Convertible Securities**

Each Fund is expected to invest in convertible securities. Convertible securities have unique investment characteristics in that they generally (i) have higher yields than common stocks, but lower yields than comparable non-convertible securities, (ii) are less subject to fluctuation in value than the underlying common stock due to their fixed-income characteristics, and (iii) provide the potential for capital appreciation if the market price of the underlying common stock increases. Because of the embedded equity component of convertible securities, the value of convertible securities is sensitive to changes in equity volatility and price. The value of a convertible security is a function of its "investment value" (determined by its yield in comparison with the yields of other securities of comparable maturity and quality that do not have a conversion privilege) and its "conversion value" (the security's worth, at market value, if converted into the underlying common stock). The investment value of a convertible security is influenced by changes in interest rates, with investment value declining as interest rates increase and increasing as interest rates decline. The credit standing of the issuer and other factors may also have an effect on the convertible security's investment value. The conversion value of a convertible security is determined by the market price of the underlying common stock. If the conversion value is low relative to the investment value, the price of the convertible security is governed principally by its investment value. To the extent the market price of the underlying common stock approaches or exceeds the conversion price, the price of the convertible security will be increasingly influenced by its conversion value. A convertible security generally will sell at a premium over its conversion value by the extent to which investors place value on the right to acquire the underlying common stock while holding a fixed-income security. Generally, the amount of the premium decreases as the convertible security approaches maturity.

A convertible security may be subject to redemption at the option of the issuer at a price established in the convertible security's governing instrument. If a convertible security held by a Fund is called for redemption, such Fund will be required to permit the issuer to redeem the security, convert it into the underlying common stock or sell it to a third party. Moreover, a decrease in equity

volatility and price could result in a loss for such Fund. The debt characteristic of convertible securities also exposes such Fund to changes in interest rates and credit spreads. Additionally, such Fund's exposure to these risks may be unhedged or only partially hedged. Any of these events could have an adverse effect on such Fund's ability to achieve its investment objective.

### **Valuation of Assets**

There is not expected to be an actively traded market for most of the securities owned by each Fund. When estimating fair value, the Adviser will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts, and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. Valuations are only estimates of future results that are based upon assumptions made at the time that the valuations are developed. General economic, political, regulatory, and market conditions, and the actual operations of the investments, which are not predictable, can have a material impact on the reliability and accuracy of such valuations. Moreover, the exercise of discretion in valuation by the Adviser, subject to any limitations thereon provided in the applicable partnership agreement, will give rise to conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Management Fees. There can be no assurance that valuation decisions of the Adviser with respect to an investment will represent the value realized by a Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. The exercise of discretion in valuation by the Adviser gives rise to potential conflicts of interest, including in connection with determining the amount and timing of distributions of carried interest and the calculation of Management Fees.

### **Contingent Liabilities Upon Disposition**

In connection with the disposition of an investment, each Fund and the Adviser could be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties (e.g., about the business and financial affairs of the applicable portfolio company, the condition of its assets, and the extent of its liabilities) in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. A Fund or the Adviser could be required to indemnify the purchasers of that Fund's investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements could result in contingent liabilities, which would be borne by each Fund and, ultimately, its investors. In such a situation, investors could be required to return distributions received by them to pay such indemnification obligations, subject to certain limitations provided in the applicable partnership agreement. Furthermore, under certain circumstances investors may be obligated to recontribute their distributions to the applicable Fund.

### **No Public Market for Fund Interests; Restrictions on Transfer**



There will be no public market for Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under such Fund's governing agreement and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable. Generally, limited partner interests in each Fund will not be assignable or transferable without the prior written consent of the Adviser. One of the requisites to such consent may be an opinion of the relevant Fund's counsel that such a transfer would not subject the relevant Fund or the Adviser to any regulatory or tax requirements or result in the violation of any applicable law or governmental regulation. The transferor and transferee may be required to bear the cost of such legal opinion.

## **Leveraged Investments**

A Fund's portfolio companies may involve varying degrees of leverage, as a result of which recessions, operating problems, and other general business and economic risks may have a more pronounced effect on the profitability or survival of such companies. Moreover, any rise in interest rates generally will increase interest expense, causing losses and/or the inability to service debt levels. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which may be impacted by regulatory restrictions and guidelines and which are difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The availability of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System, the U.S. Office of the Comptroller of the Currency, and the U.S. Federal Deposit Insurance Corporation) may restrict or otherwise discourage lending that results in companies carrying large amounts of debt.

The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment, or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of a Fund. Additionally, lenders would typically have a claim that has priority over any claim by a Fund to the assets of such investment in an insolvency event or proceeding. Should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, a Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness, or maintain a desired or optimal amount of financial leverage, that Fund will hold a larger than expected equity investment in such portfolio company and could realize lower than expected returns from the portfolio company that would adversely affect such Fund's ability to generate attractive returns for such Fund as a whole. Any failure by lenders to provide previously committed financing could also expose a Fund to potential claims by sellers of businesses which such Fund may have been contracted to purchase. Moreover, the portfolio companies in which a Fund will invest generally will not be rated by a credit rating agency. Additionally, the incurrence of leverage or certain guarantees by a Fund or certain entities in (or

through which) such Fund invests may cause tax-exempt investors to recognize “unrelated business taxable income” within the meaning of Section 512 of the Code.

Each Fund is also permitted to guaranty indebtedness (such as a guaranty of a portfolio company’s debt, a letter of credit, or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that the Funds would be compensated for providing such guarantee or exposure to such liability. Co-investors are expected to receive the benefit of such guarantee, although because co-investors typically do not agree to participate in guaranty arrangements in negotiating to participate in a transaction, co-investors are not expected to bear a commensurate percentage of potential liability.

### **Security Preference**

In most cases, portfolio companies may have indebtedness or senior equity securities, or may be permitted to incur indebtedness or issue senior equity securities, that rank senior to a Fund’s investment. In the event of insolvency, liquidation, dissolution, reorganization, or bankruptcy of a company in which an investment is made, holders of securities ranking senior to a Fund’s investment would typically be entitled to receive payment in full before distributions could be made in respect of that Fund’s investment. To the extent that any assets remain, holders of claims that rank equally with a Fund’s investment would be entitled to share on an equal and ratable basis in distributions that are made out of those assets.

### **Subscription Lines; Use of Credit Facilities**

Each Fund is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of that Fund’s investments and the payment of expenses). Each Fund is also permitted to seek to enter into one or more other types of revolving credit facilities (the collateral for which can be, for example, one or more assets of that Fund, i.e., asset-backed facilities). Fund-level borrowing (including debt resulting from asset-backed facilities) subjects investors to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the General Partner’s right to call capital from investors, investors may be obligated to contribute capital directly to a Fund’s lenders and/or on an accelerated basis if such Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any investor claim against a Fund would likely be subordinate to such Fund’s obligations to a subscription line’s creditors.

With respect to any asset-backed facility entered into by a Fund (or an affiliate thereof), a decrease in the market value of that Fund’s investments would increase the effective amount of leverage and could result in the possibility of a violation of certain financial covenants pursuant to which that Fund must either repay the borrowed funds to the lender, which would, subject to any limitations set forth in the applicable partnership agreement, require investors to make additional capital contributions in respect of such borrowings or suffer foreclosure or forced liquidation of the pledged assets. Liquidation of a Fund’s investments at an inopportune time in order to satisfy such financial covenants could adversely impact the performance of that Fund and could, if the value of its investments had declined significantly, cause that Fund to lose all or a substantial amount of its capital. Moreover, if additional capital contributions were required to satisfy such

financial covenants, this would effectively reduce the amount of capital available for other investments and potentially adversely affect the diversification of that Fund's portfolio. In the event of a sudden, precipitous drop in the value of that Fund's assets, that Fund might not be able to dispose of assets quickly enough to pay off its debt resulting in a foreclosure or other total loss of some or all of the pledged assets.

In addition, Fund-level borrowing will result in additional Fund 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, including legal fees relating to the establishment, structuring, and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating, amending, or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of investors and the terms of the applicable governing agreement of the relevant Fund, it could be higher than the interest rate an investor could obtain individually. To the extent a particular investor's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can negatively impact an investor's overall individual financial returns even though it generally increases a Fund's reported net rates of returns. Calculations of performance in respect of each Fund as used in marketing and reported to investors from time to time are generally based on the payment date of capital contributions received from investors and not the date of an investment by each Fund. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for investors to make contributions to that Fund, which generally enhances that Fund's performance figures (particularly because internal rate of return calculations depend on the amount and timing of capital contributions), and thereby increases the likelihood that the preferred return component of that Fund's carried interest waterfall will be met, and generally benefits the marketing efforts of the Adviser and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more affiliated funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses. Co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses or liabilities.

A credit agreement typically contains other terms that restrict the activities of a Fund and its investors or impose additional obligations on them. For example, a subscription line secured by the capital commitments of a Fund's investors often imposes restrictions on the General Partner's ability to consent to the transfer of an investor's interest in such Fund or imposes concentration or other limits on the Fund's investments (and/or financial or other covenants that could affect the implementation of the Fund's investment strategy). In addition, in order to secure a subscription line, the Adviser is often required to request certain financial information and other documentation from investors to share with lenders. The Adviser will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more investors.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the Adviser to fund investments and pay Fund expenses without calling

capital, potentially for extended periods of time. To the extent provided in the applicable partnership agreement, any such borrowing may remain outstanding for such time as the Adviser deems appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that may decrease net returns of that Fund. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for investors that would not arise had the Adviser called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for an investor with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring an investor to meet the accumulated, larger capital calls at the same time. The Adviser is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Adviser for expenses incurred on behalf of that Fund. Each Fund is also authorized to utilize Fund-level borrowing when the Adviser expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, investors would end up with increased exposure to the underlying investment, which could result in greater losses. Furthermore, the inability of a Fund to repay any leverage secured by a Fund's commitments could enable a lender to issue a capital call directly to that Fund's investors and require contributions to be made directly to the lender instead of the Fund. The Adviser is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Adviser for expenses incurred on behalf of a Fund. Each Fund is also authorized to utilize Fund-level borrowing when its Adviser expects to repay the amount outstanding through means other than investor capital, including as a bridge for equity or debt capital with respect to an investment.

### **Broken Deal Expenses**

A Fund will incur costs and expenses associated with potential investments that are not consummated. If any such deals were consummated, a Fund may have invested alongside third parties, including, without limitation, any co-investment entities sponsored, advised, or managed by the Adviser, or its respective affiliates. For the avoidance of doubt, any costs incurred by a Fund in connection with unconsummated investments will be borne solely by such Fund, and will not be shared by any such anticipated co-investment entities or other third parties. Co-investors may not bear their proportionate share of investment-related expenses (including "broken deal" expenses) because such co-investors may not be identified and/or may not agree to invest until relatively late in the investment process, or for other reasons.

