

INVESTMENT ADVISER BROCHURE

KNOX—LANE

**Knox Lane LP
655 Montgomery Street, Suite 1905
San Francisco, California 94111**

March 31, 2022

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Knox Lane LP (the “Adviser”). If you have any questions about the contents of this Brochure, please contact us at (415) 651-2279. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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.

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

MATERIAL CHANGES

The Adviser filed its previous Brochure on March 31, 2021 in connection with the Adviser's last annual Form ADV amendment filing. This annual amendment to its Brochure contains the following updates:

- Ivor van Esch has assumed the position of Chief Compliance Officer of the Adviser and also serves as the Adviser's Chief Financial Officer.
- The Adviser's regulatory assets under management have been updated as of March 25, 2022.
- Updates to the risks and potential conflicts of interest associated with the business practices of the Adviser and its affiliates.

TABLE OF CONTENTS

	<u>Page</u>
Material Changes	1
Advisory Business	2
Fees and Compensation	3
Performance-Based Fees and Side-By-Side Management	10
Types of Clients	11
Methods of Analysis, Investment Strategies and Risk of Loss.....	122
Disciplinary Information	499
Other Financial Industry Activities and Affiliations	499
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	49
Brokerage Practices	5151
Review of Accounts	52
Client Referrals and Other Compensation.....	53
Custody	53
Investment Discretion	53
Voting Client Securities	54
Financial Information.....	544

ADVISORY BUSINESS

The Adviser, a Delaware limited partnership and a registered investment adviser, and its affiliated investment advisers provide investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. The Adviser commenced operations in August 2019.

The Adviser's clients include KLC Fund I LP and KLC Fund I-A LP (each, a "**Main Fund**") and multiple co-investment, parallel or alternative investment vehicles, each a Delaware limited partnership (each, together with each Main Fund, referred to herein as a "**Fund**," and, collectively, together with the Executive Fund (as defined below) and any future private investment funds to which the Adviser or its affiliates provide investment advisory services, the "**Funds**"). The Adviser also serves as investment adviser to KLC FF Fund I LP, an "executive fund" offered to employees, affiliates and other investors with a relationship to the Adviser or its personnel (the "**Executive Fund**").

KLC Fund I GP LP (together with any other general partners to the Funds and any future general partners that may be formed from time to time, each a "**General Partner**" and together with the Adviser and their affiliated entities, "**Knox Lane**"), is affiliated with the 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 Partners, which operate as a single advisory business together with the Adviser.

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

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

terms (including economic or other terms) of, the relevant Partnership Agreement with respect to such investors.

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

As of March 25, 2022, the Adviser managed approximately \$1,018,128,162 in client regulatory assets on a discretionary basis. The Adviser is principally owned by John Preston Bailey and Shamik Patel (the "**Principals**"), who serve as the Adviser's Managing Partner and Partner, respectively. Knox Lane LLC, a Delaware LLC, acts as the general partner to the Adviser, and is wholly owned by Mr. Bailey.

FEES AND COMPENSATION

In general, Knox Lane receives a management fee (the "**Management Fee**") and a carried interest in connection with the provision of advisory services to the Funds. Knox Lane and/or its affiliates receive additional compensation in connection with management and other services performed for portfolio companies of Funds and such additional compensation will offset in whole or in part the management fees otherwise payable to Knox Lane to the extent provided by the relevant Governing Documents. **In addition, in certain circumstances, Knox Lane receives compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds.** Investors in a Fund also bear certain expenses. A summary of the Fund's fees and expenses follows, but investors should review the applicable Fund's Governing Documents for details regarding fee structure and expenses.

Management Fees

Each Main Fund pays a Management Fee initially equal to 2% on an annual basis of aggregate capital commitments ("**Commitments**") of investors that are not designated as "affiliated partners" by the General Partner. Payments are made quarterly in advance.

Commencing with the first Management Fee payment date after the expiration of the applicable Main Fund's investment period or earlier upon the occurrence of certain events set forth in the applicable Partnership Agreement, the Management Fee equals 2% of (i) the aggregate investment contributions, less (ii) the aggregate amount of investment contributions with respect to the portion of each investment that has been disposed of or completely written-off, in each case with respect to investors not designated as "affiliated partners." Investors participating in a subsequent closing after the initial closing date generally are assessed Management Fees retroactive to the beginning of the effective date of the Main Fund, with interest. With respect to each Main Fund, the Management Fee will be payable until all portfolio companies are distributed or until Knox Lane's relationship with the Main Fund is terminated for other reasons (as described in the Governing Documents). Installments of the Management Fee payable for any period other than a full three-month period are adjusted on a *pro rata* basis according to the actual number of days in such period. Where the relevant Partnership Agreement calculates Management Fees based on the amount of Commitments or the amount of investment contributions, the amount of the Management Fee generally will not be reduced based on reductions in investment value, except where specified by the relevant Partnership Agreement. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

The Main Fund's Management Fee is reduced, but not below zero, by an amount equal to 100% of Transaction Fees (as may be adjusted pursuant to the Partnership Agreement) attributable to investors not designated as "affiliated partners" by the General Partner, as set forth in the applicable Partnership Agreement. "**Transaction Fees**" include: (i) any financial consulting fees, advisory fees or directors' fees paid to the General Partner with respect to any portfolio company investment; (ii) any transaction fees paid to the General Partner with respect to any portfolio company investment; and (iii) any break-up fees with respect to portfolio company transactions not completed that are paid to the General Partner, in each case net of certain expenses (including those described below) as set forth in the Partnership Agreement; but not including, in any event, any amount received by the General Partner, the Operating Partners (as defined below), the Industry Advisors (as defined below) or other person from a portfolio company (A) as reimbursement for expenses directly related to such portfolio company, (B) as payment for services provided to any portfolio company in the ordinary course of such portfolio company'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 portfolio company or (D) as compensation, including fees, incentive equity or other stock awards, for services rendered by the Operating Partners or the Industry Advisors to a portfolio company or prospective portfolio company. For the avoidance of doubt, the Adviser also does not offset compensation received from outside sources, such as residual employee board seats at entities that are no longer Main Fund portfolio companies.

Various costs and expenses reduce Transaction Fees (and therefore such amounts do 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 transaction or in connection with generating any such Transaction Fees. To the extent that any other fund or any other entity or individual co-invests alongside the Main Fund in any portfolio company investment, any Management Fee reduction described above will be allocated among the Main Fund and the co-investors in proportion to the cost of the investment or potential investment in the portfolio company held (or proposed to be held) by each. Accordingly, the Main Fund will, in most cases, only benefit from its allocable portion on a fully diluted basis

of the Management Fee reduction described above and not the portion of any fee allocable to any other investor (which could include co-investment vehicles managed by Knox Lane, third parties, portfolio company management or employees and/or others) in a portfolio company. For the avoidance of doubt, any other fees earned with respect to any co-investment vehicle will not reduce the Management Fee payable by the Main Fund. Transaction Fee offsets generally are performed on a net basis, after giving effect to certain taxes and other expenses in connection with the receipt of such fees or the provision of related services. Unless otherwise agreed with investors, Transaction Fees generally will be payable even if Management Fees are reduced or including during term extensions.

The Governing Documents generally permit the General Partner to waive or agree to reduce the Management Fee. Certain waived portions of the Management Fee are treated by the Governing Documents as a deemed capital contribution by the relevant General Partner, which is effectively invested in the relevant Main Fund on such General Partner's behalf, and operates to reduce the amount of capital such General Partner would otherwise be required to contribute to the Main Fund. The Limited Partners of the Main Fund, other than certain Limited Partners with respect to which Management Fees are not charged, are required to make additional contributions. The exercise of such waiver may result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by the General Partner and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will be delayed.

Carried Interest

As more fully described in the Governing Documents, the General Partner generally receives with respect to each Main Fund a carried interest equal to 20% of realized profits in excess of an 8% compounded preferred return and subject to a General Partner catch-up provision. The carried interest distributed to the General Partner is subject to a potential clawback at the end of the applicable Main Fund's life if such General Partner has received excess cumulative distributions.

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 Knox Lane); such "affiliated partners" include employees, Industry Advisors, Operating Partners (as defined below), "friends and family" of Knox Lane or its personnel, or other investors meeting certain qualification requirements based on commitment size or other strategic or relationship factors, that are exempted from all or some portion of the Management Fee and/or carried interest. The Executive Fund and any future "executive fund" managed by Knox Lane is also expected to pay no or reduced management fees and/or carried interest. 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. For example, the General Partner and limited partners who are affiliates, employees or other designees, including persons designated as “affiliated partners,” Industry Advisors or Operating Partners engaged or retained by Knox Lane, generally are not subject to the Management Fee or carried interest. Additionally, the General Partner has the right to permit investors, affiliated with Knox Lane or otherwise, to invest through the General Partner or other vehicles that do not bear Management Fees or carried interest. The Adviser retains flexibility to structure its compensation from investors and expects in certain circumstances to agree to invoice an investor directly for Management Fees or other compensation, rather than deducting such amounts from the investor’s capital account(s).

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

Principals or other current or former employees of Knox Lane 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, or from the relevant portfolio companies to which they provide services.

In addition to the Management Fee and carried interest payable to Knox Lane, the Funds bear certain expenses. As set forth more fully in each Fund’s Governing Documents, each Fund pays, or reimburses the General Partner for, all other fees, costs, expenses, liabilities and obligations relating to the Fund’s and/or its subsidiaries’ and intermediate entities’ activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to origination and sourcing of investment opportunities for the Fund, including meeting with broker-dealers, investment banks and other sources of investments; attending trade shows and conferences (including related travel, lodging and meals); and developing an investment pipeline; (ii) activities with respect to the structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to periodicals or databases), 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 fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, third-party diligence software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions that may have been offered to co-investors), whether or not any contemplated transaction or project is consummated, whether or not such activities are successful and whether or not such activities were undertaken prior to the initial closing date; (iii) indebtedness of, or guarantees made by, the Fund, its management company, its General Partner or any “affiliated partner” on behalf of the Fund (including any credit facility, letter of credit or similar credit support), including 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 fees and expenses; (v) broker, dealer, finder, underwriting (including both

commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, (including buy-side and sell-side fees) and similar deal sourcing payments and similar fees and expenses; (vi) brokerage, sale, custodial, depositary (including a depositary appointed pursuant to the AIFMD and/or a Swiss representative and paying agent appointed pursuant to the Swiss Collective Investment Schemes Act, as amended, or pursuant to any law, rule or regulation that is related to the implementation thereof or that is of similar effect), trustee, record keeping, account and similar services; (vii) legal, accounting, research, auditing, administration (including fees and expenses associated with the Fund's third-party administrator, third-party consultant and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, appraisals or pricing services), consulting (including consulting and retainer fees and other compensation paid to the Industry Advisors, Operating Partners (each, as defined below), consultants performing investment initiatives and other similar consultants), as well as recruiting (e.g. headhunter) fees, background checks and relocation expenses related to consultants and portfolio company personnel, tax and other professional services; (viii) reverse breakup, termination and other similar fees; (ix) directors and officers liability, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses, including any costs and expenses relating to any retention or deductibles, other than the incremental cost of any insurance coverage with respect to conduct for which a covered person would not be indemnified under the Partnership Agreement; (x) filing, title, transfer, registration and other similar fees and expenses; (xi) printing, communications, marketing and publicity; (xii) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, other communications with partners or any other administrative, compliance or Fund-related or investment-related regulatory filings or reports (including Form PF), or other information, including fees and costs of any third-party service providers, distribution agents and professionals related to the foregoing; (xiii) any reporting, filing and other compliance (other than the initial registrations, filings, compliance and other offering obligations) contemplated by the AIFMD, or any other fees, costs and expenses relating to the AIFMD, including fees, costs and expenses of any third-party service providers and professionals related to the foregoing; (xiv) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software or other administrative or reporting tools (including subscription-based services) for the benefit of the Fund or the Limited Partners; (xv) any activities with respect to protecting the confidential or non-public nature of any information or data; (xvi) to the extent provided in the Partnership Agreement, or otherwise approved by the General Partner in its sole discretion, activities or proceedings of the Fund's advisory board (including any out-of-pocket costs and expenses 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 Fund's advisory board); (xvii) indemnification (including any fees, costs and expenses incurred in connection with indemnifying any partner or other person pursuant to the Partnership Agreement and advancing fees, costs and expenses incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Partnership Agreement), except as otherwise set forth in the Partnership Agreement; (xviii) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xix) any annual Limited Partner meeting or other periodic, if any, meetings of the Limited Partners, any other conference or meeting with

any Limited Partner(s) and any periodic executive forum of portfolio company management and/or other persons and related meal and entertainment expenses, in each case, to the extent incurred by the Fund, its General Partner or any affiliate of its General Partner in connection with the Fund; (xx) except as otherwise determined by the Fund's General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense or organizational expense if it were incurred in connection with the Fund, and any expenses 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 and expenses related to any structuring or restructuring of the Fund and/or its affiliated entities; (xxi) the termination, liquidation, winding up or dissolution of the Fund; (xxii) defaults by partners in the payment of any capital contributions; (xxiii) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of the Fund and any alternative investment vehicle of the Fund and, to the extent relating to any of the foregoing persons and/or its activities, the constituent documents of the General Partner and related entities, in each case, including the preparation, distribution and implementation thereof; (xxiv) (A) complying with any law, regulation or policy related to the activities of the Fund (including any regulatory expenses of the Fund's General Partner incurred in connection with the operation of the Fund and legal fees and expenses related thereto); and/or (B) any litigation or governmental inquiry, investigation or proceeding involving the Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except as set forth in the Partnership Agreement; (xxv) any third-party experts, including independent appraisers, engaged by the Fund's General Partner in connection with the Fund considering, making or holding an investment in the same entity as one or more investment vehicles (other than the Fund) managed or controlled by the Fund's General Partner or any of its affiliates; (xxvi) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a Limited Partner; (xxvii) any taxes, fees and other governmental charges levied against the Fund and all expenses incurred in connection with any tax audit, investigation settlement or review of the Fund (except to the extent that the Fund is reimbursed therefor by a Fund partner) and any costs and expenses of or related to the "partnership representative" and the "designated individual" of the Fund; (xxviii) distributions to the partners and other expenses associated with the acquisition, holding and disposition of the Fund's investments, including extraordinary expenses; (xxix) unreimbursed expenses and unpaid fees of the Industry Advisors and the Operating Partners; (xxx) compliance or regulatory matters related to the Fund, except as set forth in the Partnership Agreement; (xxxi) any travel (including the cost of using private aircraft or other private air travel not exceeding the cost of first class commercial airfare, ground transportation (including car service) and annual airport lounge fees and incidental travel expenses), lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxii) any expenses incurred by Knox Lane personnel, the Operating Partners, the Industry Advisors and/or portfolio company personnel in connection with attending industry conferences and hosting or attending training programs; (xxxiii) any organizational expenses; (xxxiv) any placement fees; and (xxxv) any other fees, costs, expenses, liabilities or obligations approved by the Fund's advisory board. As a general matter, broken deal expenses relating to the diligence or evaluation of a prospective investment are allocated among investors within a Fund regardless of

whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. 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 business, transactions and relationships relating to the foregoing items, which generally are expected to be significant. In certain cases, Fund expenses (and/or Transaction Fees) are expected to be charged to portfolio companies, capitalized into the cost basis of a transaction or, to the extent necessary or desirable for operational, administrative, tax or other reasons, charged at the level of an intermediate holding company between the relevant Fund and the portfolio company. To the extent holding or intermediate entities include one or more special purpose acquisition companies (“SPACs”), the relevant Fund(s) will bear the costs of organizing and offering such SPACs, as well as the amount and dilutive effect of any founders’ equity or similar interests issued thereby that are not held directly or indirectly by the Fund, and except where prohibited by the Governing Documents, such interests are permitted to be issued to Knox Lane and its personnel.

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

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

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, as well as to charge such amounts at varying

levels in a portfolio company's holding or operating structure. In most circumstances, such compensation is not reviewed or approved by a Fund's advisory board or 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.

Knox Lane Industry Advisors and Operating Partners

Additionally, as further described herein and in the applicable Memorandum and/or Partnership Agreement of each Fund, Knox Lane has created an operations team (the “**Operating Partners**”) comprised of persons that are employees of the General Partner or any of its affiliates and whose primary role is to provide manufacturing, sales, marketing, technology, human resources, finance and accounting, product management, customer success, leadership, general management, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence or other similar services to the Fund, any alternative investment vehicle or any portfolio company or prospective portfolio company of the Fund or any alternative investment vehicle. Knox Lane also expects to retain certain executives, consultants and industry professionals (the “**Industry Advisors**”) to provide board of directors services and services of the type that also may be provided by the Operating Partners to the Fund, any alternative investment vehicle or any portfolio company or prospective portfolio company of the Fund or any alternative investment vehicle, which also are permitted to engage, retain or employ Industry Advisors directly.

Any compensation, including fees, incentive equity or other stock awards, guaranteed minimums and any reimbursement of certain travel and other costs, received by Operating Partners generally is paid by a portfolio company or prospective portfolio company (which payments are not included as Transaction Fees) or directly by the Fund. In addition, certain Operating Partners and Industry Advisors are expected to participate in the Fund through the General Partner or other vehicles and will not bear carried interest or Management Fees. Any compensation, including fees and retainers, incentive equity, equity grants or other stock awards in a portfolio company or holding company, guaranteed minimums and any reimbursement of certain travel and other costs, received by the Industry Advisors are expected to be paid by a portfolio company or prospective portfolio company, but may also be paid directly by the Fund. Any equity or profits interest in a portfolio company generally would have a dilutive impact on the Fund's investment, as well as the potential to result in significant economic gains to the recipient. Any compensation received by Industry Advisors is not included as Transaction Fees, and does not offset or otherwise reduce the Management Fee.

The use of Industry Advisors and Operating Partners subjects Knox Lane to potential conflicts of interest, as discussed under “Conflicts of Interest,” below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” the relevant General Partner generally receives a carried interest allocation on certain realized profits in the relevant Fund. Knox Lane also manages the Executive Fund and co-invest vehicles, which are not charged carried interest. This could present a conflict of interest with respect to the Executive Fund and co-invest vehicles because Knox Lane has an incentive to favor accounts for which it receives the highest

performance-based compensation. Additionally, to the extent that Knox Lane personnel are assigned varying percentages of carried interest from the Funds, such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage.

Knox Lane seeks to address the potential for conflicts of interest in these matters with allocation policies and practices that provide that transactions and investment opportunities are 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 Knox Lane or any personnel.

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

TYPES OF CLIENTS

Knox Lane provides investment advice solely to its Fund clients, and references throughout this Brochure to "clients" and to the Adviser's related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Funds generally include investment partnerships or other investment entities formed under U.S. or non-U.S. laws and operated as exempt investment pools under the U.S. Investment Company Act of 1940, as amended, and the rules and regulations promulgated thereunder (the "**Investment Company Act**"). The investors participating in the Funds generally include individuals, banks or thrift institutions, insurance companies, fund-of-funds and other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of Knox Lane and its affiliates (including portfolio companies) and members of their families, Industry Advisors, Operating Partners or other service providers retained by Knox Lane, as well as executives of portfolio companies.

For legal, tax, regulatory, accounting or other reasons, Knox Lane is authorized to form one or more alternative investment entities to make, restructure, or otherwise hold investments, including outside the Funds. Generally, in such event, each investor that participates in an alternative investment vehicle would do so on substantially the same terms and conditions as it participates in the Funds.

The Funds generally have a minimum investment amount of \$10 million for third-party investors. Such minimum investment amount is permitted to be waived by the General Partner. Fund interests are offered and sold solely to "accredited investors," as defined in Regulation D promulgated under the U.S. Securities Act of 1933, as amended, and, unless waived in the discretion of the General Partner, "qualified purchasers" as that term is defined under the Investment Company Act (or certain qualified knowledgeable Knox Lane personnel).

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

Knox Lane principally focuses on making control-oriented investments in middle-market companies, with a specific emphasis on founder and family-owned businesses operating across the consumer and services sectors.

The end markets that Knox Lane targets include (but are not limited to): marketing services, pharmaceutical services, food & beverage, personal care, consumer healthcare, nutraceuticals and OTC products, pet health, contract manufacturing & packaging, residential services, facility services and broader services.

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

Investment Strategy

Knox Lane intends to take a fundamental approach to investing with a strong bias towards profitable companies and attractive unit economics. Although control investments are the core focus, Knox Lane selectively considers structured minority investments in which it can be a meaningful partner and have strong governance. The Knox Lane team (the “**Team**”) intends to utilize its experience to source, underwrite, and drive value creation.

The Knox Lane Team has significant experience investing in and operating middle-market businesses, which Knox Lane believes to be particularly well suited to its approach. Knox Lane intends to utilize its deep industry relationships and proactive sourcing approach to identify compelling investment opportunities early that may be proprietary or less competitive. The Team takes a deep, fundamental approach to underwriting, focusing on transformational value creation, long-term profitability and unit economics, rather than relying solely on sector momentum. After sourcing a potential investment, Knox Lane intends to follow a robust process to assess and underwrite companies. Knox Lane seeks to build the businesses that it acquires in partnership with their management teams by appropriately aligning incentives, defining a core set of objectives, and bringing capabilities to bear to accelerate these initiatives. Knox Lane further seeks to leverage its deep Target Ecosystem experience, an investor-operator mindset and relationships with industry executives to assist portfolio company management in transforming a business.

Core to the strategy, Knox Lane enlists a range of Operating Partners whose primary responsibility will include working with Knox Lane’s portfolio companies to develop and enhance internal operations. In addition to these Operating Partners, Knox Lane also utilizes its Industry Advisors to help manage through such periods of transition either by offering strong board-level oversight or by recruiting specific professionals to join its portfolio companies on either a part-time or full-time basis.

The Governing Documents of each Fund set out its investment objectives, limitations and restrictions, which vary from Fund to Fund.

Risks of Investment

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

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

Future and Past Performance. In considering the prior experience of the Team, investors should understand that an investment in the Fund does not represent an interest in any investment or investment portfolio associated with their prior experience. Information about the prior experience of the Team is not necessarily indicative or a guarantee of the Fund's future results. There can be no assurance that the Fund will generate investment returns commensurate with the prior experience of the Team. An investor should only invest in the Fund as part of an overall investment strategy, and only if the investor is able to withstand a total loss of its investment in the Fund. While the General Partner intends for the 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. On any given investment, loss of principal is possible.

