

**Form ADV Part 2A  
(Disclosure Brochure)**

**March 31, 2022**

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This brochure provides information about the qualifications and business practices of Edison Partners Management, LLC (“Edison” or the “Firm”). If you have any questions about the contents of this brochure, please contact Joseph Giquinto, Chief Compliance Officer, at 609-896-1900.

The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Additional information about Edison is also available on the SEC’s website at [www.adviserinfo.sec.gov](http://www.adviserinfo.sec.gov). Registration with the SEC as an investment adviser does not imply a certain level of skill or training.

## **Item 2 – Material Changes**

This Brochure dated March 31, 2023, replaces our previous annual amendment, dated March 31, 2022.

There were no material updates since our last annual amendment, dated March 31, 2022.

You will receive a summary of any material change to this and subsequent Brochures within 120 days of the close of our business' fiscal year. We may provide other ongoing disclosure information about material changes, as necessary.

We will further provide you with a new Brochure, as needed, based on changes or new information, at any time, without charge.

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## **Item 4 – Advisory Business**

### **4.A Advisory Firm Description**

Edison Partners Management, LLC (“Edison”) is a Delaware limited liability company formed on July 27, 2020.

### **4.B Types of Advisory Services**

Edison currently provides investment advisory services on a discretionary basis to private pooled investment vehicles (collectively, the “Funds” and each, a “Fund”). References throughout this brochure to “a Fund” or “Funds” are generally intended to cover any existing or future private fund advised or sponsored by Edison or its affiliates, including any co-investment vehicles.

### **4.C Client Investment Objectives/Restrictions**

Investments in the Funds are managed in accordance with the applicable Fund’s strategy and guidelines set forth in the relevant Fund documents and are generally not managed based upon the particular interests of an investor. Accordingly, investors must consider whether the Fund meets their investment objectives and tolerance prior to investing. Information about the Funds, including any relevant restrictions, can be found in the Fund offering documents, which are only provided to qualified current and prospective investors through Edison or another authorized party. Additionally, Edison may provide services to portfolio companies held in private pooled investment vehicles to the extent and subject to the limitations set forth in the relevant limited partnership agreement. For example, Edison typically appoints a representative to serve on the board of directors of its portfolio companies in connection with its Fund investments. In addition, Edison may provide other services to its portfolio companies such as monitoring services, which services (if applicable) are provided consistent with the relevant Fund’s limited partnership agreement.

Clients are typically not permitted to impose restrictions on investing in certain securities or types of securities, unless an exception is agreed upon by Edison in writing.

### **4.D Wrap Fee Programs**

Edison does not participate in, nor is it a sponsor of, any wrap fee programs.

### **4.E Assets Under Management**

As of December 31, 2022, Edison managed approximately \$1,455,201,252 in regulatory assets under management, which are managed on a discretionary basis.

## **Item 5 – Fees and Compensation**

### **5.A Adviser Compensation**

Edison is compensated through various combinations of a percentage of assets under management, performance-based fees, and/or fixed fees. Such fees are disclosed in the limited partnership agreements for such Funds that are reviewed and executed by each limited partner in each Fund (each, a “Limited Partner”). Such fees are currently not negotiable.

### **5.B Direct Billing of Advisory Fees**

Management fees are deducted in advance on a quarterly basis. Management fees are based upon a percentage of assets under management or a fixed fee as disclosed in each Fund’s limited partnership agreement. Management fees based on a percentage of assets under management are based upon a formula and subject to certain reductions, but management fees payable in connection with existing Funds do not exceed 2% of commitments, as described in each applicable Fund’s limited partnership agreement. In addition, performance fees in the form of carried interest are paid to the General Partner of each existing Edison Fund, an affiliate of Edison (each “General Partner”), through a

waterfall provision after each partner has been returned all capital contributions and received an annual preferred return compounded annually. Management fees are prorated for any period that is less than a full period.

