

Spring Growth Partners LLC

Part 2A of Form ADV: Firm Brochure

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This brochure (the “Brochure”) provides information about the qualifications and business practices of Spring Growth Partners LLC (the “Adviser” or “SGP”). If you have any questions about the contents of this brochure, please contact us at (617) 519-9256. 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 securities authority.

The Adviser is a registered investment adviser. Registration of an investment adviser does not imply any level of skill or training.

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

Item 2 - Material Changes

The Adviser's application to register as an investment adviser with the SEC was approved on June 29, 2021. Accordingly, pursuant to disclosure rules under the Advisers Act, this Brochure was compiled by the Adviser to provide new and prospective advisory clients and investors with clearly written, meaningful, current disclosure of its business practices, conflicts of interest, and the background of its advisory personnel. All recipients of this Brochure are encouraged to read it carefully in its entirety.

The brochure has been amended since the last annual amendment on March 21, 2022, to reflect Spring Growth Partners new principal office and place of business.

The Adviser will further provide clients and investors with a new Brochure as necessary based on changes or new information, at any time, without charge.

Currently, the Brochure may be requested by contacting Justin Heyman, the Adviser's Chief Compliance Officer at (617) 519-9256.

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Item 4 - Advisory Business

- A. The Adviser, an investment advisory firm located in Washington, District of Columbia, acts as a sub-adviser to private funds focusing on investing principally in established applied technology companies which provide products or services in the energy and environmental industries in the United States or Canada. The Adviser was formed in 2019 as a Delaware limited liability company. Justin Heyman and Lisa Schule are the principal owners of the Adviser.
- B. Currently, the Adviser provides investment advisory services only to pooled investment vehicles operating as private funds for sophisticated, qualified investors, including high net worth individuals, retirement plans, trusts, partnerships, corporations, or other businesses (the “Funds” or “Clients”).

The Adviser’s principal investment objective is to seek superior long-term capital appreciation by investing in businesses that advance resource and energy efficiency, and safety and security.

- C. While its current Clients generally follow the strategy stated above, the Adviser may tailor the specific advisory services with respect to each Client based on the particular investment objectives and strategies described in the applicable Client’s confidential offering memorandum, if any, and governing documents, including Client’s operating agreement and / or the investment management agreement (referred to collectively as “Governing Documents”).

All discussion of the Clients in this Brochure, including but not limited to their investments, the strategies used in managing the Clients, and conflicts of interest faced by the Adviser in connection with the management of the Clients are qualified in their entirety by reference to each Client’s respective Governing Documents.

- D. The Adviser does not participate in wrap fee programs.
- E. As of December 31, 2022, the Adviser manages \$0 in discretionary and \$142,315,480 in non-discretionary assets.

Item 5 - Fees and Compensation

- A. Below is a discussion of how the Adviser is compensated in connection with providing advisory services to its Clients. The Adviser may enter into different fee arrangements on a client-by-client basis. It is critical that all Clients and investors refer to the applicable Client's Governing Documents for a complete understanding of how the Adviser and its affiliates are compensated for advisory services. The information contained herein is a summary only and is qualified in its entirety by each applicable Client's Governing Documents.

Management Fee. The main investment adviser of the Clients or its affiliate pays SGP a management fee (the "Management Fee") for its advisory services equal to a fixed annualized amount as outlined in the applicable Governing Documents. Subject to the timely receipt by the main adviser or its affiliate of the management fee due from the Clients pursuant to their Governing Documents, the Management Fee is payable quarterly in advance within the first five business days of each calendar quarter. Installments for any period other than a full calendar quarter will be adjusted on a *pro rata* basis according to the actual number of days that elapsed during such period.

SGP's investment advisory fees are generally negotiable. Lower fees for comparable services may be available from other sources.

- B. The Adviser neither deducts fees from the Clients' assets nor bills the Clients directly. Management Fee is payable by the main investment adviser for the Clients or its affiliate on the terms provided for in each Client's Governing Documents.
- C. The Adviser will assume and pay all compensation of the Adviser's members, managers, officers, and employees. The Client shall reimburse the Adviser for all other reasonable operating expenses that relate to the investment advisory services to be performed pursuant to the Governing Documents, including without limitation, all expenses on account of rent, utilities, insurance, office supplies, office equipment and expenses of the Adviser's members, managers, officers, and employees; provided, however that such expenses shall be disclosed with reasonable detail to the Client's LPAC on a quarterly basis. The Adviser shall not be required to pay (and if paid by the Adviser, the Adviser shall be reimbursed by the Client or the main investment adviser to the extent the main investment adviser is reimbursed by the Client) any fees and expenses related to the business of the Client described as expenses to be borne by the Client in its Governing Documents.