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

Concentration of Investments. The Fund will participate in a limited number of investments and may seek to make several investments in one industry or one industry segment or within a short period of time. As a result, the Fund's investment portfolio could become highly concentrated, and the performance of a few holdings or of a particular industry may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, the Fund may invest in fewer portfolio companies and thus be less diversified. In circumstances where the General Partner intends to refinance all or a portion of the capital invested in a transaction, there will be a risk that such refinancing may not be completed, which could lead to increased risk as a result of the Fund having an unintended long-term investment as to a portion of the amount invested and/or reduced diversification.

The Fund may provide interim financing ("**Bridge Financing**") to facilitate portfolio company investments. It is possible that all or a portion of a Bridge Financing will not be recouped within the time period specified in the Partnership Agreement, in which case the investment would be treated as a permanent investment of the Fund. As a result, the Fund's portfolio could become more concentrated with respect to such investment than initially expected or otherwise provided for under the Fund's investment limitations, certain of which exclude Bridge Financing investments.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of

uncertainty. It is possible that the Fund will never be fully invested if enough sufficiently attractive investments are not identified. To the extent that the Fund encounters competition for investments, returns to Limited Partners will likely decrease. However, regardless of the extent to which the Commitments of the Limited Partners are invested (or drawn down to be invested), Limited Partners will be required to bear Management Fees through the Fund during the commitment period based on the entire amount of the Limited Partners' Commitments to such Fund and other expenses as set forth in the Partnership Agreement.

Dynamic Investment Strategy. While the General Partner generally intends to seek attractive returns for the Fund primarily through pursuing the investment strategy and methods described herein, the General Partner is authorized to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Documents. The General Partner is authorized to pursue investments outside of the industries and sectors in which the Team has previously made investments or have internal operational experience.

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

Additionally, 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 and the 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, the 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 the Fund.

Illiquidity; Lack of Current Distributions. An investment in the Fund should be viewed as an illiquid investment. It is uncertain as to when profits, if any, will be realized. Losses on unsuccessful investments may be realized before gains on successful investments are realized. The return of capital and the realization of gains, if any, generally will occur only upon the partial or complete disposition of an investment. While an investment may be sold at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, there may be no current return on the investment. Furthermore, the expenses of operating

the Fund (including the Management Fee payable to the General Partner) may exceed its income, thereby requiring that the difference be paid from the Fund's capital, including unfunded Commitments.

Leveraged Investments. The Fund expects to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company and/or to finance the Fund's or a portfolio company's operations. Leverage generally magnifies both the Fund's opportunities for gain and its risk of loss from a particular investment, and the magnification of loss may be substantial. The 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 (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and may impair its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of the Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of the Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet its debt obligation, the Fund may suffer a partial or total loss of capital invested in the portfolio company, which would adversely affect the returns of the Fund. Additionally, lenders would typically have a claim that has priority over any claim by the Fund to the assets of such portfolio company in an insolvency event or proceeding. Furthermore, should the credit markets be limited or costly at the time the Fund determines that it is desirable to sell all or a part of a portfolio company, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. 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, the Fund may hold a larger than expected equity investment in such portfolio company and may realize lower than expected returns from the portfolio company that would adversely affect the Fund's ability to generate attractive investment returns for the Fund as a whole. Any failure by lenders to provide previously committed financing could also expose the Fund to potential claims by sellers of businesses which the Fund may have been contracted to purchase. Moreover, the companies in which the Fund invests generally will not be rated by a credit rating agency. The Fund also will borrow money or 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 will be liable therefor, and in such situations, it is not expected that the Fund would be compensated for providing such guarantee or exposure to such liability.

Although use of a Fund credit facility (or "subscription line") enhances the General Partner's ability to close transactions quickly, such activity also increases risk and raises the possibility that the General Partner will need to call additional capital to pay off such debt. Any use of leverage by the Fund will generally result in fees, interest expenses and other costs to the Fund that may not be covered by distributions made to the Fund or appreciation of its investments.

While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations regarding the amount of time such leverage may remain outstanding. The Fund expects to periodically incur leverage on a joint and several basis with one or more other investment funds and entities managed by the General Partner, the Fund's management company or any of their affiliates or any of its affiliates and, in connection with incurring such indebtedness, the General Partner may, in its sole discretion, cause the Fund to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. However, it is possible that, if and when the Fund were to seek to enforce any such right, any such entity could default on its obligation and/or such right may otherwise be unenforceable. In addition, to the extent the Fund incurs leverage or provides any guaranty, such amounts are permitted to be secured by Commitments made by the Fund's investors and other Fund assets. The inability of the Fund to repay any leverage secured by the capital commitments of the Fund's investors could enable a lender to issue a capital call on behalf of the General Partner and such investors' contributions may be required to be made directly to the lenders instead of the Fund.

In addition, the General Partner expects the Fund to use borrowed funds in advance or in lieu of capital contributions (as described below) or a portfolio company to borrow funds directly through the Fund facility, which will generally result in the Limited Partners making correspondingly later capital contributions. As a result, the Fund's or portfolio company's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure Limited Partner cash flows) and generally make net internal rate of return calculations higher than they otherwise would be without fund level borrowing, as these calculations generally depend on the amount and timing of capital contributions, and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

Interest may accrue on any outstanding borrowings by the Fund or portfolio companies at a rate lower than the preferred return. For purposes of distributions by the Fund, Limited Partners would not receive a preferred return accrual on the amount invested by the Fund until such time as capital may be called from Limited Partners in respect of the investment. If an investment appreciates in value and is disposed of prior to repayment of the borrowing, the disposition proceeds would be applied to repay the borrowing (and related interest and expenses), and the net proceeds would be distributed to the Limited Partners without a preferred return accrual on the amount invested by the Fund (due to the absence of invested capital funded by Limited Partners) prior to the determination of carried interest distributions. Accordingly, borrowings by the Fund or portfolio companies might support the distribution of proceeds to Limited Partners and increase the potential carried interest for the General Partner; however, the interest incurred due to such borrowing would reduce the carried interest received by the General Partner. Subject to the limitations in the Partnership Agreement, if any, this conflict of interest might incentivize the General Partner to permanently fund the acquisition and ongoing capital needs of investments of the Fund and related expenses with the proceeds of such borrowings in lieu of drawing down

capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never if principal and interest on such borrowings are repaid out of disposition proceeds).

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

In addition, Fund-level borrowing will result in additional Fund expenses that will be borne by Limited Partners. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the Fund's Limited Partners and the terms of the Partnership Agreement, it may be higher than the interest rate a Limited Partner could obtain individually. Conflicts of interest also have the potential to arise in that the use of such facilities may, and likely would, delay the need for Limited Partners to make certain contributions to the Fund, which generally would enhance the Fund's performance figures and thereby benefit the General Partner and its affiliates as noted above. To the extent a particular Limited Partner's cost of capital is lower than the Fund's cost of borrowing, Fund-level borrowing can negatively impact a Limited Partner's overall individual financial returns even if it increases the Fund's reported net returns.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of the Fund and the Limited Partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the General Partner's ability to consent to the transfer of a Limited Partner's interest in a Fund or impose 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 General Partner may request certain financial information and other documentation from Limited Partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more Limited Partners.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay fund expenses without calling capital, potentially for extended periods of time. To the extent provided in the Partnership Agreement, any such borrowing may remain outstanding for such time as the General Partner 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 decrease net

returns of the 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 Limited Partners that would not arise had the General Partner called smaller amounts of capital incrementally over time as needed by the Fund. This risk would be heightened for a Limited Partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the Limited Partner to meet the accumulated, larger capital calls at the same time. The General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Adviser and/or its affiliates for expenses incurred on behalf of the Fund.

A Fund is also permitted to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than Limited Partner capital, including as a bridge for equity or debt capital with respect to an investment. If the Fund ultimately is unable to repay the borrowings through those other means, Limited Partners would end up with increased exposure to the underlying investment, which could result in greater losses.

Limited Transferability of Fund Interests. There is no public market for the Fund interests, and none is expected to develop. There are substantial restrictions upon the transferability of Fund interests under the Partnership Agreement and applicable securities laws. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable. Limited Partners may not be able to liquidate their investments prior to the end of the Fund's term and must be prepared to bear the risks of an investment in the Fund for an extended period of time.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of the 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 Fund's partners and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the Fund's 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 Partnership Agreement, including the value used to determine the amount of carried interest available to the General Partner with respect to such investment. In addition, the direct holding of certain investments may subject the holder to suit or taxes in jurisdictions in which such investments are located.

Reliance on the General Partner and Portfolio Company Management. Control over the operation of the Fund will be vested with the General Partner, and the Fund's future profitability will depend largely upon the business and investment acumen of the Principals. The loss or reduction of service of the Principals could have an adverse effect on the Fund's ability to realize its investment objectives. In addition, the Principals expect to in the future, manage other investment funds besides the Fund, and the Principals expect to devote substantial amounts of their time to the investment activities of such other funds, which poses conflicts of interest in the allocation of the time of the Principals. Limited Partners generally have no right or power to take part in the management of the Fund, and as a result, the investment performance of the Fund will depend on the actions of the General Partner. In addition, certain changes in the General Partner

or circumstances relating to the General Partner may have an adverse effect on the Fund or one or more of its portfolio companies including potential acceleration of debt facilities.

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

Absence of Operating History. The Fund has limited operating history and will be entirely dependent on the General Partner. While the Team has previous experience making and managing investments similar to those contemplated by the Fund, the Team has no experience managing and investing a committed pool of funds. There can be no assurance that the Fund's investments will achieve results similar to those attained by previous investments of the Team. In addition, certain of the Fund's investments are expected to differ from previous investments made by the Team 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.

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

Tax Information Exchange Regimes; FATCA Withholding Tax on Certain Non-U.S. Entities. Numerous jurisdictions have enacted, or have committed to enact, legislation and administrative guidance requiring the collection and sharing of certain information in order to combat tax avoidance. The United States, pursuant to the "Foreign Account Tax Compliance Act" or "FATCA" has entered into numerous intergovernmental agreements with various jurisdictions concerning the exchange of information as a means to combat tax evasion. In addition, the Organisation for Economic Co-operation and Development (the "OECD") has published a global Common Reporting Standard for the exchange of information pursuant to which many countries have now signed multilateral agreements. One or more of these information exchange regimes are likely to apply to the Fund and/or alternative investment vehicles, and may require the General Partner to collect and share with applicable taxing authorities information concerning Limited Partners (including identifying information and amounts of certain income allocable or distributable to them). A Limited Partner's failure to provide required information may result in withholding taxes, government-imposed penalties, expulsion from the Fund or alternative investment vehicles or other potential remedies. In addition, FATCA generally imposes a withholding tax of 30% on a non-U.S. entity's share of most payments attributable to investments in the United States, including dividends and interest, and the Fund may be required to withhold such taxes from certain non-U.S. Limited Partners, unless an exception applies.