### **5.C Other Fees and Expenses**

For the Funds, to the extent possible, third party costs related to portfolio investments are charged to portfolio investments. The Funds shall be responsible for, or reimburse, Edison or the General Partner as applicable for all out-of-pocket expenses incurred by the Funds, Edison or the General Partner in connection with (a) the organization of the Fund and General Partner and the offering of interests to the Limited Partners (including, without limitation, fees and disbursements of attorneys and other professionals) and related organizational expenses; (b) fees and expenses of custodians, counsel, banks, tax advisors, auditors, administrators, consultants, compliance firms, information technology providers, depositaries and accountants and other similar advisors; (c) costs and expenses incurred in identifying, evaluating, arranging, negotiating, structuring, trading or settling any transaction contemplated for investment by the Fund, including buying and selling any portfolio investments (regardless of whether such transaction is subsequently consummated), including, without limitation, any travel, legal, tax and accounting expenses in connection therewith; (d) the out of-pocket costs, fees and expenses of monitoring, holding, valuing or selling portfolio investments, including record-keeping expenses; (e) out-of-pocket costs of reporting to the Limited Partners (including the cost of technology and/or software necessary to generate such reports), tax returns and Schedule K-1s and of any meetings of Limited Partners, and of any meeting of the investor advisory board, including costs of legal counsel retained by the investor advisory board as authorized in accordance with Fund documents; (f) any taxes, fees or other governmental charges levied against the Fund or on its income or assets or in connection with its business or operations; (g) insurance; (h) costs of any audit, investigation, proceedings, litigation and threatened litigation; (i) indemnification obligations; (j) liquidation expenses, including the costs and expenses of any liquidating trustee; (k) capital payments, interest and other expenses in respect of indebtedness for borrowed money; (l) extraordinary expenses, including fees and expenses associated with any tax or other audit, investigation, proceeding, regulatory matter, settlement or review of the Fund; (m) costs and expenses related to the Fund's compliance with applicable laws; and (n) all other costs and expenses properly chargeable to the activities of the Fund, as described in the applicable Limited Partnership Agreement. Certain fees and expenses may be subject to limitations set forth in the applicable Fund's Limited Partnership Agreement.

Edison may also be paid monitoring and management fees by certain portfolio companies of the Funds; *provided* that such portfolio company compensation is typically applied against the management fee otherwise payable to the General Partner or Edison, as described in the relevant Fund documents.

Please refer to Item 12 for more information.

### **5.D Fees in Advance**

Management fees are paid quarterly in advance. Edison offers *pro rata* refunds to the Funds and thus indirectly to any Limited Partners, for any unearned management fees paid in advance.

### **5.E Securities Compensation**

As permitted by the Fund offering documents, Edison receives transaction fees and / or break-up fees, and in certain instances such fees, or a portion thereof, shall be applied against the management

fee. This presents a conflict of interest and gives Edison an incentive to recommend investments based on the compensation received rather than on the Fund's needs. Edison only recommends investments when Edison believes it is in the best interest of the Fund and consistent with the Fund's investment objectives. Additional details regarding such fees are available in the relevant limited partnership agreement of the Fund.

#### **Item 6 – Performance-Based Fees and Side-By-Side Management**

As described in Item 5, with respect to each Fund, a portion of the profits of each Fund are distributed to the General Partner of each Fund, affiliates of Edison, as "carried interest". The performance-based fee arrangements provide an incentive for Edison to recommend investments that may present higher risk or be more speculative than those which would be recommended under a different fee arrangement. Edison only recommends investments when it believes it is in the best interest of the Fund and consistent with the Fund's investment objectives. Edison periodically reviews the Funds to ensure they are invested according to any applicable restrictions set forth in the Fund offering documents.

#### **Item 7 – Types of Clients**

Edison currently provides investment advisory services on a discretionary basis to private pooled investment vehicles.

The Funds currently have minimum investment requirements for Limited Partners, that vary from \$50,000 to \$1,000,000. Limited Partners are also required to meet certain suitability requirements applicable for each Fund, such as being an "Accredited Investor", a "Qualified Client" and/or a "Qualified Purchaser" as defined under federal laws.

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

##### **8.A Methods of Analysis and Investment Strategies**

The investment objective of the Funds is to seek capital appreciation through control or minority equity of equity-linked investments in software and technology-enabled private businesses based primarily in the eastern United States. The Funds are managed by their respective General Partner and, certain duties are delegated through a management agreement to Edison.

Edison is a Princeton, New Jersey-based private investment/venture capital firm with experience in both investing in and operating software and technology enabled services businesses, domestically and abroad. Edison prides itself on working closely with management teams to create value through strategic and operational initiatives.