In addition, as provided in the applicable Governing Documents, each Client will be responsible for certain expenses related to the business and operation of such Client.

- D. The Adviser will collect Management Fees quarterly and in advance. The Management Fee obligation of the Client's main adviser may only be terminated or modified as provided by the Client's Governing Documents. The Management Fee will be calculated on an annual basis and will be pro-rated for partial periods.
- E. Other than as described above, neither the Adviser nor any of its supervised persons receive any compensation from the sale of securities or other investment products.

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

The Adviser does not accept performance-based fees, *i.e.*, fees based on a share of capital gains on or capital appreciation of the assets of a client.

Item 7 - Types of Clients

As mentioned in Item 4, the Adviser provides investment advisory services to private investment funds for sophisticated, qualified investors. Currently, the Adviser has four such funds as Clients. The minimum investment in a Fund is generally \$5,000,000, but such amount may be waived by the fund's general partner, subject to applicable legal requirements.

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

- A. The Adviser seeks superior long-term capital appreciation through privately negotiated equity and equity-related investments principally in established applied technology companies which provide products or services in the energy and environmental industries in the United States or Canada.

The Adviser pursues investment strategy in the energy and environmental services sectors, building on its principals' established sector presence and reputation. The Adviser's investment strategy is driven by the following: (i) capitalizing on the Adviser's domain expertise, both in deal sourcing and in transaction execution, (ii) applying disciplined strategic and tactical decision processes with a long-term view, (iii) maintaining focus on carefully targeted segments of the energy and environmental services sectors, and (iv) actively working with management teams to formalize their financial reporting and controls, and to develop portfolio companies. The Adviser believes that its approach should provide an advantage in seeking attractive returns for the Client's investors.

The strengths of the Adviser's approach are highlighted below. The Adviser seeks to invest in established companies in its target sectors, maintaining its value-oriented discipline, and accordingly focuses on profitable companies that need capital for growth. The Adviser generally takes significant equity positions in each of its portfolio companies – typically investing \$10 to \$45 million in companies with revenues of \$10 million or more – with an objective of either holding majority ownership or controlling the companies jointly with other partners. A small number of companies with strong management teams and an operating history of producing robust free cash flows will merit investments on the higher end of this range. Typical targets include platform growth opportunities, companies requiring expansion capital for proven concepts and applied technology, and corporate divestitures. Consistent with the Adviser's overall approach, investment decisions are based solely on the merits of each opportunity, within the objective of maximizing risk-managed returns across a diverse portfolio of investments. Recognizing that portfolio investments may range across a broad spectrum of technology stages and differing levels of commercial maturity and market growth potential, the Adviser carefully manages the portfolio weighting assigned to different investments.

Investing in securities involves risk of loss that all Clients and their investors should be prepared to bear.

- B. *Clients and potential investors should be aware that investing in securities involves a high degree of risk. There can be no assurance that the Adviser's investment objectives will be achieved or that an investor will receive a return of its capital. In addition, there will be occasions when the Adviser and its affiliates may encounter potential conflicts of interest in connection with the Clients. The following discussion does not purport to be a complete enumeration or explanation of the risks applicable to the Clients. Clients and potential investors should read the applicable Governing Documents and should consult with their own legal, tax and financial advisors before deciding whether or not to invest.*

General

Investing in portfolio companies involves a high degree of business and financial risk that can result in substantial losses. In order for the Adviser to succeed, it must be able to identify potentially successful business enterprises, a process that is difficult even for those with extensive experience investing in such enterprises. Portfolio companies may operate at a loss or with substantial

variations in operating results from period to period and may require substantial additional capital to support expansion or to achieve or maintain a competitive position.

Portfolio Investment Risks

No Assurance of Investment Return. No assurance can be given as to the Adviser's ability to choose, make and realize investments in any particular company or portfolio of companies. There can be no assurance that the Adviser will be able to generate returns for its investors or that the returns will be commensurate with the risks of investing in the type of companies and transactions pursued by the Adviser. Investments made by the Fund are subject to a wide range of risks, including changes in technology, climate and weather developments, economic trends or dislocations, the impact of terrorist acts or threats thereof, and other externalities beyond the control of the Fund or the Adviser, that could cause such investments to lose value. There can be no assurance that any investor will receive any distribution from the Fund. Accordingly, an investment in the Fund should only be considered by persons that can afford a loss of their entire investment. Past activities of the Adviser or its principals provide no assurance of future success. There can be no assurance that projected or targeted returns for the Fund will be achieved.