### **Limited Access to Information**

Investors' rights to information regarding each Fund will be specified, and strictly limited, in such Fund's governing agreement. In particular, it is anticipated that the Adviser will obtain certain types of material information from or relating to portfolio companies that will not be disclosed to investors because such disclosure is prohibited, among other reasons, as a result of contractual, legal, or similar obligations outside of the Adviser's control. Decisions by the Adviser to withhold information may have adverse consequences for investors in a variety of circumstances. For example, an investor that seeks to transfer its limited partner interest in a Fund may have difficulty

in determining an appropriate price for such interest. Decisions to withhold information also may make it difficult for an investor to monitor the Adviser and the Adviser's performance. Additionally, it is anticipated that the investors who designate representatives to participate on an advisory board may, by virtue of such participation, have more information about a Fund and its portfolio companies in certain circumstances than other investors generally and may be disseminated information in advance of communication to other investors generally.

### **Agreements with Certain Investors**

The Funds and/or their General Partners expect to enter into side letters or other similar agreements with certain investors in connection with their admission to the Funds without the approval of any other investor, which would have the effect of establishing different or preferential rights or terms under, altering, or supplementing the terms of, or confirming the interpretation of, an applicable Fund document (including such Fund's governing agreement and any related subscription agreement) with respect to such investor in a manner more favorable to such investor than to other investors. In such side letters, certain investors will receive additional benefits that other investors do not receive, and such benefits potentially will be significant. Further, the General Partner is likely to have its own economic and/or other business incentives to provide certain terms to certain investors (e.g., based on commitment amount to a Fund or the timing thereof, the ability of the investor to provide sourcing or other services to the Adviser, the General Partner, the Fund, or other funds managed by the Adviser or its affiliates, or the potential to establish, recognize, strengthen, or cultivate relationships that have the potential to provide longer-term benefits to the Adviser, the General Partner, the Fund, or other funds managed by the Adviser or its affiliates). Such rights, terms, or confirmations in any such side letter or other similar agreement may potentially include (i) different economic terms, including reduced management fees, modified waterfall mechanics and/or reduced carried interest, and/or receipt of a portion of the General Partner's or its affiliates' management fees, other fees, and/or carried interest, (ii) the right to receive certain additional information, certifications, reporting, and/or notifications from the relevant Fund or the General Partner or any of their affiliates and/or the manner in which information and/or notice shall be provided, (iii) excuse, opt-out, exclusion, or withdrawal rights applicable to particular investments or investors (which may increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, certain investments), (iv) waiver of certain confidentiality obligations, (v) the right to transfer Fund interests and to cause such transferee to be admitted to a Fund as a substitute investor, (vi) consent of the General Partner to certain transfers by such investor, (vii) priority co-invest rights or targeted co-investment amounts, (viii) rights or terms necessary in light of particular legal, regulatory, or public policy characteristics of such investor, (ix) structuring rights with respect to certain types of investments, (x) modification of default remedies, (xi) investment pacing restrictions, (xii) limits on indemnification, and (xiii) rights relating to the appointment of a representative to serve as a member and/or observer of the advisory board. Side letters potentially will also relate to strategic relationships under which an investor agrees to make capital commitments to multiple Trimer-advised funds. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts. As a consequence of one or more investors being excused or excluded from an investment, or regulatory, tax, or other factors restricting or limiting their participation in, certain investments,

the aggregate returns realized by participating or non-participating investors could be adversely affected in a material manner by the unfavorable performance of particular investments. Although the Adviser believes it to be unlikely, excuse rights requested or received by one or more investors (or such regulatory, tax, or other factors applicable to such investors) representing a substantial percentage of a Fund to have the potential to create significant variations in investors' investment returns, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of that Fund as a whole. An investor's voting rights for regulatory or other reasons can be limited in circumstances specified in the applicable Fund's governing agreement; conversely, a limitation on one or more investors' voting rights generally will increase the voting rights percentage of other investors in that Fund. Further, investors with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, e.g., based on tax savings or ownership of alternative investment vehicles, "blockers," or other structures used to facilitate their investments in, through, or below a Fund. Except where required by the governing agreement of the relevant Fund, other investors will not receive copies of side letters or related provisions, and as a general matter, the other investors have no recourse against the General Partner, the Fund, or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such side letters.

### **Disclosure of Confidential Fund and Investor Information**

Investors could include entities that are subject to public disclosure requirements, including state public records or similar freedom of information laws which could potentially compel public disclosure of confidential information regarding a Fund, its investments, and its investors. There has been a recent increase in the number of requests under such laws for contracts (including partnership agreements, subscription agreements, and side letters) that investors in private funds that are subject to such laws have in place with private funds. A Fund would likely incur expenses in connection with responding to any such disclosure requests, even if that Fund ultimately succeeds in asserting confidentiality for any requested documentation. Moreover, notwithstanding the obligation that investors will have pursuant to the applicable Fund's governing agreement to maintain the confidentiality of the fund information, there can be no assurance that such information will not be disclosed either publicly or to regulators, law enforcement, or otherwise. The Adviser is authorized, in certain circumstances, in an effort to protect any such potential disclosure, to withhold all or any part of the information otherwise to be provided to such an investor, as more fully described such Fund's governing agreement. There can be no assurance that such information will not be disclosed by the Fund, the Adviser, their affiliates and personnel, portfolio companies, or services providers to any of them; such disclosure may be required to comply with laws, regulations, or policies to which they are or could potentially become subject. In addition, under the U.S. Dodd-Frank Wall Street Reform and Consumer Protection Act, the SEC has the authority to require private fund advisers to file additional reports with the SEC regarding their funds and investment activities. Any public disclosure of fund information could have an adverse effect on the relevant Fund and its investors, for example, by affecting such Fund's competitive advantage in finding attractive investment opportunities.

### **Uncertain Protection for Intellectual Property**

In many cases, the value of a company or business (including, in particular, investments in the software industry) in which a Fund invests is dependent upon protecting proprietary rights with respect to one or more of the products such portfolio company develops, produces, or markets. There can be no assurance that any issued patents underlying products of any portfolio company will provide sufficient protection to allow portfolio companies to conduct their businesses in the ordinary course. A Fund or any portfolio company may, from time to time, receive notices from persons or entities claiming that such Fund or such portfolio company has infringed upon their intellectual property rights. The quantity of such claims may grow over time, particularly in the software industry due to the fast pace of developments, increasing amounts of user-generated content, extensive patent coverage of existing technologies, and rapid rate of issuance of new patents. Additionally, portfolio companies (particularly those in the software industry) may use “open source” software in their products, or may use such software in the future. Such open source software is generally licensed by its authors or other third parties under open source licenses. Licensing authors or third parties may allege that a portfolio company has not complied with the conditions of one or more of such licenses. To resolve these and other intellectual property infringement claims, such Fund and/or the portfolio companies may enter into royalty and licensing agreements on terms that are less favorable than currently available, stop selling or redesign affected products, or pay damages to satisfy indemnification commitments with customers, any of which may cause operating margins to decline. In addition to money damages, in some jurisdictions plaintiffs may be permitted to seek injunctive relief that may limit or prevent importing, marketing, and selling products that utilize infringing technologies, and it is possible that such injunctive relief may be issued before the parties have fully litigated the validity of the underlying intellectual property rights. The success of portfolio companies will also depend on the preservation of trade secrets, which are often not protected by patents and are instead subject to relevant confidentiality agreements with third parties such as collaborative partners, licensors, employees, and consultants. Disclosure of trade secrets or other confidentiality information in violation of any such agreement could adversely affect the relevant portfolio company.

### **Risks Inherently Associated with Technology Companies**

Technology companies, including software companies, often face specific risks which a Fund may also be exposed to by concentrating its investment strategy in such companies. Many potential portfolio companies rely on a combination of patent, copyright, trademark and trade secret protection, and non-disclosure agreements to establish and protect proprietary rights. There can be no assurance that the relevant Fund or a portfolio company will be able to protect these rights or will have the financial resources to do so, or that competitors will not develop technologies substantially equivalent or superior to a portfolio company’s technologies. Piracy may adversely affect portfolio company revenue and its impact on revenue from outside the U.S. may particularly be significant in countries where laws are less protective of intellectual property rights. The absence of harmonized patent laws makes it more difficult to ensure consistent protection of intellectual property rights. Reductions in the legal protections for software intellectual property rights could also adversely affect portfolio companies.

### **Software Code Protection**

The development and protection of source code is critical to many businesses in the software industry. If an unauthorized disclosure of a significant portion of such a portfolio company's source code occurs, such portfolio company could potentially lose future trade secret protection for such source code. The loss of trade secret protection could make it easier for others to compete with such portfolio company's products by copying their functionality, which could adversely affect such portfolio company's revenue and operating margins. Unauthorized disclosure of source code could also increase security risks (e.g., viruses, worms, and other malicious software programs that may attack a portfolio company's products and services). Costs for remediating the unauthorized disclosure of source code and other cyber-security breaches may include those related to increased protection, reputational damage, loss of market share, liability for stolen assets or information, and repairs to damaged systems. Remediation costs may also include incentives offered to maintain a portfolio company's business and/or customer relationships following a security breach.

### **Need for Follow-On Investments**

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

### **Non-U.S. Investments**

Each Fund may invest in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories, and possessions. Such investments may be subject to certain additional risks due to, among other things, potentially unsettled points of applicable governing law, the risks associated with fluctuating currency exchange rates, capital repatriation regulations (as such regulations may be given effect during the term of each Fund), the application of complex U.S. and non-U.S. tax rules to cross-border investments, possible imposition of non-U.S. taxes on a Fund and/or investors with respect to a Fund's income, and possible non-U.S. tax return filing requirements for that 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.

### **Currency Exchange Risk**

The books of each Fund will be maintained, and contributions to and distributions from each Fund generally will be made, in U.S. dollars. Each Fund's non-U.S. investments, however, may be denominated in currencies other than the U.S. dollar, and hence the value of such investments will depend in part on the relative strength of the U.S. dollar compared to such other currencies. Each Fund may be affected favorably or unfavorably by exchange control regulations or changes in the exchange rate between foreign currencies and the U.S. dollar, as well as the transaction costs associated with converting foreign currencies into U.S. dollars. Changes in foreign currency exchange rates may also affect the value of dividends and interest earned, and the level of gains and losses realized on the sale of such investments. The rates of exchange between the U.S. dollar and other currencies are affected by many factors, including forces of supply and demand in the foreign currency exchange market. Exchange rates also are affected by the international balance of payments and other economic and financial conditions, government intervention, speculation, and other factors. The Adviser may, but is not obligated to, enter into currency hedging arrangements in connection with the Fund's non-U.S. investment activities. Even if a Fund does enter into such arrangements, there can be no assurance that it would successfully protect the value of that Fund's non-U.S. investments. While such transactions may reduce certain risks, such transactions themselves may entail certain other risks and costs. Thus, while a Fund may benefit from the use of these hedging mechanisms, unanticipated changes in commodity prices, interest rates, securities prices, currency exchange rates, and/or other events relating to such hedging transactions may result in a poorer overall performance for that Fund than if it had not entered into such hedging transactions.