The Funds' target market includes growth stage software and technology-enabled private businesses with revenues up to \$30 million at the time of investment, that are, or have the near-term potential to be, cash flow positive and meet some or all of the Investment Criteria summarized below. Investments in both larger and smaller companies also will be considered if they meet these criteria and demonstrate the ability to achieve adequate returns for the Funds, as determined in the discretion of Edison and/or each Fund's General Partner.

No assurance can be given that any of the Funds will achieve their respective investment objectives.

## **Investment Criteria**

Edison employs a data-driven approach to refine its criteria for investment selection. Edison's current criteria scorecard focuses on metrics and indicators emphasizing revenue growth rate, stage, influence, capital efficiency, repeatability and CEO scorecard.

## **Industry Focus and Approach**

Edison has a repeatable model to source attractive investment candidates, thoroughly conduct due diligence, and proactively optimize exit outcomes. Edison's industry focus proactively refines investment themes within three core sectors – fintech, enterprise solutions, healthcare IT – on a bi-annual basis through a combination of bottom-up deal sourcing and top-down data science-driven signals and research.

Edison enhances inbound deal flow with a systematic, proactive outbound program led by a deal sourcing team, which is exclusively focused on identifying and cultivating relationships with prospective investment candidates. One of the Edison Partners guides our deal sourcing process and supporting operational tech stack for each of these three core industry sectors. This team works closely with investment professionals to continually identify investment themes and key target areas by industry segment.

## **8.B Material Risks for Investment Strategies and Types of Securities**

Investing in the Funds involves a high degree of risk and is suitable only for persons having substantial financial resources who understand the long-term nature, the consequences of, and the risks associated with the investment. Some of those risks are summarized below. Investors should carefully consider all the risks discussed below and should consult their own legal, tax, and financial advisers about these risks and an investment in the Funds managed by Edison. Investing in securities involves risk of loss that investors should be prepared to bear. Investors should refer to the offering documents for the Funds for a more detailed discussion of risks.

**RISKS INHERENT IN GROWTH EQUITY INVESTMENTS.** The types of investments that each Fund anticipates making involve a high degree of risk. In general, financial and operating risks confronting portfolio companies can be significant. While targeted returns should reflect the perceived level of risk in any investment situation, there can be no assurance that a Fund will be adequately compensated for risks taken. A loss of an investor's entire investment is possible. An investment in the Fund is thus designated for sophisticated persons who are able to bear such risk of loss. The timing of profit realization is highly uncertain. Losses are likely to occur early in a Fund's term, while successes often require a long maturation. Early and growth stage companies often experience unexpected problems in the areas of product development, marketing, financing and general management, which, in some cases, cannot be adequately solved. In addition, such companies may require substantial amounts of financing which may not be available through institutional private placements or the public markets. The percentage of companies that survive and prosper can be small.

Investments in more mature companies in the expansion or profitable stage involve substantial risks. Such companies typically have obtained capital in the form of debt and/or equity to expand rapidly, reorganize operations, acquire other businesses, or develop new products and markets. These activities involve a significant amount of change in a company and could give rise to significant problems in sales, manufacturing, and general management of these activities. In addition, the success of any business is dependent upon the availability of high-quality personnel. Competition for

qualified personnel at any stage of development can be intense. Turnover of personnel can seriously disrupt a portfolio company's business plan. Similarly, the ability of a portfolio company's personnel to accept and make the transitions that occur as the company matures is difficult to predict or manage. No assurance can be given that the Fund's portfolio companies will be able to attract and retain the qualified personnel necessary for success.

**INVESTMENT IN COMPANIES DEPENDENT UPON NEW TECHNOLOGIES AND SCIENTIFIC DEVELOPMENTS.** Each Fund plans to focus its investing on software and technology-enabled services businesses in the Financial Technology, Enterprise Solutions and Healthcare IT sectors. The value of a Fund's interests may be susceptible to factors affecting such companies and to a greater risk than an investment in a partnership that invests in a broader range of securities. The specific risks faced by such companies include:

- rapidly changing science and technologies;
- new competing products and improvements in existing products which may quickly render existing products or technologies obsolete;
- scarcity of management, technical, scientific, research and marketing personnel with appropriate
- training;
- the possibility of lawsuits related to intellectual property rights; and
- rapidly changing investor sentiments and preferences with regard to technology sector investments (which are generally perceived as risky).