Reliance on Portfolio Company Management. Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Although the Adviser or its affiliate will be responsible for monitoring the performance of each investment, there can be no assurance that the management team, or any successor, will be able to manage and operate each portfolio company in accordance with the Adviser's plans.

Shortage of Management Skills and Organizational Capability and Dependence on Founders. Portfolio companies may lack experienced senior and second-tier management as well as a strong board of directors. If the portfolio companies in which the Fund invests are not able to retain managers with sufficient business experience and skills, these companies may not be successful, and returns to investors may be adversely impacted. In addition, a portfolio company's operation and strategic direction may be highly dependent on its founder or other executive leadership. The occurrence of an unexpected event that deprives a portfolio company of such leaders may have an adverse effect on the portfolio company and, in turn, on the value of the Fund's investment therein.

Natural Disasters or Other Events. Upon the occurrence of a natural disaster such as flood, hurricane, or earthquake, or upon an incident of war, riot or civil unrest, the country may not efficiently and quickly recover from such event, which can have a materially adverse effect on the portfolio companies and other developing economic enterprises.

Terrorist attacks and related events can result in increased short-term economic volatility. The ongoing U.S. military and related action, events in the Middle East, and terrorist actions worldwide could have significant adverse effects on U.S. and world economies and securities markets. The effects of future terrorist acts (or threats thereof), military action or similar events on the economies and securities markets of countries cannot be predicted. Such disruptions of the world financial markets could affect interest rates, ratings, credit risk, inflation and other factors relating to the Fund's investments.

Risks Associated with Publicly Traded Investments. The Fund may invest a portion of its total capital in publicly traded securities. The Fund's investments in securities of publicly traded

companies may be sensitive to movements in the relevant stock market and trends in the overall economy.

Illiquid and Long-Term Investments. Although the Fund's portfolio investments may occasionally generate some current income, the return of capital and the realization of gains, if any, from an investment generally will occur upon the partial or complete disposition of such investment. While an investment may be sold at any time, it is not generally expected that this will occur for a number of years after the investment is made. It is unlikely that there will be a public market for the securities held by the Fund at the time of their acquisition. The Fund will generally not be able to sell the securities of portfolio companies publicly unless their sale is registered under applicable securities laws, or unless an exemption from such registration requirements is available. If such securities are required to be registered under the securities laws of one or more jurisdictions before being sold, the Fund may be required to bear the expenses of registration. In addition, in some cases the Fund may be prohibited by contract or regulatory reasons from selling certain securities for a period of time.

Leverage. The Fund may borrow funds to make or facilitate an investment or to pay Fund expenses, and portfolio companies may engage in borrowings to finance operations or expansion. Although the Adviser or its affiliate will seek to use leverage in a manner they believe is prudent, the leveraged capital structure of investments will increase the exposure of such portfolio companies to adverse economic factors such as rising interest rates, downturns in the economy or deteriorations in the condition of the portfolio company or its industry.

Minority or Joint Venture Investments. The Fund may hold a minority interest in certain portfolio companies and, therefore, may have a limited ability to protect its position in such portfolio companies, although as a condition of an investment in any such portfolio company, it is expected that appropriate rights generally will be sought to protect the Fund's interests.

The Fund may pursue investments with one or more strategic investors or joint venturers. Such investments may involve risks in connection with such third-party involvement, including the possibility that a co-investor may have financial difficulties resulting in a negative impact on such investment, may have economic or business interests or goals which are inconsistent with those of the Fund, or may be in a position to take (or block) action in a manner contrary to the Fund's investment objectives. In addition, the Fund may in certain circumstances be liable for the actions of a third-party investor. Where such third parties involve a management group, such third parties may receive compensation arrangements relating to such investments, including incentive compensation arrangements.

Early-Stage or Venture Investments. The Fund may invest in portfolio companies that are at a conceptual or early stage of development or that may have little or no operating history; may offer products or services that are not yet developed or ready to be marketed or that have no established market; may be operating at a loss or have significant fluctuations in operating results; may be engaged in a rapidly changing business; and may need substantial additional capital to set up infrastructure, hire management and personnel, develop product prototypes, support expansion or achieve or maintain a competitive position. 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.