### **Hedging Arrangements; Related Regulations**

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

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

Certain hedging arrangements may create for the Adviser and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission ("CFTC") or other regulator

or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

### **Impacts of Excuse or Exclusion**

An investor's participation in a Fund's investments could be limited by virtue of the Adviser's right to exclude an investor from, or an investor's right to be excused from, participating in certain of that Fund's investments as set forth in the applicable partnership agreement, thereby increasing the participation of other investors. As a consequence of one or more investors being excused or excluded or other factors limiting their participation in investments, the aggregate returns realized by the participating investors could be adversely affected in a material manner by the unfavorable performance of even one investment by a Fund.

### **Public Company Holdings**

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

### **Investments Longer than Term**

Each Fund is authorized to make investments that cannot be advantageously disposed of, or have liabilities that may not be resolved, prior to the date that such Fund is dissolved, either by expiration of such Fund's term or otherwise, or such Fund's term may be extended to facilitate the wind-down of such Fund. Although the Adviser generally expects that investments will be disposed of prior to each Fund's dissolution or will be suitable for in-kind distribution at the time of such Fund's dissolution, the Adviser has a limited ability to extend the term of a Fund, as set forth in such Fund's governing agreement, and such Fund may be required to sell, distribute, or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time as a result of its dissolution. To the extent that such investments are held in trust in connection with such Fund's dissolution, such trusts may incur operating and formation expenses. In addition, there can be no assurance with respect to the timeframe in which such Fund's winding up and final distribution of proceeds to the investors will occur.

### **Distressed Investments**

Each Fund may invest in the securities and obligations, including debt obligations that are in covenant or payment default, of companies experiencing significant financial difficulties and material operating issues, including companies that may have been, are, or will become involved

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

### **Non-Controlling Investments**

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

### **Material Non-Public Information**

As a result of the operations of the Adviser, the Adviser frequently comes into possession of confidential or material, non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by each Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies. Due to these restrictions, a 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.

### **Litigation**

The transactional nature of each Fund's business exposes the Fund, the Adviser, and their respective affiliates generally to the risk of third-party litigation. In the ordinary course of its business, the Adviser, a Fund, its General Partner, its investments, and their respective affiliates may be subject to litigation from time to time. Under the applicable partnership agreement, each Fund will generally be responsible for indemnifying its General Partner and certain other persons and entities for costs they may incur with respect to such litigation not covered by insurance. The

outcome of such proceedings could materially adversely affect the value of each Fund and could potentially continue without resolution for long periods of time. Additional regulation could also increase the risks of third-party litigation. Any litigation could consume substantial amounts of the Adviser's, General Partner's and the Principal's time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

## **Market Conditions**

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

## **Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments**

The recent deterioration of the global credit markets has made it more difficult for each Fund to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or to only offer committed financing for these investments on unattractive terms. Each Fund's ability to generate attractive investment returns may be adversely affected to the extent each Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S.

and global economies. Such marketplace events also may restrict the ability of each Fund to realize its investments at favorable times or for favorable prices.

### **Market and Credit Risks of Debt Securities**

A Fund may invest in debt securities. Debt securities are subject to credit and interest rate risks. “Credit risk” refers to the likelihood that an issuer will default in the payment of principal and/or interest on an instrument and how this risk changes over time. Financial strength and solvency of an issuer and the priority of the lien are the primary factors influencing credit risk. In addition, lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Certain of the investments may have an interest-only payment schedule, with the principal amount remaining outstanding and at risk until the maturity of the investment. Furthermore, certain instruments may provide for payments-in-kind interest, which has a similar effect of deferring current cash payments. In both cases, a company’s ability to repay the principal of an investment may be dependent on a liquidity event or the long-term success of the company, the likelihood of which is uncertain.

Each Fund will be dependent upon the judgment of the Adviser as to the credit quality of the investments. There can be no assurance that the Adviser will be successful in assessing the credit risk of the different investments or mitigating the impact of credit risk changes. A borrower’s ability to repay its loans may be adversely affected by numerous factors, including, without limitation, the failure to meet its business plan, a downturn in its industry or negative economic conditions. Loans that become non-performing may require a substantial amount of workout negotiations and/or restructuring, which may entail, among other things, a substantial reduction in the interest rate, capitalization of interest payments and a substantial write-down of the principal of the loan. However, even if such restructuring were successfully accomplished, a risk exists that upon maturity of such mortgage loan, replacement “take-out” financing will not be available. There is no assurance that the value of any collateral will be sufficient to protect all or a portion of the related investment. Deterioration in a borrower’s financial condition and prospects may be accompanied by deterioration in the value of any collateral and a reduction in the likelihood of capitalizing on any guarantees that may have been obtained from the borrower or other parties. A borrower’s failure to satisfy financial or operating covenants imposed under the related investment could lead to defaults and, potentially, acceleration of the time when the investment is due. Foreclosure on its assets securing an investment could trigger cross defaults under other loans of the borrower (or vice versa), and could result in prepayment of the investment (or such other loans) or jeopardize the borrower’s ability to meet its obligations under the investment, and could have a material adverse effect on the value of any related equity interests of such borrower that a Fund may hold.

Furthermore, the Adviser cannot assure that other claims may not be asserted that might interfere with enforcement of a Fund’s rights. The Adviser cannot guarantee the adequacy of the protection of a Fund’s interests, including the validity or enforceability of the applicable investment contract and the maintenance of the anticipated priority and perfection of any applicable security interests. A default by a borrower may result in a Fund being unable to liquidate the related investment prior to the termination of such Fund; and such investment may end up being restructured on terms that might result in such Fund being unable to liquidate it prior to the termination of the Fund. This

could cause the investors to receive in-kind distributions in respect of such investments upon the termination of such Fund.

### **Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes**

A Fund's ability to achieve its investment objectives, as well as the ability of such Fund to conduct its operations, is based on laws and regulations which are subject to change through legislative, judicial, or administrative action. Future legislative, judicial, or administrative action could adversely affect a Fund's ability to achieve its investment objectives, as well as the ability of such Fund to conduct its operations.

The growth of the private funds industry and its role in the overall economic landscape, as well as the increasing size and reach of private fund transactions, has prompted additional governmental and public attention to the industry and its practices. The outcome of any future U.S. federal election and changes in the control of the U.S. federal legislative and executive branches during a Fund's term could result in potential changes in laws and regulations affecting the private fund industry, which could negatively impact the operation and performance of such Fund and its investments, and require the Adviser to spend additional time and resources on regulatory compliance. Notably, the SEC has indicated that it intends to seek to enact changes to numerous areas of law and regulations that would impact the business of the Adviser, whether or not registered, and each Fund. In particular, the SEC has signaled an increased emphasis on investment adviser and private fund regulation and has proposed a number of new rules that, if adopted, would impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Any such changes are expected to materially impact the Adviser and its affiliates, each Fund and/or its investments, as well as increasing their expenses. Significant time and resources may be required to comply with new regulations, which potentially will detract from the time and resources dedicated to each Fund.

In addition, as private fund firms and other alternative asset managers become more influential participants in the U.S. and global financial markets and economy generally, the private fund industry has been subject to criticism by some politicians, regulators, and market commentators. The negative perception of the private fund industry in certain countries could make it harder for a Fund to successfully bid for and complete investments.

Additionally, a Fund could be required to incur additional costs and expenses in implementing structural changes in the conduct of such Fund's business, including to establish greater presence in certain jurisdictions in which such Fund invests or proposes to invest, and such Fund could also become directly or indirectly subject to additional tax liabilities (for example, through restrictions on or denial of the deductibility of interest expenses against taxable profits). The foregoing has the potential to make it less attractive or impractical to continue to invest in one or more jurisdictions. Additionally, such additional scrutiny could divert the Adviser's time, attention and resources from portfolio management activities.

### **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, disease outbreaks or pandemics, or other sources of political, social, or economic unrest. For example, the Russia-Ukraine military conflict has disrupted, and potentially will further disrupt, global financial systems, trade, energy, and transportation, among other things. Any such events or erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners, and businesses, including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Fund and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by a Fund and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn may have an adverse effect upon a Fund's portfolio companies.

### **Public Health Emergencies; COVID-19**

Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola, and the current outbreak of COVID-19, have and are resulting in market volatility and disruption, and future such emergencies have the potential to materially and adversely impact economic production and activity in ways that are impossible to predict, all of which may result in significant losses to each Fund.

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

The ultimate impact of COVID-19 — and the resulting precipitous 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 extent of COVID-19's impact will depend on many factors, including the ultimate duration and scope of the public health emergency and the restrictive countermeasures being undertaken, as well as the effectiveness of other governmental, legislative, and financial and monetary policy interventions (including the effectiveness of vaccines and the implementation of vaccination programs) designed to mitigate the crisis and address its negative externalities, all of which are evolving rapidly and may have unpredictable results. Even if and as the spread of the COVID-19 virus itself is substantially contained and economies are able to "re-open," it will be difficult to assess what the longer-term impacts of an extended period of unprecedented economic dislocation and disruption will be on future macro- and micro-economic developments, the health of certain industries and businesses, and commercial and consumer behavior.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to each Fund. The extent of the impact on each Fund and its portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality, and reductions in the availability of capital. These same factors may limit the ability of each Fund 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 each Fund intends to pursue, all of which could adversely affect each Fund's ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of each Fund, its portfolio companies, and the Adviser 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.

### **Cybersecurity Risks and Identity Theft**

Cyber-attacks and other malicious Internet-based activity continue to increase in frequency and magnitude. Techniques used to sabotage, or to obtain unauthorized access to, systems or networks change frequently and generally are not recognized until launched against a target. The information and technology systems of the Adviser, the Funds, their General Partners, and their portfolio companies and their respective service providers have the potential to 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.

The Adviser, the Funds, their General Partners, their portfolio companies and their respective service providers, and other market participants increasingly depend on information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Funds and their investors, despite efforts to adopt technologies, processes, and practices intended to mitigate these risks and protect the security of their computer systems, software, networks, and other technology assets, as well as the confidentiality, integrity, and availability of information belonging to the Adviser, the Funds, the investors, and portfolio companies. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to the systems of the Adviser, a Fund's General Partner, a Fund's portfolio companies, a Fund's service providers, counterparties, or data within these systems, including through phishing or ransomware attacks. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers, or other users of the Adviser's or a General Partner's systems to disclose sensitive information in order to gain access to the General Partner's data or that of the Adviser or the investors (including investor account and wire instructions). Similarly, third parties may attempt to fraudulently issue capital call notices or other requests to investors that purport to come from the General Partner or the Adviser, and/or induce investors to disclose wire and account information. If these systems are compromised, become inoperable for extended periods of time, or cease to function properly, the General Partner, the Adviser, the Fund, and/or a portfolio company may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the General Partner's, the Adviser's, the Fund's, and/or a portfolio company's operations, including the ability to make distributions to investors, 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 the General Partner's, the Adviser's, the Fund's, and/or a portfolio company's reputation, subject any such entity and its respective affiliates to legal claims, damages, and/or regulatory actions, or otherwise negatively affect their business and financial performance. To the extent that the General Partner, the Adviser, the Fund, or a portfolio company is subject to cyber-attack or other unauthorized access is gained to such entity's systems, such entity would be subject to substantial losses in the form of stolen, lost, or corrupted (i) customer data or payment information, (ii) customer or company financial information, (iii) software, contact lists, or other databases, (iv) proprietary information or trade secrets, or (v) other items including loss of capital. In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies, and data storage applications generally heightens these risks. Any of such circumstances could subject a portfolio company, or the Fund, to substantial losses. In addition, the General Partner's, the Adviser's, the Fund's, and/or a portfolio company's insurance coverage may be insufficient to compensate any such entity and its respective affiliates for incurred liabilities.