**RISKS RELATED TO VALUATIONS PLACED ON TECHNOLOGY COMPANIES BY THE FINANCIAL MARKETPLACE.** Securities markets, in general, and technology-based stocks, in particular, have experienced periods of significant volatility. Increased volatility in the future could increase the risk of loss in securities investments as compared to the risk of loss in more stable market conditions. Interest rate volatility, general levels of economic activity and participation by other investors in the financial markets may materially adversely affect the value of investments made or held by a Fund. Should equity markets, particularly those affecting technology stocks, weaken or experience a recession, a Fund will have difficulty raising investment capital and liquidating investments in the public and private markets. The Fund may also experience difficulty in identifying investment opportunities and securing follow-on financing for the Fund's investments.

Furthermore, the value of businesses and the price of the equity and equity-related securities of those businesses, in which a Fund intends to invest may be based upon factors and multiples used for publicly traded technology companies. The public market for the stocks of technology companies has experienced extreme price and volume fluctuations. Investors' interest in technology companies may decline in the future and may cause extreme volatility in, including significant decreases in, the price from which these stocks have been trading. A decrease in the price of publicly-traded technology stocks would likely have a negative effect on the valuations given to a Fund's portfolio companies, which would have a material adverse effect on the value of the Fund's assets.

**RELIANCE ON PORTFOLIO COMPANY MANAGEMENT.** Although any Fund's General Partner may (but is not required to) seek representation on the board of directors of its portfolio companies, no Fund will have an active role in the day-to-day management of the companies in which it invests. To the extent that the senior management of a portfolio company performs poorly, acts in bad faith or negligently, or commits fraud or willful misconduct, or in the event a key manager



terminates employment, a Fund's investment in such company could be adversely affected.

**NATURE OF PRIVATE INVESTMENTS.** Investment in a Fund requires a long-term commitment, with no certainty of return. A Fund may invest in companies that are experiencing or are expected to experience financial difficulties, which will require additional equity capital to be successful. Identifying potentially profitable enterprises is a difficult task. The companies in which a Fund will invest may involve a high degree of risk. Such companies may face intense competition, including competition from companies with greater financial resources, more extensive development, manufacturing, marketing and service capabilities, and a larger number of qualified managerial and technical personnel. Many of a Fund's investments will be highly illiquid, and there can be no assurance that a Fund will be able to realize a return on such investments in a timely manner, if at all. Additionally, a Fund may acquire securities that cannot be sold except pursuant to a registration statement filed under the United States Securities Act of 1933, as amended (the "Securities Act") or in accordance with Rule 144 of the Securities Act or another exemption under the Securities Act. There will likely be no near-term cash flow available to investors. Since a Fund may only make a limited number of investments and since many of a Fund's investments may involve a high degree of risk, poor performance by a few of the investments could severely affect the total returns to investors. Additionally, it should be noted that past performance is not a guarantee of future results.

**LACK OF OPERATING HISTORY.** Edison has extensive experience investing in the private equity and venture capital market. Despite the operating history of Edison, certain Funds and their respective General Partners are recently formed. These entities have limited historical results by which their future performance may be measured. The successful investment of the Funds' assets will depend upon the skills of each Fund's General Partner and Edison, which in turn will depend in significant part upon the Investment Professionals. Past performance is not necessarily indicative of future results.

**RISK OF LIMITED DIVERSIFICATION.** Each Fund's assets will not be broadly diversified and may be subject to greater risk of loss than if they were more widely diversified. The failure of one or more portfolio companies could have a material adverse effect on a Fund.

**ULTIMATE FUND SIZE.** The number of investments and potential profitability of any particular Fund could be affected by the amount of funds at its disposal, and, in the event a Fund that is still fundraising obtains less than the target amount of capital it is seeking for investment, the Fund's investment return might be affected to a greater degree by errors in investment decisions than the investment returns of other entities with greater capitalization.

**RELIANCE ON THE GENERAL PARTNER.** The General Partner will have sole discretion over the investment of the funds committed to a Fund, as well as the ultimate realization of any profits. The Limited Partners will not receive the detailed financial information issued by a Fund's portfolio companies that will be available to the Fund and the General Partner. Accordingly, the Limited Partners will not have the opportunity to evaluate the relevant economic, financial and other information that will be utilized by the General Partner in its selection of investments. Investors in a Fund will be relying on the General Partner and the Managing Members to identify, structure, and implement investments consistent with the Fund's investment objectives and policies and to conduct the business of the Fund. The Limited Partners will not make decisions with respect to the management, disposition or other realization of any investment made by the Fund, or other decisions regarding the Fund's business and affairs.