The Fund may invest a significant portion of its assets in the securities of smaller, less-established companies. Investments in such companies may involve greater risks than are generally associated with investments in more established companies. To the extent there is any public market for the securities held by the Fund, such securities may be subject to more abrupt and erratic market price movements than those of larger, more-established companies. Less established companies tend to have lower capitalizations and fewer resources, and therefore, often are more vulnerable to financial failure. Such companies also may have shorter operating histories on which to judge future performance and in many cases, if operating, will have negative cash flow. There can be no assurance that any such losses will be offset by gains (if any) realized on the Fund's other assets. The Fund has not established any minimum size for the companies in which it will invest.

Technology-Related Investments. The Fund may make significant equity investments in companies in rapidly changing high-technology fields. The technology industry is characterized by rapid change, evidenced by rapidly changing market conditions and participants, new competing products, and improvements in existing products. For example, technologies for the production of energy from renewable sources are evolving and typically becoming more complex. There can be no assurance that portfolio companies will adjust effectively to changes in technology and research and development requirements. In addition, energy and environmental technology companies may face special risks of product obsolescence. There can be no assurance that products sold by portfolio companies will not be rendered obsolete or adversely affected by competing products or that portfolio companies will not be adversely affected by other challenges inherent in the sector. The valuation of such companies may be disproportionately influenced by the companies' intellectual property assets, the value of which can be difficult to estimate. Such intellectual property may be subject to litigation that could adversely impact its value.

Investments in Restructurings. The Fund may make investments in restructurings with respect to portfolio companies that are experiencing or are expected to experience financial difficulties, which may never be overcome. Such investments could, in certain circumstances, subject the Fund to certain additional potential liabilities that may exceed the value of the Fund's original investments therein. For example, under certain circumstances, lenders who have inappropriately exercised control over the management and policies of a debtor may have their claims subordinated or disallowed or may be found liable for damages suffered by parties as a result of such actions. In addition, under certain circumstances, payments to the Fund and distributions by the Fund to the investors may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Investments Longer than Term. The Fund may make investments that may not be advantageously disposed of prior to the date the Fund will be dissolved, either by expiration of the Fund's term or otherwise. Although the Adviser expects that investments will be disposed of prior to dissolution or be suitable for in-kind distribution at dissolution, the Adviser has a limited ability to extend the term of the Fund, and consequently the Fund may have to sell, distribute, or otherwise dispose of investments at a disadvantageous time as a result of dissolution. In addition, although upon the dissolution of the Fund, the Adviser (or the relevant liquidator) will use its commercially reasonable efforts to dispose of or distribute all Fund assets within two years of such dissolution, there can be no assurance with respect to the time frame in which the winding up and the final distribution of proceeds to the investors will occur.

Additional Capital. Certain of the Fund's portfolio companies, especially those in a development or "platform" phase, can be expected to require additional financing to satisfy their working capital

requirements or acquisition strategies. The amount of additional financing needed will depend upon the maturity and objectives of the particular portfolio company. Each round of financing (whether from the Fund or other investors) is typically intended to provide a portfolio company with enough capital to reach the next major corporate milestone. If the funds provided are not sufficient, a company may have to raise additional capital at a price unfavorable to the existing investors, including the Fund. There can be no assurance that the portfolio companies will be able to predict accurately the future capital requirements necessary for success or that additional funds will be available.

Bridge Financing. From time to time, the Fund may lend to portfolio companies on a short-term, unsecured basis in anticipation of a future issuance of equity or long-term debt securities or other refinancing. Such bridge loans would typically be convertible into a more permanent, long-term security. However, for reasons not always in the Fund's control, such long-term securities issuance or other refinancing may not occur, 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 the Fund.

Financial Market Fluctuations. General economic conditions and fluctuations in the debt markets or in the securities markets (whether in local communities, particular countries or globally) may affect the value of the investments held by the Fund and the success of the Adviser's activities. Such conditions include interest rates, availability of credit, inflation rates, economic uncertainty, and changes in national or international political circumstances. Moreover, the ability of portfolio companies to refinance debt securities may depend on the ability to sell new securities in the debt and equity markets, to borrow from banks or otherwise. There can be no assurance that these general or economic market conditions and fluctuations or unanticipated downturns in these markets (or segments of them) will not have a material adverse effect on the Fund or its investments.

Difficulty in Valuing Investment Portfolio. The Adviser or its affiliate will value the investment portfolio of the Fund from time to time based upon their best estimate of the value of each of the individual investments of the Fund in portfolio companies. There is typically no public market for the securities of the portfolio companies. Thus, portfolio valuation inherently is highly subjective and imprecise. In establishing the value of the Fund's investment portfolio, the Adviser or its affiliate may also consult with accounting firms, investment banks and other consulting firms when needed, to assist with the valuation of the Fund's investments. The value set by the Adviser or its affiliate may not reflect the price at which the Fund could dispose of its interests in a particular portfolio company at any given time.