### **Privacy, Data Protection, and Information Security Compliance Risk**

The adoption, interpretation and application of consumer protection, data protection, and/or privacy laws and regulations (“Privacy Laws”) in the United States, Europe, and elsewhere could significantly impact current and planned privacy and information security-related practices, the collection, use, sharing, retention, destruction, and safeguarding of personal data, and some of a Fund’s current and planned business activities and, as such, could increase compliance costs for that Fund, its General Partner, and/or its portfolio companies and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such laws and regulation could result in fines, sanctions, or other penalties, which could materially and adversely affect the results of operations of that Fund and/or its portfolio companies and overall business, as well as have an impact on reputation.

Portfolio companies are generally subject to laws and regulations related to privacy, data protection, and information security in the jurisdictions in which they do business. As privacy, data protection, and information security laws are implemented, interpreted, and applied, compliance costs may increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

For example, California has passed the California Consumer Privacy Act of 2018, which was recently amended, and the European Union (“EU”) and United Kingdom (“UK”) have enacted the General Data Protection Regulation (EU 2016/679), each of which broadly impacts businesses that handle various types of personal data, potentially including private fund managers and their funds and investments. Such laws impose stringent legal and operational obligations on regulated businesses, as well as the potential for significant penalties.

Other jurisdictions, including the U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities, and operational and legal obligations. Such Privacy Laws are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include a Fund, its Adviser, and/or its portfolio companies.

## **ESG Regulatory Risks**

There is growing regulatory interest, particularly in the U.S., the UK, and the EU, in improving transparency around how asset managers and companies define and measure ESG performance, in order to allow investors to validate and better understand sustainability claims. The Fund’s investments could become subject to additional regulation in the future (including pursuant to the various legislative initiatives stemming from the action plan on sustainable finance adopted by the EU Commission in March 2018 or other regulatory developments), and the Fund cannot guarantee that its investments will be able to comply with future regulatory requirements or best practices.

## **LIBOR and Other Benchmark Interest Rates**

To the extent that (i) a Fund’s investments (whether made, acquired, or otherwise) and/or (ii) a Fund’s and/or its affiliates’ credit arrangements or facilities, hedging activities, derivative- or other structures, in each case, are subject to, utilize or otherwise reference, whether directly or indirectly, a variable interest rate that is based on (or calculated with reference to) the London Interbank

Offered Rate (“**LIBOR**”), the Euro Interbank Offered Rate, the Canadian Dollar Offered Rate (“**CDOR**”), or any other reference rate, benchmark, or index (collectively, together with any permutations thereof and any credit spread adjustments thereto, “**Benchmark Rates**”), each Fund will be subject to certain material risks, some of which are described below.

In July 2017, the UK Financial Conduct Authority (the “**FCA**”) announced its intention to cease compelling panel banks to submit quotes for LIBOR and to phase-out LIBOR by December 31, 2021. In March 2021, the ICE Benchmark Administration (“**IBA**”), the FCA-regulated LIBOR administrator, announced its intention to cease the publication of (i) the one-week and two-month United States Dollar (“**USD**”)-LIBOR tenors and (ii) British pound-euro-Swiss franc-and Japanese yen-LIBOR tenors immediately following the LIBOR publication on December 31, 2021, and cease publication of the remaining USD-LIBOR tenors by June 30, 2023. That same month, the Alternative Reference Rates Committee (“**ARRC**”) confirmed that in its opinion, the announcement by the IBA constitutes a “benchmark transition event” with respect to all USD-LIBOR tenors pursuant to the ARRC recommendations. Concurrently with the IBA’s statement, the Federal Reserve Board, the Office of the Comptroller of the Currency, and the Federal Deposit Insurance Corporation released a statement that (i) encouraged banks to cease entering into new contracts that use USD-LIBOR as a Benchmark Rate as soon as practicable and in any event by December 31, 2021, (ii) indicated that new contracts entered into before December 31, 2021 should either utilize a Benchmark Rate other than USD-LIBOR or have robust fallback language that includes a clearly defined alternative Benchmark Rate after USD-LIBOR’s discontinuation, and (iii) explained that extending the publication of certain USD-LIBOR tenors until June 30, 2023 would allow most legacy USD-LIBOR contracts to mature before LIBOR experiences disruptions. It is possible that the IBA and the panel banks could continue to produce LIBOR rates after June 30, 2023, or the FCA could deem LIBOR to be no longer representative of its underlying market prior to that date, but no assurance can be given that LIBOR will survive in its current form, or at all prior to that date. The survival of LIBOR in its current form, or at all, is not guaranteed and, if LIBOR in its current form does not survive, it could cause a disruption in the credit markets generally, which could negatively impact a Fund’s investments and/or a Fund’s business, financial condition, and results of operations.

On April 6, 2021, the Governor of New York signed into law legislation that addresses contracts governed by New York law that have no or ineffective LIBOR fallback language. On the date the relevant USD-LIBOR tenor ceases to be published or is announced to no longer be representative, the USD-LIBOR tenor of such contract will be replaced with a spread-adjusted, SOFR-based rate to be recommended by the Federal Reserve Board, the Federal Reserve Bank of New York, or the ARRC. The legislation further provides a safe harbor from liability for the parties that have the right to select and use a recommended benchmark replacement. The parties to the contracts covered by the legislation are not precluded from amending such contract to choose a different rate than the recommended benchmark replacement. There is similar draft legislation in Congress that would, if enacted, address the LIBOR transition for covered contracts in all states and territories in the United States. As currently drafted, the federal legislation would preempt New York’s law and any other state LIBOR transition laws that are or may in the future be put into effect. There is no assurance that any or all of a Fund’s investments will fall within the scope of the New York law, that the federal legislation will be enacted into law, or, if enacted, that the law will not differ in material aspects from the current draft legislation.

The Bank of England also began publishing its proposed alternative rate, the Sterling Overnight Index Average (“**SONIA**”) on April 23, 2018. Both SOFR (as defined below) and SONIA significantly differ from LIBOR—both in the actual rate and how it is calculated—and therefore it is unclear whether and when the markets (or any of them) will adopt either of these Benchmark Rates as a widely accepted replacement for LIBOR.

As of the date hereof, the current nominated replacement for United States Dollar-LIBOR is the Secured Overnight Financing Rate (“**SOFR**”) and the nominated replacement for GBP-LIBOR is SONIA. In March 2020, the Federal Reserve began publishing 30-, 90-, and 180-day tenor SOFR Averages and a SOFR Index. On October 23, 2020 the International Swaps and Derivatives Association (“**ISDA**”) published (i) updated interest rate definitions, which include hardwired fallback drafting for transitioning un-cleared over-the-counter USD-LIBOR-based interest rate swaps to SOFR and other ‘risk-free-rates’ and (ii) a corresponding protocol to facilitate retroactive amendment for existing swap documents. The ISDA definitions came into effect on January 25, 2021 and apply to most un-cleared over-the-counter swaps entered into after publication. The ISDA publications also included an automatic switch to SOFR/SONIA on the date when LIBOR ceases to be published or is announced by regulators to be non-representative.

Currently, there is no final consensus as to which Benchmark Rate(s) (including any adjustment and/or permutation thereof) will replace all or any LIBOR tenors after the discontinuation thereof and there can be no assurance that any such replacement Benchmark Rate(s) will fully attain market acceptance (including in public and private credit and direct lending markets).

Markets are developing slowly and questions around liquidity in these rates and how to appropriately adjust these rates to mitigate any economic value transfer at the time of transition remain a significant concern, including consensus on any credit spread adjustments that may be applied to investments or other instruments using SOFR or other LIBOR-replacement benchmarks as a Benchmark Rate. The transition from LIBOR to other Benchmark Rates may involve, among other things, increased volatility or illiquidity in markets for instruments that, either directly or indirectly, currently use, are based on or are calculated with reference to LIBOR, including for instruments that use SOFR or other LIBOR-replacement benchmarks as a Benchmark Rate.

Even if one or more replacement Benchmark Rates (e.g., forward-looking Term SOFR) are adopted across all public and private credit markets (including direct lending markets), any transition away from LIBOR to one or more alternative Benchmark Rates is complex and could have a material adverse effect on a Fund’s investments, and/or a Fund’s business, financial condition, and results of operations, including, without limitation, as a result of (i) any changes in (a) pricing and/or availability of investments, (b) the market value of a Fund’s investments, and/or (c) the liquidity and/or trading volume of a Fund’s investments in primary and/or secondary markets, as applicable, (ii) negotiations and/or changes to the documentation for certain of a Fund’s investments, and/or a Fund’s own leverage and credit facilities and in each case, the pace of such changes, disputes, and other actions regarding the interpretation of existing and prospective loan documentation, (iii) changes to the interest rate (or anticipated interest rate) earned by a Fund as a holder of such investments for any number of reasons, including due to a replacement Benchmark Rate that is not reflective of the then-current interest rate environment during any one

or more calculation periods, increased basis risk, or otherwise, (iv) changes in basis risk between investments and hedges, and/or basis risks within investments (e.g., securitizations), (v) changes to valuation measurements that use or reference LIBOR, whether directly or indirectly, (vi) costs of modifications to processes and systems, and/or costs of administrative services and operations, including monitoring of recommended conventions and Benchmark Rates, or any component of or adjustment to the foregoing, and (vii) costs of causing each Fund and/or, indirectly, causing one or more Portfolio Companies to incur expenses to manage the transition away from LIBOR. Further operational complexities may include significant changes to IT systems or operational processes, including enhancements or modifications to systems, controls, procedures, and risk or valuation models associated with the transition to, or tracking/monitoring of, one or more new Benchmark Rates.

While it is common for recently issued instruments to contemplate a scenario where LIBOR is no longer available by providing fallback language describing an alternative rate setting methodology and mechanisms to change the applicable Benchmark Rate (whether automatically or by amendment) to replace LIBOR, not all instruments have such provisions and there are significant uncertainties regarding the effectiveness of any such alternative methodologies. As such, as noted above, a Fund and/or one or more of its Portfolio Companies 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 that Fund and its Portfolio Companies. Similarly, even though the terms of a Fund's own credit facilities may provide for mechanics to amend the credit facilities in order to reflect a new Benchmark Rate in place of LIBOR, the determination of such a new Benchmark Rate may require further negotiation, including between the Adviser and the applicable lender. There can be no certainty that a favorable agreement between the parties will be reached, and the terms of a Fund's credit facilities may also provide that, during certain periods, including transition periods, amounts available to be drawn under that Fund's credit facilities may bear interest at a higher rate. In addition, the applicable lender may have an unfettered ability to make certain changes to the terms of a Fund's credit facility to implement a new Benchmark Rate, which that Fund may have no control over.