**RELIANCE ON THE MANAGING MEMBERS.** The loss of any of the Managing Members of the General Partner may have an adverse impact on the business of the Fund and its financial performance, and the loss of multiple Managing Members will trigger a suspension of the Fund's commitment period in accordance with the terms of the relevant partnership agreement. No assurances can be given that any Managing Member will continue to be affiliated with the General Partner (and thus the Fund) throughout the Fund's term. Notwithstanding any prior experience that the Managing Members may have in making investments of the type expected to be made by the Fund, any such experience necessarily was obtained under different market conditions and with different technologies at the forefront of development. There can be no assurance that the Managing Members will be able to duplicate prior levels of success.

**FOCUSED INVESTMENT STRATEGY.** Each Fund will generally be focused on investments in companies involved in software and technology enabled services businesses in the Financial Technology, Enterprise Solutions and Healthcare IT sectors, that may not enjoy the reduced risks of a broadly diversified portfolio. A specific investment focus is inherently riskier and could cause each Fund's investments to be more susceptible to particular economic, political, regulatory, technological or industry conditions or occurrences compared with a fund that is more diversified or has a broader industry focus.

**DIFFICULTY IN VALUING PORTFOLIO INVESTMENTS.** Generally, there will be no readily available market for a substantial number of any particular Fund's investments and hence, most of a Fund's investments will be difficult to value. Due to the absence of readily available market valuations or market quotations for securities of a Fund's privately held portfolio companies, the valuation of a Fund's investments in such portfolio companies is determined in good faith by the General Partner in accordance with its valuation policy; the Fund is not required to have such valuations independently determined. Despite the General Partner's efforts to acquire sufficient information to monitor certain of a Fund's investments and make well-informed valuation and pricing determinations, the General Partner may only be able to obtain limited information at certain times. It is possible that the General Partner may not be aware on a timely basis of material adverse changes that have occurred with respect to certain of the Fund's investments. The General Partner may have to make valuation determinations without the benefit of an adequate amount of relevant information. Prospective investors should be aware that as a result of these difficulties, as well as other uncertainties, any valuation made by the General Partner may not represent the fair market value of securities acquired by the Fund.

**COMPETITIVE MARKETPLACE.** The marketplace for venture capital and growth equity investing has become increasingly competitive. Participation by financial intermediaries has increased, substantial amounts of funds have been dedicated to making investments in the private sector and the competition for investment opportunities is at high levels. Some of a Fund's potential competitors may have greater financial and personnel resources than the General Partner. There can be no assurances that the General Partner will locate an adequate number of attractive investment opportunities. To the extent that a Fund encounters competition for investments, returns to investors in such Fund may vary.

**CHANGING ECONOMIC CONDITIONS.** The success of the General Partner's investment strategy could be significantly impacted by changing external economic conditions in the United States and global economies. The stability and sustainability of growth in global economies may be

impacted by terrorism, pandemics, or acts of war. The availability, unavailability, or hindered operation of external credit markets, equity markets and other economic systems which a Fund may depend upon to achieve its objectives may have a significant negative impact on such Fund's operations and profitability. There can be no assurance that such markets and economic systems will be available or will be available as anticipated or needed for a Fund to operate successfully. Changing economic conditions could materially and adversely impact the valuation of portfolio holdings.

**PANDEMIC RISK.** The outbreak of the novel coronavirus, COVID-19, has adversely impacted global commercial activity and contributed to significant declines and volatility in financial markets. The coronavirus pandemic and government responses are creating disruption in global supply chains and adversely impacting many industries. The outbreak could have a continued material adverse impact on economic and market conditions and trigger a period of global economic slowdown. The rapid development and fluidity of this situation precludes any prediction as to the ultimate material adverse impact of the novel coronavirus. Nevertheless, the novel coronavirus presents material uncertainty and risk with respect to each Fund, its performance, and its financial results.

**BRIDGE FINANCING.** A Fund may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt. Such bridge loans would typically be convertible into a more permanent, long-term security; however, for reasons not always in a Fund's control, such long-term securities may not issue, and such bridge loans may remain outstanding. In such event, the interest rate on such loans may not adequately reflect the risk associated with the unsecured position taken by a Fund.