Portfolio Regulatory Matters

Legal, tax and regulatory changes could occur during the term of the Fund that may adversely affect the Fund or its investments. The consent or approval of applicable regulatory authorities may be required for the Fund to acquire a proposed investment, or otherwise in connection with the operations of a portfolio company. There can be no assurance that such approvals will be obtained, or that statutory, regulatory, judicial, or administrative interpretations of existing laws and regulations will not in the future impose more comprehensive or stringent requirements on a portfolio company. The Fund may invest in portfolio companies that are subject to changing and increasingly stringent environmental and health and safety laws, regulations, and permit requirements. There can be no assurance that all costs and risks regarding compliance with environmental laws and regulations can be identified.

Certain Energy Regulatory Matters. The Fund may make certain investments in or relating to electric utility industries in the United States or Canada. There can be no assurance that (i) existing regulations applicable to electric utility portfolio companies will not be revised or reinterpreted; (ii) new laws and regulations will not be adopted or become applicable to electric utility companies; (iii) the technology and equipment selected by such companies to comply with current and future regulatory requirements will meet such requirements; (iv) such companies' business and financial conditions will not be materially and adversely affected by such future changes in, or reinterpretation of, laws and regulations (including the possible loss of exemptions from laws and regulations) or any failure to comply with such current and future laws and regulations; or (v) regulatory agencies or other third parties will not bring enforcement actions with respect to any of the foregoing.

Pursuant to certain federal statutes, the Federal Energy Regulatory Commission ("FERC") has jurisdiction over the transmission and wholesale sale of electricity in interstate commerce and over the transportation, storage, and certain sales of natural gas in interstate commerce, including the rates, charges and other terms and conditions for such services, respectively. Failure to comply with applicable FERC regulations could result in the prevention of operation of a FERC-jurisdictional facility or prevention of the sale of such a facility to a third party, as well as the loss of certain rate authority, refund liability, civil penalties, or other unnamed remedies, all of which could result in additional costs to a portfolio company and adversely affect the Fund's investment results.

Environmental Matters. Environmental laws, regulations and regulatory initiatives play a significant role in the energy and commodities industries and can have a substantial impact on investments in such industries. For example, global initiatives to minimize pollution have played a major role in the increase in demand for natural gas and alternative energy sources, creating numerous new investment opportunities. Conversely, required expenditures for environmental compliance have adversely impacted investment returns in a number of segments of the industry. The energy and commodities industries will continue to face considerable oversight from environmental regulatory authorities, and the Adviser will seek to evaluate carefully the expected impact of environmental compliance on all potential investments. The Fund may invest in portfolio companies that are subject to changing and increasingly stringent environmental and health and safety laws, regulations, and permit requirements.

There can be no guarantee that all costs and risks regarding compliance with environmental laws and regulations can be identified. New and more stringent environmental and health and safety laws, regulations and permit requirements, or stricter interpretations of current laws or regulations, could impose substantial additional costs on portfolio companies or potential investments. Compliance with such current or future environmental requirements does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with any such requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, regulations, and permit requirements. Past practices or future operations of portfolio companies could also result in material personal injury or property damage claims.

Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the investors of the Fund subject to environmental liability. However, an

investor in the Fund may reduce its risk of such personal liability by avoiding activities with respect to the Fund's portfolio investments other than as specifically contemplated by the Fund's Governing Documents.

Portfolio Regulatory Approvals and Related Matters. The Fund may invest in regulated portfolio companies subject to any number of federal, state, local or non-U.S. licenses, permits or other approvals. In addition, the Fund may require the consent or approval of applicable regulatory authorities (including U.S. and non-U.S. federal, state, and local regulatory authorities) in order to acquire or hold particular portfolio companies. A portfolio company could be materially and adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances, or similar actions, may become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s) or for other reasons. There can be no assurance that the Fund or any portfolio company will be able (i) to obtain all required regulatory approvals that it does not yet have or that it may require in the future; (ii) to obtain any necessary modifications to existing regulatory approvals; or (iii) to maintain required regulatory approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operation of the facility or sales to third parties or could result in additional costs to a portfolio company. In connection with the regulatory approval, licensing, or review processes (for example, approval of the Committee on Foreign Investment in the United States) for any portfolio company, disclosures and other undertakings may be required from or in respect of the existing or prospective owners of such portfolio company, potentially including the Fund or in turn the investors. The Adviser will seek to avoid or mitigate any such processes for the Fund and the investors.