To the extent swaps, hedges, and/or similar derivatives or instruments that use or reference, whether directly or indirectly, LIBOR or another similar Benchmark Rate, including swaps or contracts used to manage long-term interest rate risk related to assets and/or liabilities, are entered into, in addition to the potential need 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. 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 greater payments or less payments under its derivatives or similar instruments, 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 Benchmark Rate not to be determined until the end of the relevant calculation period, rather than at the beginning, which could lead to administrative

challenges for a Fund and its Portfolio Companies, and their respective affiliates and service providers.

### **Compliance with Anti-Money Laundering Requirements**

In response to increased regulatory concerns with respect to the sources of funds used in investments and other activities, a Fund may request prospective and existing investors to provide additional documentation verifying, among other things, such investor's identity and the source of funds used to purchase interests in that Fund. The Adviser may decline to accept a prospective investor's subscription if this information is not provided or on the basis of such information that is provided. Requests for documentation may be made at any time during which an investor holds any interest in that Fund. The Adviser may be required to provide this information, or report the failure to comply with such requests, to governmental authorities, in certain circumstances without notifying an investor that the information has been provided. The Adviser will take such steps as it determines may be necessary to comply with applicable law, regulations, orders, directives, or special measures that may be required by government regulators. Governmental authorities are continuing to consider appropriate measures to implement anti-money laundering laws and at this point it is unclear what steps the Adviser may be required to take; however, these steps may include prohibiting such investor from making further contributions of capital to the relevant Fund, depositing distributions to which such investor would otherwise be entitled to an escrow account, and causing the withdrawal of such investor from the such Fund.

### **Conflicts of Interest**

Investors should be aware that various actual and potential conflicts will arise from the overall investment activities of the Adviser, the Funds, their General Partners, and their respective affiliates. The following discussion identifies certain potential conflicts of interest that should be carefully considered before making an investment in a Fund. In addition, investors should be aware that the Adviser, the General Partners, and their respective personnel and affiliates likely will in the future engage in further activities that will result in additional conflicts of interest not addressed below. There can be no assurance that the Adviser or the General Partners will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to the Funds.

The Principal and other Adviser personnel expect to spend a portion of their business time and attention pursuing investment opportunities that do not fall within the investment objectives of the Funds for other investment funds and other than on behalf of the Funds. The Adviser believes that the significant investment of the Principal and other Adviser's employees in the Funds, as well as the Principal and other Adviser's employees' interest in the carried interest, operate to align, to some extent, the interest of investors with the interest of the Advisers' employees, although the Principal and other Advisers' employees have economic interests in such other investment funds and investments as well and receive fees and carried interest relating to these interests, which potentially will be more favorable than the Management Fees and carried interest with respect to a Fund. In particular, the Adviser currently manages the Day View Fund that focuses on investments in private technology companies; however, such fund is not expected to make new investments. In addition, the Principal and other Adviser personnel expect to provide certain

management services to several investment vehicles (collectively, “**Riverside Funds**”) sponsored by Riverside Partners LLC (d/b/a The Riverside Company) (“**Riverside**”) (a separate investment adviser where the Principal and certain Adviser personnel were employed) that focus on investments in private technology companies. Other investment vehicles that the Principal and other Adviser’s employees potentially will control or manage include SPACs, separate accounts, and other investment vehicles and investments. Such other investment funds and investments that Adviser personnel expect to control or manage generally are expected to compete with the Funds for investment and disposition opportunities. In addition, their portfolio companies are expected to compete.

Until such time as the Adviser is permitted under the applicable governing agreement of a Fund to raise a successor investment fund to such Fund, the Adviser generally will pursue substantially all appropriate investment opportunities that meet the investment criteria of such Fund principally for the benefit of such Fund, subject to certain exceptions set forth in such Fund’s governing agreement. However, the Adviser currently expects to manage other investment funds, which will make investments similar to those in which the Funds will be investing and expect to direct certain relevant investment opportunities or resources to those investment funds. Thus, over time, certain investment opportunities suitable for the Funds are also expected to be suitable for other investment funds sponsored or advised by the Adviser or its affiliates. In determining which investment funds should participate in such investment opportunities, subject to the applicable governing agreements of such investment funds, the Adviser and its affiliates will be subject to conflicts of interest among the investors in a Fund and investors in the other investment funds sponsored by the Adviser. To determine whether a Fund or other investment funds sponsored by the Adviser or its affiliates will participate in the relevant investment opportunity, the Adviser would generally assess whether an investment opportunity is appropriate for each relevant fund based on the terms of such fund’s governing agreement, as well as factors which include, but are not limited to: (i) investment objectives and investment strategies of the funds, (ii) the expected hold period for such opportunity, (iii) the sector and geography/location of the investment, (iv) the specific nature (including size, type, amount, liquidity, anticipated maturity, and minimum investment criteria) of the investment, (v) the expected risk adjusted return of the investment, (vi) the expected leverage on the investment, (vii) the amount of uncalled capital available to be invested by any applicable fund(s), including taking into account future capital requirements, (viii) the amount of time remaining in the investment period or term of any applicable fund(s), (ix) any applicable limitations in the governing agreement or side letters of any applicable fund(s), including concentration limits and the requirement to excuse any investor of any such fund from investing in such opportunity, (x) the existing or anticipated future portfolio construction of any applicable fund(s), (xi) mandatory minimum investment rights and other contractual obligations applicable to participating funds and/or to their investors, (xii) portfolio diversification and relative exposure to market trends, (xiii) the avoidance of de minimis allocations to one or more participating funds, (xiv) the potential dilutive effect of a new position, (xv) the relation to existing investments in a fund, if applicable (e.g., “follow on” to existing investment, joint venture, or other partner to existing investment, or same security as an existing investment), (xvi) the overall risk profile of a portfolio, (xvii) facts, circumstances, and preferences applicable to any investor of any applicable fund(s), (xviii) conflicts considerations, (xix) investment goals and diversification considerations of any applicable fund(s), (xx) co-investor participation, (xxi) legal, tax, regulatory, policy, restrictions, and other similar considerations, (xxii) strategic benefits associated with any

applicable Adviser fund(s), and (xxiii) any other factors deemed relevant by the Adviser and its affiliates. In such circumstances, the Adviser would determine the allocation of investment opportunities among funds in a manner that it believes is fair and equitable consistent with the Adviser's obligations and generally will take into consideration factors such as those set forth above. In addition the latest Riverside Fund is expected to have the right of first refusal (to the extent of available capital) in respect of follow-on investments that are expected to be suitable for the Funds. As such, the Adviser will be subject to a conflict of interest when determining the nature of a particular investment opportunity. Following the determination of an investment allocation with respect to each Fund, the Adviser reserves the right to offer co-investment opportunities to one or more potential co-investors including service providers, special consultants, other investment funds advised by the Adviser, or its affiliates including Riverside Funds and other third parties. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by a Fund, and because co-invest opportunities generally appeal to Fund investors and third parties, the Adviser expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to a Fund. The Adviser could be incentivized to provide such co-investment opportunities to other parties if it perceives such opportunities could provide near-term or long-term benefits, or establish, strengthen, or recognize relationships with respect to the investment, a Fund, the Adviser, and/or its affiliates. See Item 8 – "Methods of Analysis, Investment Strategies, and Risk of Loss – Conflicts of Interest–Co-investments" below.

While the Adviser will allocate investment opportunities in a way that it believes is fair and equitable to each Fund under the circumstances over time, there can be no assurance that such Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which the Adviser is subject did not exist.

Additionally, conflicts of interest can arise if a Fund makes an investment in a portfolio company in conjunction with an investment made by another investment fund sponsored or advised by the Adviser or an affiliate. For instance, a Fund potentially will not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as another Fund. This likely would result in differences in price, investment terms, leverage, and associated costs between a Fund and any other investing fund sponsored or advised by the Adviser or an affiliate. The Adviser and its affiliates may express inconsistent views of such investments or of market conditions more generally. There can be no assurance that any investing fund(s) will exit the investment at the same time or on the same terms or that a Fund's return on such an investment will be the same as the returns achieved by any other investment fund participating in the transactions. In that regard, actions taken for one or more funds managed by the Adviser or its affiliates will potentially adversely affect another Fund. To the extent a fund sells its interest in an investment to a third-party, it may impact the value of the other vehicles interest in the same investment, and will give rise to the co-venturer risks.

The General Partners and the Adviser reserve the right to enter into cross-transactions on behalf of any investment funds sponsored or advised by the Adviser (e.g., the Day View Fund or the Riverside Funds, respectively), or co-investors or co-investment vehicles, in which a Fund buys securities from, or sells securities to, or co-invests with, such other persons. In some cases, an



investment of a Fund may be merged with or into an investment owned by another fund sponsored by the Adviser or its affiliates. Investments in a portfolio company by more than one fund sponsored by the Adviser or its affiliates raise potential conflicts of interest, including where the assets of a Fund support positions taken by other funds sponsored by the Adviser or its affiliates and/or the transactions allow the Adviser or its affiliates to realize carried interest and/or obtain future management fees and/or carried interest with respect to such investments. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant funds' limited partnership agreements (or similar governing documents) or otherwise in the sole discretion of the applicable funds' general partners, such general partner is authorized to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker at the cost of a Fund to opine as to the fairness of a purchase or sale price) or by obtaining the consent of the relevant fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. The Adviser is also authorized to determine that the willingness of a third-party to make an investment on the same terms demonstrates the fairness of the relevant transaction to a Fund under then-current market conditions, and therefore determine not to obtain any consent. Further, funds sponsored by the Adviser or its affiliates nearing the end of their term are expected from time to time to sell their interest in commonly held investments to other funds sponsored by the Adviser or its affiliates with more time remaining in their term, which gives rise to the conflicts of interest discussed herein. Conflicts of interest are also heightened in the foregoing transactions to the extent the partners of the relevant General Partner are assigned varying percentages of carried interest from funds in the same investment, or if economic terms, performance, or the potential for carried interest vary between funds sponsored by the Adviser or its affiliates, particularly when one fund sells its portion of such investment to another fund, which could cause a portion of such carried interest to become "realized." Whether or not advisory board consent is obtained or there is a fairness opinion or a third-party investor, the Adviser intends to conduct such transactions in a manner that the Adviser believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund including the relative ownership percentages of the funds in the applicable investment, the length of time remaining in a fund's term, and other factors similar to those discussed above regarding the allocation of investment opportunities.

Where multiple Funds sponsored or advised by the Adviser or its affiliates invest at the same, different, or overlapping levels of an investment's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions are likely to 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 work-out or restructuring will raise conflicts of interest, particularly with respect to funds that have invested in different securities within the same investment. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, other funds managed by the Adviser or its affiliates may or may not provide such additional capital, and if provided, each such fund generally will supply such additional capital in such amounts, if any, as determined by such fund's general partner in its

sole discretion. Because of the different legal rights associated with debt and equity of the same investment, the Adviser and its affiliates are likely to face a conflict of interest in respect of the advice given to, and the actions taken on behalf of, a Fund versus another fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations, and the resolution of workouts or bankruptcies). In certain circumstances a Fund is expected to be prohibited from exercising (or the Adviser 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 such Fund may be subject to creditor claims regarding subordination of interests. Given the nature of the foregoing conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to any Fund.