**LEVERAGE.** To the extent that any investment is made in a portfolio company with a leveraged capital structure or any portfolio company borrows or enters into other financing transactions requiring periodic payments, such investment will be subject to increased exposure to adverse economic factors such as a significant rise in interest rates, a severe downturn in the economy or deterioration in the condition of such company or its industry. If such a company is unable to generate sufficient cash flow to meet principal and interest payments on its indebtedness, the value of any equity investment by a Fund in such company could be significantly reduced or even eliminated.

**LIMITATIONS ON ABILITY TO EXIT INVESTMENTS.** Each General Partner expects to exit from Fund investments in two principal ways: (i) private sales (including acquisitions of its portfolio companies) in general, specifically including by means of trade sales to strategic or financial buyers) and (ii) initial and secondary public offerings. At any time, market conditions globally and in the U.S. may dictate that one or both avenues may not be open to a Fund, or timing with respect to these exit mechanisms may be inopportune. As such, the ability to exit from and liquidate portfolio holdings may be constrained at any time during the term of a Fund.

**INVESTMENTS LONGER THAN TERM.** A Fund may make investments that may not be advantageously disposed of prior to the date of a possible Fund dissolution. Although each Fund's General Partner expects that such Fund's investments will either be disposed of prior to dissolution or be suitable for in kind distribution at dissolution, a Fund may have to sell, distribute or otherwise dispose of investments at a disadvantageous time (and at disadvantaged prices) as a result of its liquidation, winding up and dissolution process and timeline.

**FOREIGN INVESTMENTS.** Each Fund may make investments outside the United States. Such investments involve a number of additional risks, including (i) the risk of adverse political

developments such as nationalization, confiscation without fair compensation, or war; (ii) the risk of fluctuations in currency exchange rates; (iii) the risk of restrictions on capital movements, which would make it difficult or impossible to exchange or repatriate foreign currency; and (iv) the risk of regulations which might prevent the implementation of cost cutting or other operational improvements. In addition, laws and regulations of foreign countries may impose restrictions or approvals that would not exist in the United States, and may require financing and structuring alternatives that differ significantly from those customarily used in the United States. Foreign countries may also impose taxes on the Funds or the Limited Partners.

**CONFLICTS OF INTEREST.** The following discussion enumerates certain potential conflicts of interest that should be carefully evaluated before making an investment in a Fund. The following is not intended as an exhaustive list of the potential conflicts.

Instances may arise where the interest of the General Partner (or its members), Edison, the managing members and/or their affiliates may potentially or actually conflict with the interests of a Fund and the Limited Partners. For example, the existence of the General Partner's carried interest may create an incentive for the General Partner and/or the Managing Members to make more speculative investments on behalf of a certain Fund than they would otherwise make in the absence of such performance based arrangements. Additionally, subject to the terms of the relevant Fund's limited partnership agreement, the General Partner or managing members of the General Partner may also manage, form and devote their time to other investment partnerships with activities like those of the Fund, including without limitation to prior Edison funds, successor Edison funds and co-investment vehicles. The managing members, Edison and General Partner may also have conflicts of interest in allocating time, services and functions among a Fund, other Edison funds or co-investment vehicles, and any other Edison business ventures permitted by the terms of the relevant Fund's limited partnership agreement. Such conflicts of interest may be resolved in accordance with procedures set forth in each relevant Fund's limited partnership agreement, including without limitation a vote of (or waiver by) a Fund's Valuation Committee. The managing members, General Partner and Edison are not required to refrain from such management activities or to disgorge profits from such activities, subject to any restrictions in the relevant Fund's limited partnership agreement or side letters between the relevant Fund and its Limited Partner(s).

In addition, Edison (as designee of the General Partner) receives management fees from the Fund, and the General Partner receives performance-based compensation in the form of carried interest from the Fund. The management fees are payable without regard to the overall success or income earned by the Fund and after a certain date are calculated on the cost basis and/or fair value of assets under management vs. Fund commitments (as described in the relevant Fund's limited partnership agreement), so such fees therefore may create an incentive on the part of the General Partner to raise or otherwise increase assets under management to a higher level, and/or retain assets under management for a longer period of time prior to exit, than would be the case if the General Partner were receiving a lower or no management fee (or a management fee based on a different metric).

By acquiring an interest in a Fund, each Limited Partner will be deemed to have acknowledged the existence of any such actual or potential conflicts of interest and to have waived any claim with respect to any liability arising from the existence of any such conflicts of interest.