Adviser and Fund Investment Risks

Highly Competitive Market for Investment Opportunities; Lack of Diversification. The activity of identifying, completing, and realizing attractive private equity investments is highly competitive and involves a high degree of uncertainty. There can be no assurance that the Fund will be able to locate, consummate and exit investments that satisfy the Fund's rate of return objectives or realize upon their values or that it will be able to invest fully its committed capital. Furthermore, there is no assurance as to the degree of diversification that will actually be achieved in portfolio investments by the Fund.

Risk of Limited Number of Investments. The Fund may participate in a limited number of investments and, as a consequence, the aggregate return of the Fund may be substantially adversely affected by the unfavorable performance of even a single investment.

Lack of Operating History. The Adviser has not commenced operations and therefore has no operating history upon which prospective Clients and investors may evaluate its performance. As with all performance data, past or projected performance of any of the Adviser's principals can provide no assurance of future results of the Adviser.

No Market for Interests; Restrictions on Transfers. The Fund interests have not been registered under the 1933 Act, the securities laws of any U.S. state or the securities laws of any other jurisdiction, and, therefore, cannot be resold unless they are subsequently registered under the 1933 Act and other applicable securities laws or an exemption from registration is available. It is not

contemplated that registration of Fund interests under the 1933 Act or other securities laws will ever be effected. There is no public market for Fund interests, and one is not expected to develop. Except in extremely limited circumstances, withdrawals from the Fund will not be permitted. Investors must be prepared to bear the risks of owning Fund interests for an extended period of time.

Contingent Liabilities on Disposition of Investments. In connection with the disposition of an investment in a portfolio company, the Fund may be required to make representations about the business and financial affairs of such portfolio company typical of those made in connection with the sale of a business. The Fund also may be required to indemnify the purchasers of such investment to the extent that any such representations are inaccurate. These arrangements may result in the incurrence of contingent liabilities for which the Adviser or its affiliate may establish reserves or escrows. In that regard, investors may be required to return amounts distributed to them to fund obligations of the Fund, including indemnity obligations, subject to certain limitations set forth in the Fund's Governing Documents.

Reliance on the Adviser. The Adviser will have responsibility for the Fund's activities, and, other than as may be set forth in the applicable Governing Documents, investors will not be able to make investment or any other decisions in the management of the Fund. The success of the Fund will depend in part upon the skill and expertise of the Adviser's principals and other professionals. However, there can be no assurance that such principals and professionals will continue to be associated with the Adviser throughout the life of the Fund.

Indemnification. The Fund may be required to indemnify the Adviser, its affiliates, their respective members, partners, officers, directors, shareholders, employees, agents, advisors, affiliates, and other personnel (each an "Indemnitee") for liabilities incurred by reason of each Indemnitee's activities on behalf of the Fund or its investors. The Indemnitees may also be entitled to the benefit of certain exculpation provisions as set forth in the Fund's Governing Documents. Such liabilities may be material.

Legal, Tax and Regulatory Changes. During the term of the Fund, legal, tax and regulatory changes could occur that may adversely affect the Fund. For example, from time to time the market for private equity transactions has been adversely affected by a decrease in the availability of senior and subordinated financing for transactions, in part in response to regulatory pressures on providers of financing to reduce or eliminate their exposure to such transactions. In addition, private equity firms may be subject to increased regulation, taxation or other scrutiny by regulators or other market participants. There can be no assurance as to whether any such scrutiny or initiatives will have an adverse impact on the private equity industry generally or on the Adviser, including the ability of the Fund to take the measures necessary to effect operating improvements or restructurings of portfolio companies or otherwise achieve its objectives.

Potential Conflicts of Interests and Other Considerations

Material, Non-Public Information. By reason of their responsibilities in connection with other activities of the Adviser, certain personnel of the Adviser may acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Fund will not be free to act upon any such information. Due to these restrictions, the Fund may not be able

to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.

Failure to Make Capital Contributions. If an investor fails to pay when due installments of its capital commitment to the Fund, and the contributions made by non-defaulting investors and borrowings by the Fund are inadequate to cover the defaulted capital contribution, the Fund may be unable to pay its obligations when due. As a result, the Fund may be subjected to significant penalties that could materially adversely affect the returns to the investors (including non-defaulting investors). If an investor defaults, it may be subject to various remedies as provided in the Fund's Governing Documents.