If funds enter into any indebtedness with each other or one or more other investment funds and entities managed by the Adviser or any of its affiliates on a joint and several basis, the applicable general partner is expected to enter into one or more agreements that provide each fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, the Adviser may be subject to conflicts of interest, for example between a fund with a reimbursement obligation and a fund seeking reimbursement. In certain circumstances, Adviser's funds may be prohibited from exercising (or the Adviser may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one fund or the other may be subject to creditor claims regarding subordination of interests. The Adviser intends to mitigate any potential conflicts by structuring such agreement in a manner intended to cause each fund to bear its proportionate share of the applicable indebtedness.

The Adviser expects to be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses among any current or future funds. The Adviser, in its sole discretion, intends to allocate fees and expenses in accordance with the applicable governing agreements and in a manner that it believes is fair and equitable to its clients under the circumstances over time, based on its then current internal allocation policy and considering such factors as it deems relevant. The allocations of such expenses often will not be proportional, and any such determinations involve inherent matters of discretion (e.g., in determining whether to allocate pro rata based on the number of funds or co-investors receiving related benefits or proportionately in accordance with asset size or, in certain circumstances, determining whether a particular expense has a greater benefit to a particular current or future funds or the Adviser or its affiliates).

As a general matter, broken deal expenses are allocated among investors regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. Each Fund also expects to bear fees and expenses indirectly to the extent a portfolio company (or intermediate entity) pays fees and expenses, and the Adviser reserves the right to charge fees and expenses to portfolio companies, capitalize fees and expenses into the cost basis of a transaction, or to the extent necessary or desirable for operational, administrative, tax or other reasons, charge fees and expenses at the level of an intermediate holding company between a Fund and the portfolio company. The amount of a Fund's expenses ultimately called or called at any one time may exceed expectations.

Because the Adviser and its affiliates are permitted to retain certain transaction fees, monitoring fees, and similar “Transaction Fees” as set forth in the applicable governing agreement in connection with a Fund’s investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, such Transaction Fees potentially will be based on a flat amount established with the Adviser at the time of engagement, or enterprise value or other metrics relating to a portfolio company, and there can be no assurance that the amount of such Transaction Fees charged will be proportional to the amount of hours of work performed on behalf of the portfolio company. In certain circumstances, the Adviser expects that co-investors, lenders, consultants, or other parties from time to time will negotiate the right to share a portion of such Transaction Fees from a particular investment, and any Management Fee offset percentage will be applied after excluding any amounts paid to such persons. Additionally, the Adviser, its personnel, affiliates, or others designated by the Adviser, including service providers, expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the applicable governing agreement are applied, the Adviser and/or such other recipients will be permitted to retain such securities as Transaction Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such securities (subject to restrictions imposed by the portfolio company and/or the Adviser or retain such securities for a period consistent with their own financial and investment objectives, which is likely to differ from those of the relevant Fund). In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting each Fund’s relative ownership of the portfolio company awarding such compensation. In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, the Adviser reserves the right to accrue, defer, or forego payments of Transaction Fees, and reserves the right to charge interest at then-available rates with respect to such amounts. In such cases, in accordance with the applicable governing agreement, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received. Similarly, the Adviser reserves the right to agree with consultants, service providers, portfolio company management or other parties that all or a portion of certain expense reimbursements, payments or other amounts owed to such persons relating to one or more portfolio companies will be paid in the form of a profits interest granted in the relevant portfolio companies or related intermediate entities. While such an arrangement could be more favorable to the relevant Fund if the investment does not increase in value, in the event of appreciation in the relevant portfolio company any such profits interest generally would have a dilutive impact on that Fund’s investment, as well as the potential to result in economic gains greater than the original amount of compensation. From time to time, employees or other personnel of the Adviser or their respective affiliates are likely to also be asked to serve as directors of, or observers with respect to, certain entities in which a Fund has fully exited its ownership interest. Similarly, the Principal and other Adviser personnel expect to receive fees and compensation with respect to their services to the Riverside Funds. Any compensation received by such personnel in connection with such outside board seats and outside activities will not be offset against the Management Fee or otherwise be shared with the relevant Fund and/or investors.

Additionally, a portfolio company typically will reimburse the Adviser and service providers retained at the Adviser's discretion for expenses (including, without limitation, travel expenses) incurred by such persons in connection with the performance of services for such portfolio company. This subjects the Adviser to conflicts of interest because a Fund generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the applicable governing agreement and its internal reimbursement policies and practices, the Adviser determines the amount of these reimbursements for such services at its own discretion.

The Adviser or its affiliates are also authorized to employ or retain personnel with pre-existing ownership interests in or who were employed by portfolio companies owned by a Fund or other funds or investment vehicles advised by the Adviser or an affiliate, conversely, former personnel or executives of the Adviser or its affiliates will likely serve in significant management roles at portfolio companies or service providers recommended by the Adviser. Similarly, the Adviser and/or its personnel maintain relationships with (and reserve the right to invest in) financial institutions, service providers, and other market participants, and their respective affiliates and personnel, including managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Adviser, or the Fund, other funds, and/or other investment vehicles the Adviser or an affiliate sponsors or advises or portfolio companies. The Adviser will have a conflict of interest with a Fund in recommending the retention or continuation of a service provider to such Fund or a portfolio company owned by such Fund if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more funds the Adviser or an affiliate sponsors or advises, will provide the Adviser information about markets and industries in which the Adviser or its affiliates operate (or are contemplating operations) or will provide other services that are beneficial to the Adviser. For example, the Adviser will potentially cause a Fund to make payments to investment banks, all or a portion of which is for the purpose of generating future deal flow, however, such payments may not result in any future deal flow, or could create goodwill that ultimately results in future deal flow for one or more other funds managed by the Adviser that did not pay such expenses. The Adviser will have a conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between itself and the existing and prospective investments for a Fund and other funds and investment vehicles that the Adviser or an affiliate sponsors or advises, while the products or services recommended will not necessarily be the best available to such Fund and/or portfolio companies held by such Fund.

Over the life of a Fund, the Adviser generally expects to exercise its discretion to recommend to such Fund or to an investment thereof that it contract for services or enter into transactions with various service providers (in addition to the persons referenced in the paragraph above), potentially including, among others: (a) the Adviser (or an affiliate, other portfolio companies of such Fund or other investment funds sponsored or advised by the Adviser or an affiliate) and at rates determined or substantively influenced by the Adviser, (b) an entity with which the Adviser or its

affiliates or current or former members of their personnel has a relationship or from which such person derives a financial or other benefit, including strategic alliances, joint ventures or co-venturers, or relationships where Adviser personnel are seconded, or from which the Adviser receives secondees, or (c) an investor (or a limited partner of another fund) or its affiliates. For example, the Adviser will potentially initiate transactions or service agreements between two or more portfolio companies of a Fund or other funds managed by the Adviser and is authorized to engage certain investors or their affiliates that are engaged in lending or other businesses to provide financing or other services in connection with such Fund's investments. In addition, one portfolio company potentially will provide goods or services to another portfolio company, and there can be no assurance that the terms of any such transaction will be the same as those that would be obtained in an arm's length transaction between unaffiliated parties. In particular, such transactions could result in the provision of services to a portfolio company at a rate higher than could be obtained by such portfolio company on the open market, or conversely, result in a portfolio company providing services to another portfolio company at a discounted rate.

The foregoing arrangements subject the Adviser to potential conflicts of interest, because although it intends to initiate transactions and select service providers that it believes are aligned with its operational and value creation strategies and that will enhance investment performance, the Adviser will have an incentive to recommend the related or other person or transaction because of its financial or business interest. Additionally, there is a possibility that the Adviser, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen, or cultivate relationships that have the potential to provide longer term benefits to the Adviser, a Fund, or other investment funds sponsored or advised by the Adviser or its affiliates), will favor such transaction, retention, or continuation even if a better price and/or quality of service provider could be obtained from another person. The Adviser will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its investments to incur) such expenses. Although the Adviser generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed, or other factors in retaining or recommending service providers. Whether or not the Adviser has a relationship with or receives financial or other benefit from recommending a particular transaction or service provider, there can be no assurance that no other transaction would be more beneficial or that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

The fact that the General Partners' carried interest is based on a percentage of net profits creates an incentive for the General Partners to cause the Funds to make riskier or more speculative investments or to hold an investment longer than otherwise would be the case. In addition, because each Fund has a fixed investment period after which capital from investors generally is only permitted to be drawn down in limited circumstances, and because the Management Fee is, at certain times during the life of each Fund, calculated based upon the invested capital of such Fund, the Management Fee structure creates an incentive for the General Partners to deploy capital, and to keep such capital deployed, when it might not otherwise have done so.

The Adviser (and its beneficial owners) may be subject to tax treatment in respect of its share of income arising from the carried interest and its commitment to the Fund, including tax treatment that differs materially from the taxation of similar items to certain investors, which could create

the potential for conflicts of interest. For example, various tax rules (including the three-year holding period requirement for capital gains treatment in respect of carried interest) could create an incentive for the Adviser to cause a Fund to borrow more frequently, in greater amounts or for longer periods, hold investments for longer than it would absent adverse tax consequences to the Adviser from a shorter holding period, or waive or defer the distribution or allocation of carried interest to the Adviser, potentially changing the character or amount of income allocated to investors. The Adviser will generally have the authority to control these decisions and any positions taken by each Fund in respect of tax elections or income allocations.

Adviser personnel are permitted to serve on boards or act in other roles unaffiliated with the Adviser, the Funds, or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies of the Adviser, and/or prior firms of Adviser personnel as discussed above. Such portfolio companies are expected to be in the same industry as the Fund's portfolio companies and have the potential to compete with such portfolio companies. In addition to the foregoing and subject to those limitations set forth in the applicable governing agreement, the Adviser and its personnel and affiliates reserve the right to carry on investment activities for their own account and for family members, friends, or others who do not invest in a Fund, whether or not through a formal family office or estate planning structure, and potentially will give advice and recommend securities to vehicles which differ from advice given to, or securities recommended or bought for, such Fund, even though their investment objectives are the same or similar. Such persons are also permitted to have capital investments in or alongside a Fund, or in prospective portfolio companies. Such investments also may be (directly or indirectly through investment vehicles sponsored by potential competitors) in the same industry as the investments in which any Fund invests. Such personnel also reserve the right to pay or receive compensation relating to the foregoing activities which will not offset the relevant Fund's Management Fee. Similarly, the Adviser, its personnel, and their respective affiliates reserve the right to buy or sell securities or other instruments that the Adviser has recommended to a Fund. In addition, such persons reserve the right to buy securities in transactions offered to but rejected by a Fund. Any such transactions are subject to any restrictions in the applicable partnership agreement and any related policies and procedures of the Adviser.