**CATASTROPHIC EVENTS.** The value of a Fund's portfolio company investments may decline as a result of various catastrophic events, such as pandemics, natural disasters, and terrorism. Losses

resulting from these catastrophic events can be substantial and could have a material adverse effect on the Edison business and the Funds.

### **Item 9 – Disciplinary Information**

Edison and its management persons have not been subject to any material legal or disciplinary events.

### **Item 10 – Other Financial Industry Activities and Affiliations**

#### **10.A Broker-Dealer**

Edison's management persons are not registered, nor do any management persons have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.

#### **10.B Financial Industry Activities**

Edison's management persons are not registered, nor do any management persons have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.

#### **10.C Affiliations**

Edison is required to disclose any relationship or arrangement that is material to its advisory business or to its clients with certain related persons.

Edison is the investment manager and sponsor/syndicator of the Funds. Certain of Edison's affiliates are the General Partners of the Funds in which Edison serves as the investment manager.

#### **10.D Compensation for Referrals.**

Edison does not recommend other investment advisers to its clients.

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

#### **11.A Code of Ethics**

Rule 204A-1 of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), requires advisers to adopt a code of ethics setting forth standards of conduct for the Adviser and the Adviser's employees. Edison and its supervised persons have committed to a Code of Ethics pursuant to Rule 204A-1, which is available for review by clients and prospective clients upon request.

Each supervised person of Edison must read, sign and deliver a certificate of compliance with the Code of Ethics and may only effect a personal transaction in a limited offering or initial public offering by pre-approving such transaction with Edison's Chief Compliance Officer. Each supervised person also must provide initial securities holdings reports and annual securities holding reports to the Chief Compliance Officer or his designee. Furthermore, each supervised person shall provide quarterly securities transaction reports related to personal securities transactions in which such person or any member of his or her immediately family has a beneficial ownership interest.

#### **11.B Participation or Interest in Client Transactions**

Edison does not generally engage in principal transactions, cross trading or agency cross transactions. Any exceptions to this policy must be approved in advance by the Chief Compliance Officer or his designee. Notwithstanding the foregoing, multiple Funds may make investments in the same

portfolio company, subject to the approval of the relevant Fund's Valuation Committee to waive any conflicts of interest associated with such cross-Fund investments.

Edison's affiliates and related persons co-invest alongside some of the Funds (either indirectly through their interest in the relevant General Partner or through a direct interest as a Limited Partner in a Fund). Edison's affiliates and related persons may not personally co-invest in the portfolio companies in which one or more of the Funds invest (*i.e.*, outside of the General Partner or the Funds), unless such personal co-investment is made pursuant to the Fund's relevant limited partnership agreement. This helps align the interests of Edison and its affiliates with the Funds, as personal co-investments create a conflict of interest, as Edison may be inclined to recommend an investment due to the affiliate or related person's financial interest in the Fund or portfolio company.

### **11.C Participation or Interest in Client Transactions**

As discussed above, certain related persons of Edison may invest in the same securities as the Fund managed by Edison. These investments take the form of investments by the General Partner and or as Limited Partners in the Funds. This helps align the interests of Edison and its related persons with the Funds. However, this creates a conflict of interest, as Edison may be inclined to recommend an investment due to the related person's financial interest in the Fund or underlying investment.

### **11.D Participation or Interest in Client Transactions**

Supervised persons are prohibited from executing a transaction in a security held by a Fund managed by Edison without prior approval by the Chief Compliance Officer.

## **Item 12 – Brokerage Practices**

### **12.A Selecting Brokerage Firms**

Edison primarily engages in private equity transactions and does not typically purchase or sell securities through a brokerage or exchange. However, if and when Edison trades in publicly-held securities on behalf of a Fund, Edison will seek to obtain the best combination of price and execution.

Edison may utilize various investment banking firms that are broker-dealers to assist it in evaluating portfolio company investments for the Fund. In doing so, Edison considers such factors as price, the ability of the broker-dealers to effect the transactions, their personnel, experience, particular industry knowledge, reliability and financial responsibility. Accordingly, if Edison determines in good faith that the fees charged by a broker-dealer are reasonable in relation to the value of the service provided by such broker-dealer, the Funds may pay fees to such broker-dealer that are greater than those fees another might charge.