Conflicting Investor Interests. Limited Partners may have conflicting investment, tax, and other interests with respect to their investments in the Fund, including conflicts relating to the structuring of investment acquisitions and dispositions. Conflicts may arise in connection with decisions made by the General Partner regarding an investment that may be more beneficial to one Limited Partner than another, especially with respect to tax matters. In structuring, acquiring and disposing of investments, the General Partner generally will consider the investment and tax objectives of the Fund and its partners as a whole, not the investment, tax, or other objectives of any Limited Partner individually.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Fund's activities, including the ability of the Fund to effectively and timely address such regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives. In particular, the Fund may be required to incur additional costs and expenses in implementing structural changes in the conduct of the Fund's business, including to establish greater presence in certain jurisdictions in which the Fund invests or proposes to invest, and the Fund may 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 may make it less attractive or impractical to continue to invest in one or more jurisdictions. Additionally, such additional scrutiny may divert the General Partner's time, attention and resources from portfolio management activities.

The combination of such scrutiny of private equity firms (along with other alternative asset managers) and their investments by various politicians, regulators and market commentators, and the public perception that certain alternative asset managers, including private equity and credit firms, contributed to the past downturns in the U.S. and global financial markets, may complicate or prevent the Fund's efforts to structure, consummate and/or exit investments, both in general and relative to competing bidders outside of the alternative asset space. As a result, the Fund may invest in fewer transactions or incur greater expenses or delays in completing or exiting investments than it otherwise would have.

U.S. Taxation of Carried Interest. U.S. federal income tax legislation treats certain allocations of capital gains to service providers by partnerships such as the Fund as short-term capital gain (taxed at higher ordinary income rates) unless such partnership has held the asset which generated such gain for more than three years. This could reduce the after-tax returns of the Principals, employees, or other individuals associated with the Fund, the Fund's management company, or the General Partner who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the General Partner and its affiliates to incentivize, attract and retain individuals to perform services for the Fund. These same issues may also apply to officers, directors and employees of the Fund's portfolio companies if such persons receive a profits interest in such companies. This could also create an incentive for the General Partner to cause the Fund to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist.

Alternative Investment Fund Managers Directive. The European Union ("EU") Alternative Investment Fund Managers Directive (the "AIFMD") regulates the activities of certain

private fund managers undertaking fund management activities or marketing fund interests to investors within the European Economic Area (“EEA”).

To the extent the Fund is actively marketed to investors domiciled or having their registered office in the EEA: (i) the Fund, the General Partner and/or the Fund’s management company will be subject to certain reporting, disclosure and other compliance obligations under the AIFMD, which will result in the Fund incurring additional costs and expenses; (ii) the Fund, the General Partner and/or the Fund’s management company may become subject to additional regulatory or compliance obligations arising under national law in certain EEA jurisdictions, which would result in the Fund incurring additional costs and expenses or may otherwise affect the management and operation of the Fund; (iii) the General Partner and/or the Fund’s management company will be required to make detailed information relating to the Fund and its investments available to regulators and third parties; and (iv) the AIFMD will also restrict certain activities of the Fund in relation to EEA portfolio companies, including, in some circumstances, the Fund’s ability to recapitalize, refinance or potentially restructure an EEA portfolio company within the first two years of ownership, which may in turn affect the operations of the Fund generally.

United Kingdom Exit from the European Union. On March 29, 2017, the United Kingdom formally notified the European Council of its intention to leave the EU (“**Brexit**”). The UK formally left the EU on January 31, 2020, and entered a transition period that ended on December 31, 2020. On December 24, 2020, the UK government and the EU Commission provisionally agreed to a trade and cooperation agreement governing their future relationship, which, following a ratification process, is expected to apply on a provisional basis through an additional transition period.

Although provisionally agreed, the terms of the UK’s ongoing and future relationship with the EU are still uncertain, including the extent to which UK businesses will have access to the EU single market and the extent to which EU businesses will have access to the UK market. There is also a risk of significant disruption to trade between the UK and the EU, particularly as new trade arrangements are intended to be ratified and implemented.

There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from the UK’s exit from the EU may adversely affect both EU and UK-based businesses, including Knox Lane and the Fund portfolio companies, as applicable. This uncertainty may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

Need for Follow On Investments. Following its initial investment in a given portfolio company, the 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 can be no assurance that the Fund will make follow on investments or that the Fund will have sufficient funds to make all or any of such investments.

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

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

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

In some cases, particularly in OTC contexts, hedging arrangements will subject the 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 expose the Fund to additional liquidity risks if such contracts cannot be adequately settled. Additionally, the tax rules applicable to hedging arrangements are complicated and could lead to incremental tax exposure even where an effective hedge is available.

Certain hedging arrangements may create for the General Partner and/or one of its affiliates an obligation to register with the U.S. Commodity Futures Trading Commission ("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 the Fund or a portfolio company to hedge its exposures becomes limited by such requirements.

Investments Longer than Term. The Fund may make investments which may not be advantageously disposed of, or have liabilities that may not be resolved, prior to the date that the Fund will be dissolved, either by expiration of the Fund's term or otherwise. Although the General Partner expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution and the General Partner has a limited ability to extend the term of the Fund, the Fund may have to sell, distribute or otherwise dispose of investments or resolve litigation or other contingent liabilities at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of the Fund the General Partner will be required to use its best efforts to reduce to cash and cash equivalents such assets of the Fund as the General Partner shall deem it advisable to sell, subject to obtaining fair value for such assets and any tax or other legal considerations, there can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the Limited Partners will occur.

Significant Adverse Consequences for Default. The Partnership Agreement provides for significant adverse consequences in the event a Limited Partner defaults on its Commitment or any other payment obligation. In addition to losing its right to potential distributions from the Fund, a defaulting Limited Partner may be forced to transfer its interest in the Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest.

Dilution. Limited Partners admitted or that increase their respective Commitments to the Fund at subsequent closings generally will participate in then-existing investments of the Fund, thereby diluting the interest of existing Limited Partners in such investments. Although any such new Limited Partner will be required to contribute its pro rata share of previously made capital contributions, there can be no assurance that this contribution will reflect the fair value of the Fund's existing investments at the time of such contributions.

Transfer by General Partner. To the extent the General Partner, its partners, the Principals and/or their respective affiliates commit to make a direct or indirect investment in or along-side the Fund, a material participation in or a portion of such investment may thereafter be transferred to others, subject to any express limitations thereon in the Partnership Agreement.

Public Company Holdings. The Fund's investment portfolio may from time to time contain securities and debt issued by publicly held companies. Such investments may subject the 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 the Fund to dispose of such securities and debt at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the Principals, and increased costs associated with each of the aforementioned risks.

Distressed Investments. The 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 General Partner will correctly evaluate the value of the assets of a distressed company securing its debt and other obligations or correctly project the prospects for the successful restructuring, recapitalization or liquidation of such company. Therefore, in the event that a portfolio company does become involved in bankruptcy proceedings or a restructuring, recapitalization or liquidation is required, the Fund may lose some or all of its investment or may be required to accept illiquid securities with rights that are materially different than the original securities in which the Fund invested.

Non-controlling Investments. The Fund may hold meaningful minority stakes in privately held companies and in some cases may have limited minority protection rights. In addition, during the process of exiting investments, the 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 the Fund may hold will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where the Fund holds a minority stake, it may be more difficult for the Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if the 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.

Director Liability. The Fund will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests. Serving on the board of directors (or similar governing body) of a portfolio company exposes the Fund's representatives, and ultimately the Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from the Fund's investment activities.

Limitation of Recourse and Indemnification. The Partnership Agreement will limit the circumstances under which the General Partner and its affiliates will be held liable to the Fund. As a result, Limited Partners have a more limited right of action in certain cases than they would have in the absence of such provision. In addition, the Partnership Agreement will provide that the Fund will indemnify the General Partner and its affiliates for certain claims, losses, damages and expenses arising out of their activities on behalf of the Fund and may receive advances for any fees, costs and expenses incurred in the defense or settlement of any claim that may be subject to a right of indemnification. The fees, costs and expenses (whether or not advanced) and other liabilities resulting from the Fund's indemnification obligations will generally be paid by or otherwise satisfied out of the assets of the Fund, including the unpaid capital obligations of the Limited Partners. In addition, if the assets of the Fund are insufficient to satisfy the Fund's indemnification obligations, the General Partner may recall distributions previously made to the Limited Partners, subject to certain limitations set forth in the Partnership Agreement. The General

Partner may cause the Fund to purchase insurance for the Fund, the General Partner, the Fund's management company and their employees, agents and representatives, including to cover actions that would not be indemnifiable under the Partnership Agreement, although there can be no assurance that any such insurance will be sufficient, available to satisfy the specific claims that may arise or generally available on commercially reasonable terms. Such indemnification obligations could materially impact the returns to Limited Partners.

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

Advisory Board. The General Partner will appoint one or more Limited Partner representatives to an advisory board. The Partnership Agreement will provide that to the fullest extent permitted by applicable law, none of the advisory board members shall owe any fiduciary duties to the Fund or any other partner. In addition, representatives of the Fund's advisory board may have various business and other relationships with the Fund's management company and its partners, employees and affiliates. These relationships may influence their decisions as members of the advisory board.

Delayed Tax Information. The Fund likely will not be able to provide final annual tax information to Limited Partners for any given fiscal year until after the initial tax filing deadlines for Limited Partner tax returns. Accordingly, Limited Partners may be required to obtain extensions of the filing dates for their U.S. federal, state and local income tax returns. Each prospective investor should consult with its own adviser as to the advisability and tax consequences of an investment in the Fund.

General Tax Considerations. An investment in the Fund involves complex U.S. and non-U.S. tax considerations that will differ for each investor depending on the investor's particular circumstances. The investment decisions of the General Partner and the Fund's management company will be based primarily upon economic, not tax, considerations and could result, from time to time, in adverse tax consequences to some or all Fund partners. There can be no assurance that the structure of the Fund or of any investment will be tax-efficient for any particular investor. Prospective investors are urged to consult their own tax advisors with reference to their specific tax situations.

Loans in Lieu of Distributions. Pursuant to the Partnership Agreement, certain distributions to the General Partner may be deferred to the extent the amount distributable exceeds the General Partner's tax basis in the Fund. In such case, the deferred distribution amount may be loaned by the Fund to the General Partner. Any interest accruing with respect to such a loan will be allocated and distributed solely to the General Partner.

Tax Liability Considerations. The Fund may take positions with respect to certain tax issues that depend on legal and other interpretive conclusions. Should any such positions be successfully challenged by the U.S. Internal Revenue Service (the "IRS"), a Limited Partner might

be found to have a different tax liability for that year than that reported on its federal income tax return. In addition, an audit of the Fund may result in an audit of the returns of some or all of the Limited Partners, which examination could result in adjustments to the tax consequences initially reported by the Fund and affect items not related to a Limited Partner's investment in the Fund. If such adjustments result in an increase in taxable income for any year, the Fund or one or more of the Limited Partners may also be liable for interest and penalties with respect to the amount of underpayment. The legal and accounting costs incurred in connection with any audit of the Fund's tax return will be borne by the Fund. The cost of any audit of a Limited Partner's tax return will be borne solely by the Limited Partner. The taxation of partnerships and partners is complex. Prospective Limited Partners are strongly urged to review the disclosures included in Fund's Memorandum and to consult their own tax advisors.