In borrowing on behalf of a Fund, the Adviser is subject to conflicts of interest between repaying its obligations and retaining such borrowed amounts for the benefit of that Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, the Adviser is expected to have incentives to cause a Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when that Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which investors would otherwise be entitled had the Adviser called capital, and thus could result in the Adviser receiving carried interest sooner than it would without borrowing. In addition, when the Management Fee is calculated as a percentage of invested capital, an investor potentially will pay a Management Fee on borrowed amounts used to fund investments that have not yet been realized even though such amounts would

not accrue preferred return as described above. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to investors will be commensurate with such costs.

From time to time the Adviser, its affiliates and personnel, and persons selected by them will be eligible to receive the benefit of “friends and family” and similar discounts from portfolio companies owned by a Fund under which such portfolio companies make their goods or services available at reduced rates. Discounted prices or better terms offered by a portfolio company to the Adviser, any portfolio company, or third parties have the potential to impact the returns of the portfolio company.

In connection with its services to a Fund and its investments, the Adviser, its affiliates, and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of the Adviser’s operations, including research, due diligence, investment monitoring, operational improvements, and investment activities, the Adviser and its personnel expect to receive and benefit from information, “know-how,” experience, analysis, and data relating to Fund or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors, and other metrics (collectively, “**Trimer Information**”). In many cases, Trimer Information will include tools, procedures, and resources developed by Trimer to organize or systematize Trimer Information for ongoing or future use. Although Trimer expects each Fund and its portfolio companies generally to benefit from Trimer’s possession of Trimer Information, it is possible that any benefits will be experienced solely by other or future Trimer funds or portfolio companies and not by such Fund or portfolio company from which Trimer Information was originally received. Trimer Information will be the sole intellectual property of Trimer and solely for the use of the Adviser. The Adviser reserves the right to use, share, license, sell, or monetize Trimer Information, without offset to the Management Fee, and the relevant Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale, or monetization.

Additionally, expenses relating to each Fund and its portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, “points,” “cash back,” rebates, discounts and other arrangements, perquisites, and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not de minimis or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Funds, or their respective investors, and no such rewards will offset the Management Fee. As with other private fund sponsors, as part of the Adviser’s business, the Adviser and its personnel have developed many relationships with third parties which have the potential to raise conflicts of interest. Such third parties include investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), co-investors, current and former directors, officers and employees of current and former portfolio companies, and former employees and members of the Adviser. Certain of these third parties are expected, from time to time, to: (i) introduce investment opportunities to the Adviser, (ii) arrange for, or facilitate the financing of, the purchase or recapitalization of current and potential portfolio companies, (iii) introduce portfolio companies to potential acquisition or merger candidates, (iv) facilitate the disposition of portfolio companies,

or (v) solicit investors for the Funds, and/or (vi) provide investment banking, consulting, legal, or advisory services to the Adviser and/or its affiliates, the Funds, and/or Fund portfolio companies. Such third parties are also expected, from time to time, to provide goods or services to or have business, personal, political, financial, or other relationships with Adviser personnel. In addition, such third parties are permitted to invest in one or more Funds, co-invest in one or more portfolio companies, or provide other significant business or investment services to the Adviser and/or its affiliates, the Funds and/or their portfolio companies. These relationships have the potential to influence the Adviser in deciding whether to select or recommend any such third-party to perform services for a Fund or portfolio company. The cost of any services provided by such third parties generally will be borne directly or indirectly by a Fund or its portfolio companies, as applicable.

In certain cases, the Adviser will have the opportunity (but generally no obligation unless otherwise agreed to with investors in side letters or the applicable governing agreement) to identify one or more secondary transferees of interests in a Fund. In such cases, the Adviser will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on eligibility and other factors similar to those employed in selecting co-investors as described below, and unless required by such Fund's governing agreement, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing investors.

#### *Co-Investments*

The Adviser is authorized, in its sole discretion, to provide or commit to provide co-investment opportunities to one or more investors, and/or other persons, including the Adviser and other affiliates of the Adviser, Adviser personnel, and/or certain other persons associated with the Adviser and/or its affiliates, advisors, consultants, service providers, finders, other sponsors, and market participants, in each case on terms to be determined by the Adviser in its sole discretion and subject to the Adviser's policies and procedures. Conflicts of interest potentially are likely to arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which are permitted to be made to one or more persons for any number of reasons as determined by the Adviser in its sole discretion, will not necessarily be in the best interests of each Fund or any individual investor. The Adviser's procedures permit it to take into consideration a variety of factors in making such determinations, including but not limited to: (i) whether the prospective co-investor has expressed an interest in evaluating co-investment opportunities, including the perceived degree of that interest, (ii) the expertise, knowledge, and sophistication of the prospective co-investor with respect to the issuer, segment, industry, geographic region, or other characteristics that are relevant to the investment, (iii) the prospective co-investor's perceived ability to approve the investment pursuant to any applicable internal approval processes (including the predictability of the prospective co-investor's investment process), and to otherwise successfully and efficiently execute the transaction, in a timely manner with respect to the timeframe in which the Adviser believes favorable transaction terms may be achieved based on their history of consummating co-investment opportunities, (iv) any tax, regulatory, securities laws, and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status), (v) confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity, (vi) the Adviser's perception of whether the investment opportunity may subject the prospective co-investor to legal,



regulatory, reporting, or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair the Adviser's ability to execute the relevant transaction in the desired time or on desired terms, (vii) the size of the investment allocation available to the Adviser (and not being allocated to any other investment funds and entities managed by the Adviser or any of its affiliates) and the practicality of splitting the allocation into smaller tranches, (viii) the ability of the prospective co-investor to invest an amount of capital that is consistent with the needs of the investment, taking into account the amount of capital reasonably expected to be needed (including for potential add-on acquisitions and other potential additional investments) and the maximum number of investors that can realistically participate in the transaction, (ix) any requirements of any third-party lenders as to the identity of any investors participating as co-investors, or as to the creditworthiness of any co-investors, or as to the number of co-investors, or as to other matters with respect to the investors in the transaction, (x) whether the prospective co-investor is considered "strategic" to the investment because it is able to offer the Adviser or its affiliates or any funds or entities which they manage certain services or benefits, including, but not limited to, the ability to help consummate the investment, the ability to aid in operating or monitoring the investment, or whether the Adviser believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen, and/or cultivate relationships (including formal and informal strategic relationships) that have the potential to provide longer-term benefits to the Adviser or its affiliates or any funds or entities which they manage, (xi) whether the prospective co-investor has a history of consummating co-investment opportunities with the Adviser or its affiliates, (xii) whether the prospective co-investor has the financial and operational resources and other relevant wherewithal to evaluate and participate in a co-investment opportunity, (xiii) the likelihood that the prospective co-investor would require governance rights (including, but not limited to, board or observer rights, access to the management team of the underlying portfolio company, or material informational rights) that would complicate or jeopardize the transaction (or, alternatively, where the investor would be willing to defer to the Adviser and assume a more passive role in governing the investment), (xiv) whether the prospective co-investor has any interests in any competitor of the underlying investment, (xv) the expected investment holding period, (xvi) the services provided by the prospective co-investor in connection with the investment and/or to the issuer of the investment (or otherwise provided by the prospective co-investor with respect to the investment), including sourcing, establishing relationships, participating in diligence, providing operational or financing services post-closing, and other services, (xvii) the size of the prospective co-investor's interest to be held in the underlying portfolio company as a result of the investment of another fund or entity managed by the Adviser or its affiliates (which is likely to be based on the size of the prospective co-investor's capital commitment and/or investment in such entity), (xviii) the size and/or timing of the prospective co-investor's commitment to a Fund or other funds sponsored by the Adviser, (xix) whether the prospective co-investor has any known investment policies and restrictions, guideline limitations, or investment objectives that are relevant to the transaction, including the need for early or recurring distributions, (xx) whether the prospective co-investor is likely to pay management fees and/or carried interest, (xxi) the likelihood that the prospective co-investor may invest in a future fund sponsored by the Adviser or its affiliates and other factors that the Adviser considers important in connection with the specific transaction or investment. The Adviser reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities, including as discussed in Item 8 –

“Methods of Analysis, Investment Strategies, and Risk of Loss – Conflicts of Interest–Seed Investor” below.

In some cases, a co-investment vehicle may be formed in connection with the consummation of a transaction and such entity will bear expenses related to its formation and operation. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial to the transaction, ultimately is not consummated, or a potential co-investor does not invest in a planned co-investment, all fees (including break-up fees) and expenses or other liabilities or obligations (including broken deal fees and expenses) relating to any such proposed transaction generally would be borne by the applicable Fund, and not by any potential co-investors that would have participated in such transaction. Typically, that Fund will bear such fees and expenses regardless of whether any co-investor(s) had yet been identified or confirmed, or whether any co-investment vehicle had yet been formed in connection with the relevant transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such fees and expenses. In addition, to the extent a Fund makes use of a credit facility to invest in a portfolio company or pay related expenses, it generally will not be reimbursed separately by co-investors for use of the facility and co-investors will not have any obligations under such facility.

Furthermore, the Adviser and its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other investors, and its consideration of relevant factors in determining co-investment allocations likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of the Adviser make capital investments (directly or indirectly through the General Partner) in or alongside the Fund, the Adviser is subject to potentially conflicting interests in connection with these investments. The Adviser’s allocation of co-investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations may be more or less advantageous to some such persons relative to others.

In addition, from time to time, the Adviser, in order to consummate a transaction or facilitate the acquisition of a portfolio company and ensure that a Fund is afforded an investment opportunity or otherwise, may cause that Fund to fund (or commit to fund) on behalf of certain co-investors with a view to selling down a portion of such investment to such co-investors or other persons at a later time or prior to or within a period after the closing of the acquisition. That Fund may or may not receive compensation for such activities. If that Fund does not find co-investors and/or in the event that the co-investors breach their covenant to purchase the investment from that Fund, that Fund will have an allocation to an investment that is larger than originally anticipated. In addition, that Fund will bear the risk that any or all of the excess portion of such investment could only be sold on unattractive terms. If the excess portion of such investment has not been sold, that Fund may bear the entire portion of any other fees, costs, and expenses related to such investment, hold a larger than expected investment in such portfolio company, and could realize lower than expected returns from such investment.

The Adviser reserves the right, in its sole discretion, to charge a management fee and obtain a carried interest in respect of any co-investment, and to receive transaction and other fees with respect to such co-investment. Since co-investments will not be made through the Funds, any compensation received by the Adviser or the Adviser in connection with a co-investment does not offset the Management Fee. As indicated above, in certain circumstances, the Adviser expects that certain co-investors will negotiate the right to share a portion of Transaction Fees from a particular investment, and any Management Fee offset percentage will be applied after excluding any amounts paid to such persons.

#### *Seed Investor*

Riverside and/or its affiliates are expected to hold an interest in a General Partner through which they will receive a portion of any carried interest generated by certain Funds. Further, Riverside will have the right to establish an investment vehicle or other structure for certain Riverside investors that would, if formed, invest side-by-side with certain Funds pro rata based on capital commitments and would pay Riverside a management fee, a portion of which Riverside will share with the Adviser. In addition, Riverside is expected to have a priority right to invest in Fund co-investment opportunities (ahead of other limited partners and investors). Given Riverside's ongoing relationship with the Adviser and its personnel, the Adviser generally will have incentives to conduct operations in a manner that benefits Riverside and potentially will face conflicts of interest with respect to its management of the Fund particularly to the extent the interests of the Fund and Riverside are not aligned.