### **Research and Other Soft Dollar Benefits**

Edison does not participate in any soft dollar arrangements.

### **Brokerage for Client Referrals.**

Edison does not maintain any referral arrangements with brokers.

### **Directed Brokerage**

Due to the nature of the Fund investments and because Edison's clients are limited to the Funds, it would be unlikely that a client would direct Edison to use a certain broker-dealer. In the event Edison

permits directed brokerage, the client should understand that the directed brokerage might prevent Edison from obtaining favorable pricing and execution.

## **12.B Aggregation**

For the Funds, Edison does not aggregate the purchase or sale of securities because the Funds invest in illiquid securities that cannot be aggregated.

## **Item 13 – Review of Accounts**

### **13.A Periodic Reviews**

Each General Partner reviews the investments and performance of its applicable Fund on a periodic basis.

### **13.B Review Triggers**

Other conditions that may trigger a review are changes in applicable laws, new investment information, changes in the market and changes in a particular Fund's circumstances.

### **13.C Regular Reports**

Investors in each Fund will receive audited financial statements from the appointed auditors on an annual basis. Investors are also provided periodic reports as further described in the relevant Fund documents.

## **Item 14 – Client Referrals and Other Compensation**

### **Referrals**

Edison does not receive any economic benefit, directly or indirectly, from any third party for advice rendered to its clients.

### **Other Compensation**

Edison does not, directly or indirectly, compensate any person who is not advisory personnel for client referrals. Edison may enter into placement agent arrangements pursuant to which it compensates third parties for investor referrals. Placement agents will be entitled to either a percentage of commitments made (or a percentage of the management fees payable in connection with commitments made) by investors solicited by the placement agent. Any fees payable to a placement agent will be borne by Edison, either directly or indirectly through an offset against the management fee.

## **Item 15 – Custody**

### **Account Statements**

As the investment adviser to the Funds and an affiliate of the General Partner of the Funds, Edison is deemed to have custody of the Funds' assets. Edison maintains the Funds' cash with a "qualified custodian" as required. The Funds do not currently hold any certificated securities that are required to be held at a qualified custodian. Edison adheres to the following in compliance with the custody rule: (1) Edison distributes audited financial statements prepared in accordance with generally accepted accounting principles ("GAAP") to all Limited Partners of the Funds on an annual basis within 120 days of the fiscal year end of the Funds; (2) all such financial statements are prepared by an independent public accountant that is registered with the Public Company Accounting Oversight Board; and (3) upon liquidation of a Private Fund, Edison distributes to the Limited Partners (or

members or other beneficial owners) in such Private Fund audited financial statements prepared in accordance with GAAP promptly after the completion of the liquidation audit.

## **Item 16 – Investment Discretion**

### **Discretionary Authority for Trading**

Edison accepts discretionary authority to manage investment accounts on behalf of the Funds. Under these arrangements, Edison has the authority to determine, without obtaining specific client consent, the investments to be bought or sold, and the amount of the investments to be bought or sold on behalf of the Funds. However, in certain cases, Limited Partners may place restrictions on the investment process in the relevant Fund's limited partnership agreement. Additional restrictions may be added in the future, subject to Edison's discretion.

### **Assumption of Authority**

Before Edison assumes discretionary authority, each Limited Partner in each Fund signs a limited power of attorney by execution of the limited partnership agreement or subscription agreement for such Fund.

## **Item 17 – Voting Client Securities**

### **17.A Proxy Voting**

Edison has written Proxy Voting Policies and Procedures as required by Rule 206(4)-6 under the Advisers Act. As part of the firm's policies and procedures, Edison will exercise proxy voting authority when such authority is provided in the relevant Fund limited partnership agreement. Edison does not currently exercise proxy voting authority on behalf of any client or other third party.

Edison will vote proxies on behalf of client accounts on a case-by-case basis. When Edison determines it will vote a proxy, it will do so for the exclusive benefit, and in the best economic interest, of the Fund and its beneficiaries, as determined by Edison in good faith. A copy of Edison's proxy policy is available upon request.

## **Item 18 – Financial Information**

### **18.A Balance Sheet**

Edison does not require or solicit clients to prepay fees more than six months in advance.

### **18.B Financial Condition**

Edison has no financial commitments that impair its ability to meet contractual and fiduciary commitments to clients.

### **18.C Bankruptcy Petition**

Edison has not been the subject of a bankruptcy proceeding.