Changes in United States Tax Law. All statements contained herein concerning the U.S. federal income tax (or other tax) consequences of an investment in the Fund are based on existing law and interpretations thereof. Certain members of Congress have indicated an intent to consider changes in U.S. federal income tax law that could materially affect the tax consequences of a Limited Partner's investment in the Fund, and the tax treatment of the Fund's investments. While some of these changes may be beneficial, others could negatively affect the after-tax returns of the Fund and the Limited Partners. Accordingly, no assurance can be given that the currently anticipated tax treatment of an investment in the Fund, or of investments made by the Fund, will not be modified by legislative, judicial or administrative changes, possibly with retroactive effect, to the detriment of the Limited Partner.

Taxation in Investee Jurisdictions. The Fund or the Limited Partners may be subject to income or other tax in jurisdictions in which the Fund invests. Additionally, withholding taxes or branch taxes may be imposed on earnings of the Fund from portfolio companies in such jurisdiction. In addition, local tax incurred in a jurisdiction by the Fund or vehicles through which it invests may not entitle Limited Partners to either (i) a credit against tax that may be owed in their respective home tax jurisdictions or (ii) a deduction against income taxable in such home jurisdictions by the Limited Partners, including the United States. Finally, tax laws, regulations, tax treaties, as well as judicial and administrative interpretations thereof, may change, possibly with retroactive effect, in such a manner as to adversely impact a portfolio company's, the Fund's or a Limited Partner's tax treatment. In particular, the laws in some countries governing the tax treatment of foreign investment are evolving, and in some cases are being amended to increase the tax burdens imposed on private equity funds. Such developments could severely reduce the value of the Fund's investments, restrict the Fund's ability to realize income and capital gain on an efficient basis or eliminate the Fund's ability to make any investments in certain countries and certain of these developments may have a disproportionate effect on certain Fund partners depending on their tax status. In addition, investments or operations by the Fund or its affiliates in certain countries could require the Fund or its partners to file tax returns, residency certifications or other information with the tax authorities in such countries.

General Partner Deemed Capital Contributions. A portion of the General Partner's commitment will be satisfied through deemed capital contributions, rather than cash contributions, and there will be a corresponding reduction in Management Fees. At the times the General Partner is credited with deemed capital contributions, Limited Partners (other than certain Limited Partners with respect to which Management Fees are not charged) will be required to make additional

capital contributions to the Fund. This may result in an acceleration of Limited Partner capital contributions. In addition, due to the reduced Management Fees or timing of receipt of compensation subject to Management Fee offsets (as described below), it is possible that such offsets will not be fully realized by the Limited Partners until liquidation of the Fund and the refunding of any unapplied offset, resulting in a benefit to the General Partner until such liquidation.

U.S. Federal Income Tax Liability Resulting from IRS Audits. U.S. federal income taxes arising from an IRS audit will be paid by the Fund absent an election to the contrary. In addition, a “partnership representative” will have the power to act on behalf of the Fund and its partners in all IRS audits and other proceedings involving the Fund’s U.S. federal income, loss, deductions, and credits.

Income Tax Allocations. The General Partner (and its beneficial owners) may be subject to tax treatment in respect of its share of income arising from the carried interest and its capital commitment to the Fund, including tax treatment that differs materially from the taxation of similar items to certain Limited Partners, that could create the potential for conflicts of interest. For example, various tax rules (including the three-year holding period requirement for capitals gain treatment in respect of carried interest) could create an incentive for the General Partner to cause the 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 General Partner from a shorter holding period; or waive or defer the distribution or allocation of carried interest to the General Partner, potentially changing the character or amount of income allocated to Limited Partners. The General Partner will generally have the authority to control these decisions and any positions taken by the Fund in respect of tax elections or income allocations.

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

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

Currently, there is an ongoing outbreak of a novel and highly contagious form of coronavirus (“COVID-19”). This outbreak has caused a worldwide public health emergency, straining healthcare resources and resulting in extensive and growing numbers of infections, hospitalizations and deaths. In an effort to contain COVID-19, national, regional and local governments, as well as private businesses and other organizations, have taken severely restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. In many jurisdictions, restrictive measures have been re-imposed to address subsequent waves of infection. As a result, COVID-19 has significantly diminished global economic production and activity of all kinds and has contributed to volatility in all financial markets. Among other things, these unprecedented developments have resulted in volatility in demand across most categories of consumers and businesses, volatility in the credit and capital markets, labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, 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 consumer spending, travel and public accessibility, such as retail and consumer goods, transportation, hospitality, tourism, sports and entertainment.

The ultimate impact of COVID-19 — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, although ongoing and potential additional materially adverse effects, including a further global or regional economic downturn (including a recession) of indeterminate duration and severity, are possible. As indicated above, the consumer industry is uniquely susceptible to economic contraction, economic uncertainty or the perception of weak or weakening economic conditions, public health emergencies, and the associated impact on discretionary consumer spending on consumer goods. A recession, economic slowdown or any other significant economic condition affecting consumers or corporations caused by COVID-19 or other public health emergencies is expected to cause a reduction in consumer spending, and have the potential to adversely impact the Fund’s portfolio companies and the Fund’s performance. There can be no guarantee that the Fund will be able to capitalize on the economic dislocation and distress in the consumer industry or that conditions will not significantly and adversely deteriorate after the Fund has completed an investment. 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; the extent of any related travel advisories and restrictions implemented (including any government-imposed quarantine measures and any voluntary and precautionary restrictions on travel or meetings) and the impact of such public health emergency on overall supply and demand, goods and services, investor and portfolio company liquidity, credit markets, consumer confidence, recession and fears of recession, availability of consumer credit, consumer debt levels, consumer perceptions of personal well-being and security and levels of economic activity, all of which are evolving rapidly and may have unpredictable results. Global consumer purchases are expected to decline as a result of the pandemic. Until consumer spending resumes its previous level, it is likely that the Fund’s portfolio companies will suffer from decreased demand. Furthermore, COVID-19 is likely to impact a

portfolio company's supply chain and its ability to manufacture and ship its products may be limited. 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, particularly with respect to discretionary spending in industries such as consumer goods.

The ongoing COVID-19 crisis and any other public health emergency could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the 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 have the potential to limit the ability of the 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 averse to the investment strategy the Fund intends to pursue, all of which could adversely affect the Funds' 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 the Fund, its portfolio companies, the General Partner and Knox Lane 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.

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 the Fund and may affect the 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) will also increase the risks inherent in the Fund's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. The 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 the Fund's performance. Volatility and illiquidity in the financial sector may have an adverse effect on the ability of the Fund to sell and/or partially dispose of its portfolio company

investments. Such adverse effects may include the requirement of the Fund to pay break-up, termination or other fees and expenses in the event the 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 the Fund to dispose of investments at prices that the General Partner believes reflect the fair value of such investments. The impact of market and other economic events may also affect the Fund's ability to raise funding to support its investment objective.

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

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Fund. When estimating fair value, the General Partner will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. Valuations are subject to multiple levels of review for approval. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values may differ from values that would have been determined had an active market existed for such securities and may differ from the prices at which such securities ultimately may be sold. The exercise of discretion in valuation by the General Partner 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, the Fund and the General Partner may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements may result in contingent liabilities, which would be borne by the Fund and, ultimately, its investors.

Cybersecurity Breaches 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. Therefore, companies, as well as their third-party partners, may be unable to anticipate these techniques, react in a timely manner, or implement adequate preventive measures. The General Partner's, the Fund's, its management company's and its portfolio companies' and their respective service providers' information and technology systems may be vulnerable to actual or perceived damage or interruption from computer viruses; infiltration by unauthorized persons and security breaches; and other disruptive behavior including denial-of-service attacks. Furthermore, the General Partner, the Fund's management company, the Fund and its portfolio companies and their respective service providers may be vulnerable to actual or perceived usage errors by their respective professionals, network failures, computer and telecommunication failures and power outages. The General Partner, the Fund's management company, the Fund and its portfolio companies and their respective service providers, and other market participants increasingly depend on complex information technology and communications systems to conduct business functions. These systems are subject to a number of different threats or risks that could adversely affect the Fund and the Limited Partners, 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 Fund and the Limited Partners. For example, unauthorized third parties may attempt to improperly access, modify, disrupt the operations of, or prevent access to systems of the General Partner, the Fund's management company, the Fund's portfolio companies, the Fund's service providers, counterparties, or data within these systems. Third parties may also attempt to fraudulently induce employees, customers, third-party service providers, or other users of the General Partner's or the Fund's management company's systems to disclose sensitive information in order to gain access to the General Partner's data or that of the Fund's management company or the Limited Partners, including for example, sending fraudulent capital call notices to Limited Partners. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company, Fund, General Partner, the Adviser or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, the General Partner, the Funds and/or portfolio companies 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 Fund's, a portfolio company's and/or a service provider's operations, including the ability to make distributions to limited partners, 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). 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, and the risks of attack are expected to be heightened in remote work

environments. Any of such circumstances could subject a portfolio company, or the relevant Fund, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at the General Partner or Adviser, or one any one of their service providers holding financial or investor data, Knox Lane, its affiliates or the Funds may also be at risk of loss, despite efforts to prevent and mitigate such risks under Knox Lane's policies and practices. Any such event could also harm the General Partner's, the Adviser's, the Fund's, a portfolio company's and/or a project's reputation, subject them and their respective affiliates to legal claims and otherwise affect their business and financial performance.

Privacy Law and Data Protection Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, “**Privacy Laws**”) could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the General Partner, the Fund and/or its portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Adviser, the General Partner, the Fund and/or its portfolio companies, are likely to 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, as amended, the EU has enacted the General Data Protection Regulation (EU 2016/679) and the Cayman Islands has enacted the Cayman Islands Data Protection Law, 2017, 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 other U.S. states, have proposed or are considering similar Privacy Laws, which if enacted could impose similarly significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations 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 the Adviser, the General Partner, the Fund and/or its portfolio companies.

Limited Access to Information. Limited Partners' rights to information regarding the Fund, the General Partner or the Adviser generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that the General Partner and its

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

Material, Non-Public Information; Other Regulatory Restrictions. As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of the Adviser's personnel, the Adviser frequently comes into possession of confidential or material, non-public information. 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 a Fund, and 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 and practices. ¶¶¶

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent the Adviser or the Funds from entering into transactions with certain individuals or jurisdictions. The United States Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the U.S. Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Fund's acquisition of a portfolio company may preclude other Funds from making an attractive acquisition or require one or more other Funds to sell all or a portion of certain portfolio companies owned by them. ¶¶¶

As a result of any of the foregoing, a Fund may be adversely affected because of the Adviser's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Fund from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by the Adviser or may limit the ability of one or more portfolio companies from

conducting their intended business in whole or in part. Consequently, there can be no assurance that any Fund will be able to participate in all potential investment opportunities that fall within its investment objectives.¶¶¶

CFIUS and National Security Clearance Considerations. Certain investments are expected to be subject to or require review and approval by the U.S. Committee on Foreign Investment in the United States (“CFIUS”), such as where CFIUS-related laws, regulations or guidance deem non-U.S. persons or entities under their control (such as a Fund, co-investors and/or rollover sellers) to be acquiring a U.S. business (including a business with assets, employees, facilities, and/or operations in the United States). CFIUS has the authority to review proposed or existing transactions or investments or to seek to impose limitations on or prohibit investments, and CFIUS filings and other considerations can materially impact transaction timing, feasibility, certainty and costs. In certain circumstances, CFIUS considerations have the potential to prevent a Fund from maintaining or pursuing investments, or limit the universe of available buyers for an existing investment. Any of these factors have the potential to adversely affect a Fund’s performance, and the likelihood that CFIUS considerations will be implicated is expected to increase where non-U.S. Limited Partners comprise a substantial percentage of a Fund. Under the Governing Documents, the relevant General Partner generally is authorized, although not required, to excuse or otherwise limit non-U.S. Limited Partners’ ability to invest in U.S. businesses (or to exercise voting or advisory board rights with respect thereto) in order to anticipate or comply with CFIUS considerations. However, there can be no assurance that invoking any such excuse provisions or other limitations will allow the Fund to proceed with or maintain any investment, or to avoid losses relating thereto. Similar considerations are expected to apply with respect to reviews by non-U.S. national security or investment clearance regulators.