#### *Products or Services Received by the Adviser From Portfolio Companies*

From time to time, certain portfolio companies of each Fund managed or advised by the Adviser could provide the Adviser and its affiliates with products or services that such portfolio companies regularly produce or provide as part of their business operations at reduced rates or without charge. Because its portfolio companies may offer such discounts to customers other than the Adviser and its affiliates as part of their standard commercial practices in an effort to expand their respective customer bases, the Adviser believes that the potential for conflicts of interest relating to such discounts is mitigated. The Adviser and its affiliates and personnel generally refrain from requesting or negotiating for such discounts in the ordinary course. Discounted prices or better terms offered by a portfolio company to the Adviser, any other portfolio company or third parties have the potential to affect the returns of the portfolio company.

**THE FOREGOING RISK FACTORS DO NOT PURPORT TO BE A COMPLETE DESCRIPTION OF ALL OF THE RISKS AND CONFLICTS THAT MAY BE ASSOCIATED WITH THE ADVISER'S INVESTMENT STRATEGY OR THAT ARE APPLICABLE TO EACH FUND. INVESTORS SHOULD READ THE OPERATIVE DOCUMENTS, THIS BROCHURE, AND ALL OTHER APPLICABLE DISCLOSURE MATERIALS IN THEIR ENTIRETY.**

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***Item 9: Disciplinary Information***

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Neither the Adviser nor its management personnel have any reportable legal or disciplinary events to disclose.

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***Item 10: Other Financial Industry Activities and Affiliations***

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**Item 10A: Broker-Dealer Activities**

Not applicable. The Adviser is not, and does not have a pending application to be, a broker-dealer.

**Item 10B: Commodities or Futures Industry Affiliations**

The Adviser and its investment personnel are not registered, and have not applied to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or associated persons of a futures commission merchant.

**Item 10C: Material Relationships**

The Adviser's affiliates serve as General Partner, managing partner, or investment manager with respect to certain Funds. These relationships are disclosed in the applicable partnership agreements and offering documents in connection with investing in the respective Funds.

As discussed in Item 8 – “Methods of Analysis, Investment Strategies, and Risk of Loss – Conflicts of Interest,” the Adviser, the Principal, and other Adviser personnel are expected to have relationships with, and provide services to Riverside, which manages private investment funds with strategies similar to the Funds. The Adviser intends to implement policies and procedures to address the allocation of investment opportunities as described above and in the governing documents of the Funds.

**Item 10D: Other Investment Adviser Recommendations**

Not applicable. The Adviser does not recommend or select other investment advisers for its Clients.

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

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Trimer has adopted a written Code of Ethics (the “**Code**”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 of the Advisers Act. The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser's

employees. The Code contains policies and procedures that ensure that all personal securities trading by access persons of Trimer is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual's position of trust and responsibility.

The Code requires, among other requirements, the Adviser's covered persons to:

- ▲ Report their personal securities transactions
- ▲ Pre-clear purchases of IPOs and private placements
- ▲ Comply with the policies and procedures reasonably designed to prevent the misuse of and trading upon material non-public information.

The Code also requires periodic reporting of employees' personal securities holdings and prompt reporting of Code violations. The Code requires the Adviser's covered persons to conduct their personal securities transactions in a manner that prioritizes the Clients' interests over theirs.

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

Trimer will provide a copy of the Code to any investor or prospective investor upon request to [compliance@trimercap.com](mailto:compliance@trimercap.com).

If, Trimer causes the Funds to enter into transactions and/or arrangements involving actual or potential conflicts of interest, including those described in Item 8 above, Trimer and its affiliates will review any such transactions or arrangements involving material conflicts of interest and take such actions as they deem appropriate or necessary under the circumstances in an attempt to ensure that the overall terms of such transactions or arrangements are fair and equitable under the circumstances.

Personnel of Trimer and its affiliates generally are expected to directly or indirectly own an interest in one or more Funds, including certain co-invest vehicles. To the extent that co-invest vehicles exist, such vehicles are authorized to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of Trimer, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles or directly in a particular portfolio company. Such co-investment opportunities generally will be allocated in the manner described under Item 8 – "Methods of Analysis, Investment Strategies and Risk of Loss – Co-investments."

In addition to the foregoing and subject to any limitations in the governing documents, Trimer and

its affiliates, principals and employees reserve the right to carry on investment activities for their own account and for family members, friends or others who do not invest in a Fund, and potentially will make investments and/or give advice and recommend securities to vehicles which could differ from advice given to, or securities recommended or bought for, the Fund, even though their investment objectives are the same or similar. Such investments could be (directly or indirectly through investment vehicles sponsored by potential competitors) in the same industry as the Funds invest, and have the potential to compete with the Funds for investment opportunities, and/or compete with portfolio companies of the Funds.

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***Item 12: Brokerage Practices***

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Trimer's advisory business generally involves privately negotiated transactions with the prospective sellers and prospective buyers. As a result, Trimer typically does not select or recommend broker-dealers for and does not use "soft" dollars in connection with Fund transactions. Accordingly, Trimer generally does not use, select, or otherwise recommend broker-dealer or other counterparties in connection with the investment activities of the Funds. Nonetheless, in some circumstances while implementing transactions for a Fund, Trimer may take into account the full range of applicable factors when hiring third party service providers or other intermediaries, including reputation, level of expertise, price, and other factors. More specifically, Trimer, on behalf of the Funds (or on behalf of their portfolio companies, if appropriate), may engage investment banks, securities underwriters, brokers, legal and tax experts, accounting experts, environmental experts, insurance professionals, and other service providers. The Funds (or their portfolio companies, as applicable) pay these service providers through commissions or other service fees. Trimer believes that the analysis of the value of the services rendered by these service providers involves a number of factors, and that price is not the ultimate factor when determining "best execution" in selecting service providers.

When publicly traded securities are the subject of a trade and there is a broker selection opportunity, Trimer will endeavor to select a broker or other counterparty on the basis of best execution and in consideration of various factors deemed relevant or appropriate, including, without limitation: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any), (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution, (iii) the financial strength, integrity and stability of the broker, (iv) the broker's risk in positioning a block of securities, and (v) the competitiveness of commission rates in comparison with other brokers satisfying the Adviser's other selection criteria. Trimer may cause a Fund to pay higher commissions to brokers believed to offer superior service under the circumstances, including brokers that provide investment research and analysis to their clients, including Trimer.

Accordingly, when Trimer determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the overall services provided to the Funds, including internally developed research and other services provided by such broker, Trimer may cause the Funds to pay commissions to such broker in an amount greater than the amount another broker might charge.

Trimer currently does not use soft dollars generated by client accounts to pay for research and/or related services provided by brokers.

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***Item 13: Review of Accounts***

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**Item 13A: Review of Accounts**

All Fund assets will be periodically monitored and reviewed by Trimer in the context of the Fund's stated investment guidelines. More frequent reviews may be triggered by material changes in variables such as the market, political, or economic environment.

**Item 13B: Review of Accounts**

Not applicable.

**Item 13C: Client Reports**

The Funds are expected to furnish to the limited partners (i) audited financial statements annually commencing with the first year in which it either is in operation for the full fiscal year or makes an investment, (ii) unaudited financial statements for the first three quarters of each fiscal year commencing with the first fiscal quarter in which the Funds deliver a capital call notice, (iii) annual tax information necessary for each limited partner's U.S. tax returns, and (iv) descriptive investment information for each investment periodically.

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***Item 14: Client Referrals and Other Compensation***

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**Item 14A: Other Compensation**

Trimer and/or its affiliates are authorized to provide certain business or consulting services to companies in a Fund's portfolio and will receive compensation from these companies in connection with such services. As described in the governing documents, this compensation will, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases, these amounts are expected to be in addition to Management Fees. See Item 5 –“Fees and Compensation” above.

**Item 14B: Client Referrals**

The Adviser is authorized, from time to time, to enter into solicitation arrangements pursuant to which it compensates third parties for referrals that result in a potential investor becoming a limited partner in a Fund. Any fees payable to any such placement agents or third-party solicitors will be borne by the Adviser indirectly through an offset against the Management Fee, although

related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

The Adviser has engaged a placement agent, Pacenote Capital LLC, to solicit commitments from investors in exchange for a cash fee based on the aggregate capital commitments of certain third-party investors, subject to certain exclusions and exceptions and the reimbursement of certain expenses.

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***Item 15: Custody***

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The Adviser is deemed to have custody of the Fund's securities and cash for the purposes of Rule 206(4)-2 of the Advisers Act. The Adviser intends to ensure that the Funds utilize a qualified custodian and that the Funds are audited on an annual basis by an independent accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board in accordance with its rules.

The Adviser will use commercially reasonable efforts to provide audited financial statements prepared in accordance with generally accepted accounting principles, or other reasonable methods of accounting consistently applied, to all investors (or other beneficial owners) of the Funds within 120 days of the end of its fiscal year.

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***Item 16: Investment Discretion***

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The Adviser manages the Funds on a discretionary basis in accordance with the terms and conditions of the Fund's offering and organizational documents. Accordingly, the Adviser generally has the authority to determine, without obtaining specific client consent, which investments to transact in and the duration of the holding period prior to exiting such investments. Each investor in the Funds grants the General Partner thereof a limited power of attorney to enable the General Partner to execute the applicable partnership agreement and perform certain other ministerial functions with respect to the Fund. As a general policy, the Adviser does not allow clients to place limitations on its authority. Pursuant to the terms of the relevant governing documents, however, the Adviser and/or its affiliates expect to enter into side letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund will be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons.

Services are provided to the Funds in accordance with the governing documents of the applicable Fund. Investment restrictions for the Fund, if any, are generally established in the governing documents of the applicable Fund.



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***Item 17: Voting Client Securities***

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The Adviser does not generally invest in listed securities. Therefore, it is not expected that the Adviser will be called upon to vote a proxy for a subject security owned by a Fund. Nonetheless, Trimer does have proxy voting authority on behalf of each Fund. If, in the event that Trimer is called upon to vote proxies, it will do so in accordance with their proxy voting policies and procedures, pursuant to Rule 206(4)-2 of the Advisers Act.

Trimer's proxy voting procedures are designed to ensure that proxies are voted in a manner that is in the best interest of investors. Trimer will generally vote in favor of matters that enhances shareholder value. Trimer may determine not to vote proxies in respect of securities of an issuer if it determines it would be in the applicable Fund's overall best interest not to vote. Investors may obtain copies of the Adviser's proxy voting policies by contacting the Chief Compliance Officer at [compliance@trimercap.com](mailto:compliance@trimercap.com).

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***Item 18: Financial Information***

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**Item 18A: Balance Sheet**

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

**Item 18B: Financial Condition**

Currently the Adviser is not aware of any financial condition that is reasonably likely to impact its ability to meet its contractual commitments to clients.

**Item 18C: Bankruptcy Petitions**

Not applicable. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.