Dilution from Subsequent Closings. Investors subscribing for interests in the Fund at subsequent closings will participate in existing investments, diluting the interest of existing investors therein. Although new investors will contribute their pro rata share of previously made capital contributions (plus an additional amount thereon as described in the applicable Governing Documents), there can be no assurance that this payment will reflect the fair value of the Fund's existing investments at the time such additional investors subscribe for their interests.

Diverse Investor Group. The Fund investors may have conflicting investment, tax, and other interests with respect to their investments. The conflicting interests of individual investors may relate to or arise from, among other things, the nature of investments made by the Fund, the structuring or the acquisition of investments and the timing of disposition of investments. As a consequence, conflicts of interest may arise in connection with decisions made by the Adviser, including with respect to the nature or structuring of investments that may be more beneficial for one investor than for another investor, especially with respect to investors' individual tax situations. In selecting and structuring investments appropriate for the Fund, the Adviser will consider the investment and tax objectives of the Fund and its investors as a whole, not the investment, tax, or other objectives of any investor individually.

Absence of Effective Remedy Against the Adviser. There can be no assurance that adequate remedies will be available to any investors if the Adviser fails to perform its duties, and the Governing Documents may not afford the investors rights to remove the Adviser other than for specified cause events. The Governing Documents may include provisions for exculpation and indemnification of the Adviser, its affiliates, and their respective partners, members, managers, officers, directors, shareholders, employees, and affiliates. Therefore, Fund investors may have more limited rights of action than they would have absent such limitation.

Potential Conflicts of Interest. Clients and investors should be aware that there will be occasions when the Adviser and its affiliates may encounter potential conflicts of interest in connection with Clients and investors. The following discussion enumerates certain potential conflicts of interest.

The Adviser's personnel will devote such time as may be reasonably necessary to conduct the business affairs of the Clients in an appropriate manner. However, such personnel may work on other projects. Conflicts may arise in the allocation of management resources, the allocation of investment opportunities and in the operation and disposition of investments.

In no event will the Clients be entitled to any investment opportunities relating solely to the personal investment activities of the Adviser's principals and falling outside the Client's investment objectives and criteria, including, without limitation, opportunities in any pooled investment vehicles managed by third parties, and in any securities exchanged for, or distributed or made available in respect of, securities previously held by any of the Adviser's principals.

The Adviser and its affiliates may operate from time to time other investment vehicles (each an "Other Fund"), including vehicles actively deploying capital commitments pursuant to investment strategies different from those of the Fund. The Fund will not be entitled to any investment opportunities in respect of any company within the investment strategy of such Other Fund unless (i) such Other Fund, after being presented with such investment opportunity, determines not to invest in such company or (ii) a co-investment opportunity remains available to the Fund after application of the co-investment procedures provided in the Governing Documents of such Other Fund.

With respect to any Other Fund organized hereafter (other than any successor of the Fund), any investment opportunity that falls within the investment objective of the Fund and such Other Fund will be apportioned among the Fund and such Other Fund on a basis determined by the Adviser in good faith to be fair and reasonable, taking into account the relative commitments available for investment and such other factors as the Adviser may deem relevant. Accordingly, there can be no assurance that the Fund will participate in any such opportunity.

ERISA Matters. The Adviser expects to limit participation in the Fund by investors subject to ERISA or similar law, such that participation by such investors is not "significant" within the meaning of ERISA and the underlying assets of the Fund therefore do not constitute assets of a plan subject to Title I of ERISA or Section 4975 of the Code. However, if 25% or more of the total Fund interests are held by pension and other funds that are "benefit plan investors" under ERISA, the Adviser may operate the Fund so as to qualify as a venture capital operating company ("VCOC") within the meaning of regulations promulgated under ERISA in order to avoid holding "plan assets" within the meaning of ERISA. Although the Adviser believes that it should be possible to structure the Fund's investments under such circumstances so that the Fund will qualify as a VCOC, the Adviser cannot give any assurance that the Fund will ultimately be considered to qualify as a VCOC. Accordingly, each fiduciary of a plan should consult its legal advisors before making an investment in the Fund. If the Fund qualifies as a VCOC, the Fund may be restricted or precluded from making certain investments. In addition, it could be necessary for the Adviser to liquidate Fund investments at a disadvantageous time in order to avoid holding ERISA "plan assets," resulting in lower proceeds to the Fund than might have been the case without the need to qualify as a VCOC.