Policies Subject to Change. In certain cases the foregoing summarizes, as of the date of this Brochure, certain of Knox Lane’s policies; these are subject to change, and the information relating thereto may be qualified by subsequent disclosure to investors through the Form ADV of Knox Lane, other periodic disclosures, Limited Partner reporting and any disclosure as otherwise permitted or required by the governing agreements of the Fund.

Russia-Ukraine Conflict. There is currently an ongoing military conflict between Russia and the Ukraine which, in a relatively short period of time, has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) may cause additional disruption and constrain or alter

existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect the Fund's ability to fulfill its investment objectives.

Conflicts of Interest

The Adviser and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of the Funds, and providing transaction-related, legal, management and other services to Funds, SPACs and portfolio companies. The Adviser will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the relevant Governing Documents, although the Funds and their respective investments and other investments will place varying levels of demand on these over time. In the ordinary course of the Adviser conducting its activities, the interests of a Fund likely will conflict with the interests of the Adviser, one or more other Funds, portfolio companies or their respective affiliates in certain circumstances. Certain of these conflicts of interest are discussed herein. The Adviser believes that the significant investment of the principals in the Funds, as well as the principals' interest in the carried interest, operate to align, to some extent, the interest of the principals with the interest of the Limited Partners, although the principals have or may have economic interests in such other investment funds (including the Funds) and investments and receive fees, carried interest or other compensation relating to these interests. Such other investments that the principals may control or manage may compete with the Funds or companies acquired by the Funds. At such time as the Adviser is permitted to raise a successor Fund to a current Fund, the principals will continue to manage the current Fund's investments, but also may and likely will focus investment activities on other opportunities and areas unrelated to the current Fund's investments. Certain investments may be allocated between the Funds in a manner as set forth in the Partnership Agreement. As a general matter, the Adviser will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory boards of the participating Funds.

Until such time as the Adviser is permitted under the Partnership Agreement to raise a successor investment fund to the applicable Fund, the principals generally will pursue substantially all appropriate investment opportunities that meet the investment criteria of the Fund principally for the benefit of the Fund, subject to certain exceptions set forth in the Fund's Governing Documents. Without limitation, the principals currently manage, and expect in the future to manage, several other Funds and investments similar to those in which a Fund will be investing, and expect to direct certain relevant investment opportunities or resources to those investment funds and investments. Knox Lane's personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. The Adviser's principals and the Adviser's investment staff will continue to manage and monitor such investments until their realization. Such other investments that the Adviser's principals expect from time to time to control or manage generally have the potential to compete with companies acquired by a Fund. Following the investment period of a Fund, the Adviser's principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments.

To the extent an investment opportunity is received that is unsuitable for a Fund, in the Adviser's sole discretion, the Adviser and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity.

Over time, certain investment opportunities suitable for a Fund are likely also to be suitable for Funds sponsored by the Adviser or its affiliates. In determining which Funds should participate in such investment opportunities, subject to the Partnership Agreements, the Adviser, the principals and their affiliates are subject to potential conflicts of interest among the investors in the relevant Funds. Except as required by the relevant Governing Documents, the Adviser is not obligated to recommend any investment to any particular investment vehicle. Unless restricted by the Governing Documents, Knox Lane personnel are permitted to serve on boards or act in other roles unaffiliated with Knox Lane, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such services and roles.

To determine which Funds will participate in the relevant investment opportunity, the Adviser generally assesses whether an investment opportunity is appropriate for the relevant Fund(s) based on the terms of such Fund's Governing Documents, as well as factors that the Adviser deems appropriate, including, but not limited to, each Fund's investment restrictions and objectives (including those set forth in the relevant fund's Governing Documents), operating guidelines, strategy, risk profile, time horizon, life cycle, tax sensitivity, tolerance for turnover, asset composition, diversification limitations, cash level (if any), applicable tax and regulatory considerations, structure and other relevant factors. For example, a newly organized Fund generally will seek to purchase a disproportionate amount of investments until it is substantially invested. The Fund generally reserves the right to invest together with other Funds in the manner set forth in the relevant Governing Documents. Investments by more than one client of the Adviser in a portfolio company may also raise the risk of using assets of a client of the Adviser to support positions taken by other clients of the Adviser. In the event that the available amount of an investment opportunity in which a Fund invests exceeds an amount appropriate for the Fund, such excess may also be offered to one or more potential investors, as discussed below.

The Adviser determines the allocation of investment opportunities among Funds in a manner that it believes is fair and equitable to its clients under the circumstances over time consistent with the Adviser's obligations and reserves the right to take into consideration factors such as those set forth above; however, the Adviser's allocation of investment opportunities among Funds is not always, and often will not be, proportional. Therefore, such allocations may be more advantageous to a Fund relative to one or all of the other Funds, or vice versa. While the Adviser allocates investment opportunities in a way that it believes is fair and equitable, there can be no assurance that a 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 may be subject did not exist.

Following such determination of allocation among Funds, the Adviser reserves the right to offer co-investment opportunities to one or more potential co-investors, including certain investors, Adviser personnel, Operating Partners, Industry Advisors and other service providers and other persons associated with Knox Lane, other sponsors, market participants, finders and consultants, as determined by the Funds' Governing Documents, Side Letters and the Adviser's

Allocation Policy. The allocation of co-investment opportunities, which may be made to one or more persons for any number of reasons as determined by the Adviser in its sole discretion, may not be in the best interests of the Fund or any individual Limited Partner. The Adviser's procedures permit it to take into consideration a variety of factors in making such determinations, which include factors which benefit the Adviser including but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; 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; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; whether the Adviser believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate strategic or similar relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, the Adviser or other funds advised by the Adviser or its affiliates; the financial and operational resources and other relevant wherewithal of the investor to evaluate and participate in a co-investment opportunity; the likelihood that an 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, whether the investor would be willing to defer to the Adviser or its affiliates and assume a more passive role in governing the investment); whether the investor has any interests in any competitor of the underlying investment; the services provided by the investor to the issuer of the investment (or otherwise provided by the investor with respect to the investment); the likelihood that an investor may invest in a future fund sponsored by the Adviser or its affiliates and/or the timing or amount of an investor's investment in the Fund.

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

In addition, from time to time, the Adviser in order to consummate a transaction or facilitate the acquisition of a portfolio company and ensure a Fund is afforded an investment opportunity or otherwise, may cause the 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. The Fund may or may not

receive compensation for such activities. If the Fund does not find co-investors and/or in the event that the co-investors breach their covenant to purchase the investment from the Fund, the Fund will have an allocation to an investment that is larger than originally anticipated. In addition, the 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, the 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.

Where a proposed transaction that was to have included one or more co-investors is not consummated, the full amount of any broken deal expenses relating to such proposed transaction will typically be borne by the Funds, and not by any prospective co-investors that were to have participated in such transaction. In some cases, a Fund may co-invest with third parties through a variety of structures, such as partnerships, joint ventures or other entities or arrangements. Typically, the Funds will bear such broken deal 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 expenses. Conversely, the Adviser and its affiliates generally do not permit prospective co-investors to benefit from break-up fees (if any), and the Funds would generally expect to receive the entirety of the fee (other than amounts allocable to other co-lead investors or other private funds managed by the Adviser or its affiliates), to the extent not applied to reimburse the Adviser or its affiliates, prospective co-investors or others for certain expenses incurred in connection with such transaction.

Furthermore, the Adviser or its related persons reserve the right 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 Limited Partners. Limited Partners, and the consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and because co-invest opportunities generally appeal to Limited Partners 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 the relevant Fund. When and to the extent that employees and related persons of the Adviser and its affiliates make capital investments in or alongside the Fund, the Adviser and its affiliates subject to potentially conflicting interests in connection with these investments. The Adviser's allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocations among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others.

Where multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions including whether to enforce claims, or whether to

advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly with respect to Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by Knox Lane in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, the Adviser and its affiliates expects to face a potential conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of, one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). Although Knox Lane generally intends to structure Funds to avoid cross-guarantees and other circumstances in which one Fund ultimately bears liability for all or part of the obligations of another Fund, in certain circumstances lenders and other market parties negotiate for the right to face only select Fund entities, which may result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, Knox Lane intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements. In certain circumstances Funds are 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 one Fund or the other may be subject to creditor claims regarding subordination of interests. Knox Lane 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.

Additionally, potential conflicts of interest are expected to arise when and to the extent a Fund makes an investment in a portfolio company in conjunction with an investment made by another Fund, or if it were to invest in the securities of a company in which another Fund has already made an investment. For instance, a Fund may not invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as such other Fund. This likely will result in differences in price, investment terms, leverage and associated costs between the Fund and any other Fund. To the extent multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of broken deal expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no assurance that the Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit the investment at the same time or on the same terms. The Adviser and its affiliates reserve the right from time to time to express inconsistent views of commonly held investments or of market conditions more generally, including in instances where different portfolio managers or personnel express different views regarding the same investment. There can be no assurance that the Fund's return on such an investment will be the same as the returns achieved by any other Fund participating in the transactions. In addition, the Adviser and/or its affiliates reserve the right to enter into transactions on behalf of a Fund and/or successor Funds, or co-investors or co-investment vehicles, in which a Fund buys securities from, or sells securities to, such other Funds, co-investment vehicles or

persons. Such transactions potentially will arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. In some cases, a portfolio company of a Fund may be merged with or into a portfolio company owned by another Fund. Any such transactions raise potential conflicts, including where the assets of one Fund support positions taken by other Funds. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Funds' Governing Documents or otherwise in the sole discretion of the applicable Funds' General Partners, such General Partner reserves the right to seek to mitigate such conflicts by seeking the opinion of an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness or "arm's-length" nature of a purchase or sale price) or by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund's advisory board) to such transactions. In certain circumstances, the Adviser may not obtain such an opinion or consent and reserves the right to determine that the willingness of a third-party to make an investment on the same terms demonstrates the fairness of the relevant transaction to the Funds under then-current market conditions. Whether or not such 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. Given the nature of these conflicts, there can be no assurance that the resolution of these conflicts will be beneficial to a Fund.

The Adviser expects to be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to the Funds. The Adviser, in its sole discretion, will allocate fees and expenses in accordance with the relevant Partnership Agreement and in a manner that it believes is fair and equitable to the Fund under the circumstances and considering such factors as it deems relevant. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on number of Funds or co-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 Fund or the Adviser and/or its affiliates. The Funds are expected to have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment.

The Funds generally make controlling investments in portfolio companies. As a result of these controlling interests, the Adviser typically has the right to appoint portfolio company board members (including current or former Adviser personnel or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio company board members approve compensation and/or other amounts payable to the Adviser and/or its affiliates in connection with services provided by the Adviser and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the Partnership Agreement's offset provision, are in addition to the Management Fee or carried interest discussed herein. The Adviser's authority to appoint or influence the appointment of portfolio company board members who may be involved in

approving compensation payable to the Adviser subjects the Adviser, the Adviser and its affiliates and any such portfolio company board appointees to potential conflicts of interest.

Additionally, a portfolio company typically will reimburse the Adviser, Operating Partners, Industry Advisors or other service providers retained at the Adviser's discretion for expenses (including, without limitation, travel expenses) incurred by the Adviser, Operating Partners, Industry Advisors or such other service providers in connection with the performance of services for such portfolio company. This subjects the Adviser and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Partnership Agreement and its internal reimbursement policies and practices, the Adviser determines the amount of these reimbursements for such services in its own discretion. Although the amount of individual reimbursements typically is not disclosed to investors in any Fund, their effect is reflected in each Fund's audited financial statements.

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

Over the life of a Fund, the Adviser generally exercises its discretion to recommend to a Fund or to a portfolio company thereof that it contract for services or enter into other transactions with various service providers, potentially including, among others: (i) the Adviser (or an affiliate, which may include other portfolio companies of the Fund or other investment funds sponsored by the Adviser or an affiliate) and at rates determined or substantively influenced by the Adviser; (ii) 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 derive a financial or other benefit, including relationships with joint venturers or co-venturers, or relationships where Adviser personnel are seconded, or from which the Adviser receives secondees; or (iii) a Limited Partner (or a Limited Partner of another Fund) or its affiliates. For example, the Adviser may from time to time initiate transactions or service agreements between two or more portfolio companies of a Fund and/or other Funds and may engage certain Limited Partners or their affiliates that are engaged in lending or related businesses to provide financing and/or other services in connection with a Fund's investments. Potential conflicts of interest arise in initiating such transactions, as the Adviser has incentives to maintain goodwill between it and its former, existing and prospective portfolio companies. Similarly, the Adviser has incentives to engage Limited Partners to provide services to a Fund and/or its portfolio companies, including financing, to maintain goodwill with such Limited Partners including with respect to investments made or that may be made in such Fund or another Fund. As a result, in each case, the products or services recommended may not necessarily be the best or lowest cost option. In most cases, the relevant Fund(s) will not consent, participate in the negotiations or be directly involved in such arrangements.

The foregoing subjects the Adviser to conflicts of interest, because although it initiates transactions and selects or recommends service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance and, relatedly, returns of the relevant Fund, the Adviser has a potential incentive to recommend the related or other person (including a Limited Partner) because of its financial or other 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 and/or cultivate relationships that have the potential to provide longer-term benefits to the Adviser or the Funds), may 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 portfolio companies 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 Adviser and/or its affiliates reserves the right to, from time to time, employ personnel, including Operating Partners and Industry Advisors with pre-existing ownership interests in or who were employed or retained by portfolio companies owned by the Funds or other investment vehicles advised by the Adviser; conversely, current or former personnel or executives of the Adviser and/or its affiliates (including Operating Partners and Industry Advisors) are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by the Adviser. Similarly, the Adviser, its affiliates and/or its personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, including, but not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family

members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, the Adviser, its affiliates and/or the Fund or other investment vehicles the Adviser advises and/or portfolio companies. In other circumstances, these vendors are expected to provide personal banking, private wealth or other lending arrangements (including lending arrangements with respect to personal investments in or through Knox Lane entities) to Knox Lane personnel and their estate planning vehicles. The Adviser expects to be subject to a potential conflict of interest with a Fund in recommending the retention or continuation of a third-party service provider to a Fund or a portfolio company owned by the 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, will provide the Adviser information about markets and industries in which the Adviser operates (or is contemplating operations) or will provide other services that are beneficial to the Adviser or one or more other Funds. Also, for example, the Adviser reserves the right to cause a Fund to make payments to investment banks and/or other intermediaries, all or a portion of which is for the purpose of generating future deal flow for such Fund; however, there can be no assurance that such payments will result in any future deal flow, and in certain cases, future deal flow may inure to the benefit of another or a successor Fund rather than the Fund making the payment. The Adviser expects to be subject to a potential conflict of interest in making such recommendations, in that the Adviser has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

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

The Adviser, its affiliates, and equity holders, officers, principals and employees of the Adviser and its affiliates are permitted to buy or sell securities or other instruments that the Adviser has recommended to a Fund. In addition, officers, principals and employees are permitted to buy securities in transactions deemed unsuitable for a Fund, but will not in such circumstances be required to share in or reimburse the relevant Fund for due diligence or other expenses (including broken deal expenses) incurred by the Fund in connection with the Fund's consideration of the relevant investment opportunity. Any such transactions are subject to any restrictions in the Fund's Partnership Agreement and any related policies and procedures set forth in the Adviser's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments

generally vary from those of any Fund. Employees and related persons of the Adviser have, and are expected to continue to have, capital investments in or alongside certain Funds, or in prospective portfolio companies directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and therefore expects to have additional potential conflicting interests in connection with these investments.

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

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

As described above, the Adviser and/or its affiliates employ, on behalf of the Funds and/or the portfolio companies, as applicable, Operating Partners, which may be affiliates of the Adviser, employees or former employees of the Adviser or such affiliates or portfolio companies of other Funds. The Adviser is authorized to designate Operating Partners in its sole discretion. The Operating Partners are expected to provide services to, or in connection with, the Funds in relation to their activities, or to one or more portfolio companies or prospective portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies (the "Services").

The Adviser and/or its affiliates are authorized to retain and/or recommend that the Funds and/or the portfolio companies, as applicable, retain or employ Industry Advisors which generally include executives, third-party consultants and/or professionals with whom Knox Lane has a relationship, and may include affiliates of the Adviser, employees or former employees of the Adviser or such affiliates or portfolio companies of other Funds. The Industry Advisors are authorized to provide Services to, or in connection with, a Fund in relation to its activities, or to one or more portfolio companies or prospective portfolio companies, as well as related services including serving on boards of directors or similar governing boards of portfolio companies. Industry Advisors may be exclusive to Knox Lane although in many cases exclusivity is not expected. Industry Advisors have the ability to perform services for other private fund sponsors, financial institutions, companies and other market participants, including those that compete with Knox Lane, the Funds and/or their portfolio companies, and there is the potential for conflicts of interest to arise with respect to such Industry Advisors.

Subject to the Partnership Agreement, any compensation, including fees and costs (including expenses) associated with the Services performed by Operating Partners and Industry Advisors (collectively “**Compensation**”), are paid and/or reimbursed by applicable portfolio companies and/or the Funds, and Compensation does not offset or reduce the Management Fee, and is not otherwise covered by the Management Fee. Compensation generally includes cash fees, profits or equity interests or other stock awards in a portfolio company, a share of proceeds upon sale of a portfolio company and/or other incentive-based compensation to the Operating Partner or Industry Advisor. Additionally, the Adviser is authorized to provide opportunities for Operating Partners and/or Industry Advisors to invest in the Funds and/or separately its portfolio companies (without the payment of Management Fees or carried interest) and cause the Funds and/or portfolio companies to reimburse costs and expenses (including travel) incurred by Operating Partners or Industry Advisors. Operating Partners and/or Industry Advisors also may receive remuneration from the Adviser and/or the Funds or their affiliates and/or be entitled to other forms of compensation. Separately, Operating Partners are permitted to receive office space, health insurance, business cards, email addresses and other employment benefits and may make use of other Adviser resources, and certain Industry Advisors are permitted to receive similar benefits and resources from time to time. Such investment opportunities, reimbursements and other compensation paid to an Operating Partner or Industry Advisor will not offset the Management Fee. Operating Partners and/or Industry Advisors are permitted to have an equity or profit interest in a Fund, the Adviser or in an affiliate of the Adviser or the portfolio companies of a Fund, and generally are not expected to pay a management fee or carried interest with respect to such interests. Furthermore, Operating Partners and Industry Advisors are generally permitted to participate in the Funds through the General Partners or other vehicles and generally will not bear carried interest or Management Fees. To the extent that Operating Partners or Industry Advisors are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of such person’s services at a time when fewer portfolio companies or Funds make use of such person.

The General Partner intends to allocate Compensation between a Fund (and its alternative investment vehicles, portfolio companies or prospective portfolio companies), on the one hand, and Knox Lane, on the other, in a manner that it believes is fair and equitable, typically based on the entity receiving the services provided by the Operating Partners and Industry Advisors, and based on its internal policies, practices and procedures and the Partnership Agreement. The type, amount and allocation of Compensation may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the Operating Partner, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such portfolio company. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the Fund’s investments, and has the potential to result in economic effects greater than the original amount of compensation, and the relevant Fund typically will bear the costs of all Compensation as well as fees, costs and expenses of structuring Compensation arrangements. The General Partner will face conflicts of interest in determining the allocation of Compensation. For example, Knox Lane generally will not be allocated Compensation that relates to services performed by Operating Partners or Industry Advisors for the Fund, alternative investment vehicles and/or portfolio companies or prospective portfolio

companies. However, these services are also expected to provide a direct or indirect benefit to Knox Lane and/or its affiliates including other Funds. Therefore, the General Partner has an incentive to classify a particular service as being for the Fund, an alternative investment vehicle and/or a portfolio company or prospective portfolio company, even though it may directly or indirectly benefit Knox Lane and/or its affiliates, in whole or in part. Similarly, the General Partner may determine in its sole discretion whether to hire or designate an employee as an Operating Partner or Industry Advisor, and has an incentive to do so in order to shift costs to the Funds and/or its portfolio companies that would otherwise be borne by Knox Lane as overhead, and to avoid any offset to the Management Fee with respect to Compensation paid to such persons. In addition, under certain circumstances, the General Partner may be permitted to redesignate an employee as an Operating Partner or an Industry Advisor (and vice versa), and therefore their compensation would be borne by the Fund and/or the appropriate portfolio company. Operating Partners or Industry Advisors also may become employed by portfolio companies, and therefore their compensation similarly would be borne by the applicable portfolio companies. Accordingly, any such personnel redesignation or change in employment relationship would increase the costs and expenses directly or indirectly borne by the Fund. The allocation of Compensation may not be proportional, and any such determinations involve inherent matters of discretion by the General Partner.

Although the Adviser anticipates that Operating Partners and Industry Advisors will be employed or retained by the Adviser and/or its affiliates with a view to reducing costs to portfolio companies (and, ultimately, the Fund) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings. As a general matter, there can be no assurance that the services rendered by the Operating Partners or Industry Advisors will be effective and result in Fund returns. Moreover, the Adviser and/or its affiliates only anticipate employing, engaging or retaining Operating Partners and Industry Advisors that they believe provide services that will create value, while providing them with competitive Compensation and other benefits commensurate with their experience and perceived ability to create value. However, there can be no assurance that there are no other personnel or service provider more qualified to provide the applicable services and/or able to provide them at lesser cost.