U.S. Tax Considerations for Tax-Exempt and Non-U.S. Investors. It is expected that some investments may (i) generate income that will be taxable to certain tax-exempt investors as "unrelated business taxable income," (ii) generate income that is "effectively connected with a U.S. trade or business" which could create tax liability for non-U.S. investors and (iii) constitute "U.S. real property interests" under the Internal Revenue Code. Such investments, if made, may give rise to U.S. tax reporting and payment obligations for tax-exempt or non-U.S. investors in the Fund.

C. Please see Item 8.B. above.

Item 9 - Disciplinary Information

Registered investment advisers are required to disclose all material facts regarding any legal or disciplinary events that would be material to client's evaluation of the adviser or the integrity of adviser's management.

There are no legal or disciplinary events that are material to an evaluation of the Adviser's advisory services or the integrity of its management.

Item 10 - Other Financial Industry Activities and Affiliations

- A. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, a commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities.
- C. The Adviser does not have any other relationships or arrangements with any related persons listed in the instructions to Item 10.C. that is material to its advisory business or to its Clients.
- D. Generally, the Adviser does not recommend or select other investment advisers for its Clients.

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

- A. The Adviser has adopted a written Code of Ethics (the “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 under the Advisers Act. The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that are reasonably designed to ensure that all personal securities trading by employees of the Adviser is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Adviser prohibits personal trading on certain securities or instruments; requires pre-clearance of personal trades in certain circumstances, including purchases of an IPO or a new private placement; requires periodic reporting of employees’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

As part of its Code, the Adviser has established procedures reasonably designed to prevent the abuse of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Adviser would make information barriers impractical, the firm has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information, in all instances where any professional of the Adviser has received material, non-public information and, therefore, such professionals may not trade on the basis of that information.

The Adviser will provide a copy of the Code to any Client, investor, or prospective investor upon request.

- B. The Adviser does not have a material financial interest in securities which it recommends to Clients, or buys or sells for Client accounts.

To the extent the Adviser or its related persons may recommend to Clients investments in which the Adviser or any related persons have a material financial interest, the Adviser and its related persons will consider and resolve in the best interests of the Clients any conflicts of interest associated with such recommendations.

Additionally, the Adviser enforces a robust Code that generally requires, subject to the terms of the Clients’ Governing Documents, the Adviser and its employees to place the interests of the Clients over their own or those of a related party.

- C. The Adviser and its related persons do not invest in securities that the Adviser recommends to Clients.
- D. See Item 11.C. above.

Item 12 - Brokerage Practices

- A. The Adviser's investment strategy involves making private investments for Clients. As a result, the Adviser does not routinely select or recommend broker-dealers for the purchase and sales of securities. Furthermore, the Adviser does not maintain any trading accounts and does not use "soft" dollars received from broker-dealers from the purchase and sales of securities for its Clients.
- B. Not applicable.

Item 13 - Review of Accounts

- A. The Adviser maintains comprehensive review procedures for the ongoing monitoring of the private investments of its Clients. In connection therewith, the Adviser conducts periodic reviews of all private investments held in each Client portfolio. All Adviser investment and operational staff participate in the ongoing monitoring of Client investment portfolios, although responsibilities vary by individual.
- B. See Item 13.A. above.
- C. The Adviser provides Clients and investors, if applicable, with quarterly and annual reports and other written reports and communications as may be required under applicable Governing Documents.

Item 14 - Client Referrals and Other Compensation

- A. The Adviser does not receive any economic benefit, including sales awards or prizes, from any third party for providing advisory services to its Clients.
- B. Neither the Adviser nor a related person of the Adviser directly or indirectly compensates any person who is not a supervised person for client referrals.

Item 15 - Custody

The Adviser does not have custody of the Clients' funds or securities.

Item 16 - Investment Discretion

The Adviser exercises limited investment discretion, *i.e.*, subject to the final approval and execution by the Clients' main investment adviser and / or its affiliates, in managing the Clients' investments based on each Client's investment objectives, policies, and strategies disclosed in its Governing Documents. The Adviser contractually assumes this limited discretionary authority with the Clients under a subadvisory agreement with the main investment adviser of the Clients and its affiliates.

Item 17 - Voting Client Securities

- A. As the Client's investments consist of private investments, the Adviser does not expect to have authority to vote client securities, and consequently, does not have a proxy voting policy in place.
- B. See Item 17.A. above.

Item 18 - Financial Information

- A. The Adviser does not require or solicit prepayment of fees greater than \$1,200 six months in advance.
- B. The Adviser does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to its Clients.
- C. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.

Item 19 - Requirements for State-Registered Advisers

The Adviser is an SEC-registered investment adviser. Thus, Item 19 is not applicable.