From time to time the Adviser also expects to retain individual or entity consultants/independent contractors, including “external executives,” strategic partners, “executive partners” or “senior advisors” on a case-by-case basis in its sole discretion to provide services similar or in addition to those described above. Such consultants are expected to receive Compensation, benefits, opportunities and other compensation similar to Operating Partners and Industry Advisors as described above, and such amounts generally will be paid by the Funds, any alternative investment and/or any portfolio company or prospective portfolio company and will not offset or otherwise reduce the Management Fee, and are not otherwise covered by the Management Fee.

Since the Adviser is permitted to retain certain Transaction Fees (as described under “Fees and Compensation”) in connection with Fund investments, it expects to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, Transaction Fees are based on an upfront flat amount established with Knox Lane and/or its affiliates at the time of engagement, or enterprise value or revenues or other metrics relating to a portfolio company, and there can be no assurance that the amount of Transaction Fees

charged will be proportional to the amount of hours of work performed on behalf of the portfolio company. Additionally, the Adviser, its personnel, affiliates or others designated by the Adviser 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 relevant Governing Documents are applied (typically based on the net cash proceeds from the sale of such securities), 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 may differ from those of the relevant Fund). In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund's relative ownership of the portfolio company awarding such compensation.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, Knox Lane 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 Governing Documents, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

In certain cases, the Adviser will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Fund. In such cases, 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, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund investors.

As noted above, the Adviser and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of the Adviser's compensation), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on the Fund's advisory board, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, and investment pacing restrictions, as well as economic procedural and other terms.

The Adviser is likely to have its own economic and/or other business incentives to provide certain terms to certain Limited Partners (e.g., based on commitment amount to a Fund or the timing thereof, the ability of a Limited Partner to provide sourcing or other services to the Adviser, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to the Adviser, its affiliates and personnel, or the Funds. Further, Side Letters may also relate to strategic relationships under which an investor agrees to make a Commitment of a certain amount or

Commitments to multiple Funds. Except where required by Governing Documents, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, the Adviser, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. Side Letters subject the Adviser to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory board results in the investor receiving additional information relative to other investors. 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 Limited Partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments, the aggregate returns realized by participating or non-participating Limited Partners 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 Limited Partners (or such regulatory, tax or other factors applicable to such Limited Partners) representing a substantial percentage of a Fund have the potential to create significant variations in Limited Partner investment returns, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. A Limited Partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more Limited Partners' voting rights generally will increase the voting rights percentage of other Limited Partners in the relevant Fund. Further, Limited Partners 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 vehicle, "blocker" or other structures used to facilitate their investments in, through or below a Fund.

From time to time the Adviser and/or its affiliates and personnel and persons selected by them expect to receive the benefit of "friends and family" and similar discounts from portfolio companies owned by the Fund under which such portfolio companies make their goods and/or services available at reduced rates. Because its portfolio companies are expected to 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 relevant liability standards under insurance coverage procured by the Adviser are expected to vary by carrier, and such standards are expected to vary from time to time depending on, for example, coverage features or limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages from time to time are expected to vary from relevant liability and/or indemnity standards in the Governing Documents. Investors generally will be responsible for insurance premiums, as set forth in the Governing Documents, regardless of whether the liability and/or indemnity standards in the Adviser's insurance coverage are higher or lower than that set forth in the Governing Documents.

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

DISCIPLINARY INFORMATION

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

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Adviser is affiliated with the General Partner, which is subject to the Advisers Act pursuant to the Adviser's registration in accordance with SEC guidance. These affiliated entities operate as a single advisory business together with the Adviser and serve as managers or general partners of the Funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

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

Knox Lane has adopted the Knox Lane Code of Ethics and Securities Trading Policy (the "Code"), which sets forth standards of conduct that are expected of Knox Lane's principals and employees and addresses conflicts that arise from personal trading. The Code requires certain Knox Lane personnel to report their personal securities transactions, prohibits or requires pre-clearance for directly or indirectly acquiring beneficial ownership or disposing of securities in an initial public offering, and prohibits Knox Lane personnel from directly or indirectly acquiring beneficial ownership of limited offerings and certain other securities, without first obtaining approval from the Knox Lane Chief Compliance Officer. In addition, the Code of Ethics requires such personnel to comply with procedures designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code of Ethics will be provided to any investor or prospective investor upon request to Ivor van Esch, the Knox Lane Chief Compliance Officer, at (415) 651-2279. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client eligible investments.

Knox Lane and its affiliated persons may come into possession, from time to time, of material, non-public or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, Knox Lane 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 Knox Lane.

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

Principals and employees of Knox Lane 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 expected to invest in one or more of the same portfolio companies as a Fund. Co-invest opportunities generally are also expected to be presented to certain affiliates of Knox Lane, as well as third party investors and other persons, and such co-investments may be effected through co-invest vehicles, directly in a particular portfolio company or through an intermediate entity in a portfolio company's structure. Such co-investment opportunities generally will be allocated in the manner described under "Methods of Analysis, Investment Strategies and Risk of Loss."

In addition to the foregoing and subject to any limitations in the Partnership Agreement, the Adviser and its affiliates, the principals and employees are expected from time to time to carry on investment activities for their own account, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in a Fund, as well as give advice and recommend securities to vehicles which 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 may be (directly or indirectly through investment vehicles sponsored by potential competitors) in the same industry as the Funds invest, and may compete with the Funds for investment opportunities, and/or compete with portfolio companies of the Funds.

The Adviser is authorized, from time to time, to advance funds on behalf of a Fund and contribute such borrowed amounts to the relevant Fund as a special interim capital contribution for investment, to be redeemed at a later date. A yield amount in connection with such borrowing is typically borne by the relevant Fund as a Fund expense, consistent with the Governing Documents. 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 the Fund, and in circumstances where interest accrues on any such outstanding borrowings at a rate lower than the relevant Fund's preferred return, is expected to have incentives to cause the Fund to borrow in this manner rather than drawing down capital commitments. Where a preferred return begins to accrue after capital contributions are due (regardless of when the Fund borrows, makes the relevant investment, or pays expenses) and ceases to accrue upon return of these capital contributions, the use of borrowing to shorten the period between calling and returning capital limits the amount of time the preferred return will accrue. In circumstances where there is not a preferred return on funds borrowed in advance or in lieu of calling capital, Fund-level borrowing typically will reduce the amount of preferred return to which the Limited Partners would otherwise

be entitled had the General Partner called capital, and thus could result in the relevant General Partner receiving carried interest sooner than it would without borrowing. It is expected that the costs relating to the establishment and/or maintenance of a subscription line of credit will be significant, and there can be no assurance that the benefits to limited partners will be commensurate with such costs. The relevant General Partner generally will not participate in a Fund-level borrowing facility, and generally will not bear the related costs attributable thereto, including interest expenses or costs payable, in which case such amounts will be borne solely by the limited partners. The Adviser will effect such borrowings consistent with a Fund's Governing Documents and in a manner it believes to be fair and equitable under the circumstances to the relevant Fund.

BROKERAGE PRACTICES

The Adviser focuses on securities transactions of private companies and generally purchases and sells such companies through privately-negotiated transactions in which the services of a broker-dealer will potentially be retained. However, the Adviser is also authorized to distribute securities to investors in a Fund or sell such securities, including through using a broker-dealer, such as where a public trading market exists. Although the Adviser does not intend to regularly engage in public securities transactions, to the extent it does so, it intends to follow the brokerage practices described below.

If the Adviser sells publicly traded securities for a Fund, it is responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Adviser. In such event, the Adviser will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Adviser reserves the right to consider a variety of factors, including: (i) a broker's execution capabilities with respect to the relevant type of order; (ii) the commissions charged by a broker, which may be based on the size of the order, the price of the security and whether the receipt of products or services is involved; (iii) the broker's reputation and responsiveness to requests for trade data and other financial information; and (v) other factors suggested by the SEC for determining best execution.

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

Consistent with the Adviser seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Adviser generally does not make use of such services at the current time and has not made use of such services since its inception. To the extent the Adviser uses "soft dollars" on behalf of the Funds, it intends to seek to do so within the safe harbor provided by Section 28(e) of the Exchange Act.

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

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

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

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

REVIEW OF ACCOUNTS

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

Each Fund generally will provide to its limited partners: (i) audited financial statements annually commencing with the first year in which it makes an investment, (ii) unaudited financial statements for the first three quarters of each fiscal year commencing with the first quarter the Fund calls capital, (iii) annual tax information necessary for each Limited Partner’s U.S. tax returns and (iv) descriptive investment information for each portfolio company.

CLIENT REFERRALS AND OTHER COMPENSATION

The Adviser and/or its affiliates intend 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 Partnership Agreement, this compensation will, in many cases, offset a portion of the Management Fees paid by such Fund. However, in other cases (*e.g.*, payments to Industry Advisors and/or Operating Partners, or reimbursements for out of pocket expenses directly related to a portfolio company), these amounts are expected to be in addition to Management Fees. *See* "Fees and Compensation" above.

The Adviser is authorized to, 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. These arrangements (relating to U.S. investors and U.S.-domiciled Funds) generally are disclosed in the relevant Fund's Form D. Any fees payable to any such placement agents or third-party solicitors generally will be borne by the Adviser indirectly through an offset against the Management Fee under the Governing Documents, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Fund(s).

The Adviser has retained Credit Suisse Securities (USA) LLC, a placement agent, to solicit commitments from investors in exchange for a nonrefundable cash retainer and a cash fee ranging from 1.5% to 2.25% of the aggregate principal amount of Fund interests sold to certain third-party investors (depending on the amount sold), subject to certain exclusions and exceptions, in addition to the reimbursement of certain expenses.

CUSTODY

The Adviser generally expects that it will be deemed to have "custody" (within the meaning of Advisers Act Rule 206(4)-2) of assets held in the name of one or more Funds, and intends to maintain such assets with the following qualified custodian(s): First Republic Bank, San Francisco, California.

INVESTMENT DISCRETION

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

VOTING CLIENT SECURITIES

The Adviser has adopted the Knox Lane Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how it will vote proxies, as applicable, for the Funds' portfolio companies.

The Proxy Policy seeks to ensure that the Adviser votes proxies (or similar instruments) in the best interest of the Funds, including where there is an actual or potential conflicts of interest in voting proxies. The Adviser generally believes its interests are aligned with those of each Fund's investors, for example, through the principals' beneficial ownership interests in such Fund and therefore will not seek investor approval or direction when voting proxies. In the event that there is an actual or potential conflict of interest in voting proxies, the Proxy Policy provides that the Adviser is authorized to address the conflict using several alternatives, including by seeking the approval or concurrence of a Fund's advisory board on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. Additionally, a Fund's advisory board is authorized to approve the Adviser's vote in a particular solicitation. The Adviser does not consider service on portfolio company boards by personnel of the Adviser or the Adviser's receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Adviser when voting proxies on behalf of a Fund. Clients or investors that would like a copy of the Adviser's complete Proxy Policy or information regarding how the Adviser voted proxies for particular portfolio companies may contact Ivor van Esch, the Knox Lane Chief Compliance Officer, at (415) 651-2279, and it will be provided at no charge.

FINANCIAL INFORMATION

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.