

PART 2A OF FORM ADV -- INVESTMENT ADVISER BROCHURE

AKKR FUND II MANAGEMENT COMPANY,LP

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March 31, 2023

This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of AKKR Fund II Management Company, LP (“AKKR Mgmt Co”). If you have any questions about the contents of this Brochure, please contact us at (650) 289-2460. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

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

MATERIAL CHANGES

This Brochure updates the Form ADV Part 2A filed on March 31, 2022. This annual amendment updates the descriptions of certain risk factors, business practices and advisory services of AKKR Mgmt Co and its affiliates.

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ADVISORY BUSINESS

AKKR Mgmt Co is a private investment management firm, including several registered investment advisory entities and other organizations affiliated with AKKR Mgmt Co (collectively, “**AKKR**”). AKKR commenced operations in February 2000.

AKKR Mgmt Co, a Delaware limited partnership and a registered investment adviser, provides investment advisory services to investment funds privately offered to qualified investors in the United States and elsewhere. AKKR Mgmt Co commenced operations in May 2006.

The following general partner entities (each, a “**General Partner**” and collectively, together with any future affiliated general partner entities, the “**General Partners**”) and other advisory entities are affiliated with AKKR Mgmt Co (collectively with the General Partners and AKKR Mgmt Co, the “**Advisers**”):

General Partners:

- AKKR Fund III Management Company, LP (“**AKKR GP III**”);
- AKKR Fund III Management Company CV, LP (“**AKKR GP III CV**”);
- AKKR Fund IV Management Company CV, LP (“**AKKR GP IV CV**”);
- AKKR Fund V Management Company, LP (“**AKKR GP V**”);
- AKKR Fund VI Management Company, LP (“**AKKR GP VI**”);
- AKKR Fund VII GP LP (“**AKKR GP VII**”);
- AKKR EBP Management Company, LP (“**AKKR EBP GP**”);
- AKKR EBP II GP LP (“**AKKR EBP GP II**”);
- AKKR Growth Capital Management Company, LP (“**AKKR GC GP**”);
- AKKR Growth Capital Management Company II, LP (“**AKKR GC GP II**”);
- AKKR Growth Capital Management Company III, LP (“**AKKR GC GP III**”);
- AKKR Growth Capital Management Company IV, LP (“**AKKR GC GP IV**”);
- AKKR Credit Partners Management Company, LP (“**AKKR Credit GP**”);

- AKKR Credit Partners Management Company II LP (“**AKKR Credit GP II**”); and
- AKKR Management Company, LLC (“**AKKR Management I**”).

Other Adviser:

- EAK Management UK, LLP (“**EAK Management**”)

The Advisers’ clients include the following (collectively the “**Funds**,” and together with any future private investment fund to which AKKR or its affiliates provide investment advisory services, “**Private Investment Funds**”):

Private Equity Funds

- Accel-KKR Capital Partners III, LP (“**Fund III**”);
- Accel-KKR Capital Partners CV III, LP (“**Fund CV III**”);
- Accel-KKR Capital Partners CV IV LP (“**Fund CV IV**”);
- Accel-KKR Capital Partners CV IV Strategic Fund LP (“**Strategic Fund CV IV**” and, together with Fund CV III and Fund CV IV, the “**CVs**”);
- Accel-KKR Capital Partners V, LP (“**Fund V**”);
- Accel-KKR Capital Partners V Strategic Fund, LP (“**Strategic Fund V**”); and
- Accel-KKR Capital Partners VI, LP (“**Fund VI**”);
- Accel-KKR Capital Partners VII, LP (“**Fund VII**”, and together with Fund III, Fund CV III, Fund CV IV, Strategic Fund CV IV, Fund V, Strategic Fund V and Fund VI the “**PE Funds**”).

Growth Capital Funds

- Accel-KKR Growth Capital Partners, LP (“**GC I**”);
- Accel-KKR Growth Capital Partners II, LP (“**GC II**”);
- Accel-KKR Growth Capital Partners II Strategic Fund, LP (“**GC Strategic II**”);
- Accel-KKR Growth Capital Partners III, LP (“**GC III**”);

- Accel-KKR Growth Capital Partners IV, LP (“**GC IV**”, and together with GC I, GC II, GC III and GC Strategic II, the “**Growth Capital Funds**”).

Credit Funds

- Accel-KKR Credit Partners, LP – Series 1 (“**Credit Fund I**”); and
- Accel-KKR Credit Partners II LP (“**Credit Fund II**”, together with Credit Fund I, the “**Credit Funds**”).

Emerging Buyout Funds

- Accel-KKR Emerging Buyout Partners, LP (“**EBP I**”); and
- Accel-KKR Emerging Buyout Partners II LP (“**EBP II**”, together with EBP I, the “**Emerging Buyout Funds**”).

The Advisers each serve as general partner to the applicable Fund(s) and have the authority to make the investment decisions for the Fund(s) to which they provide advisory services. AKKR Mgmt Co also serves as the management company to the Funds pursuant to management agreements. Each Adviser is subject to the Advisers Act pursuant to AKKR Mgmt Co’s registration in accordance with SEC guidance. This Brochure describes the business practices of the Advisers, which operate as a single advisory business and are under common control. All advisory employees of AKKR are employed through AKKR Mgmt Co.

AKKR GC GP also serves as the general partner to Accel-KKR SCP California Co-Invest, LP, a Delaware limited partnership (“**California Co-Invest**”). California Co-Invest was formed to invest on side-by-side basis with GC I in certain companies that are headquartered in California or otherwise conduct the majority of their operations or businesses in the state of California. The terms applicable to an investment in California Co-Invest are substantially similar to the terms of an investment in GC I and accordingly references herein to the activities and terms of GC I should be read to include the activities and terms of California Co-Invest unless otherwise noted.

The Advisers also manage Accel-KKR Members Fund, LLC (“**Members Fund**”), which makes co-investments side-by-side with various Funds in portfolio investments, and Accel-KKR Special Opportunities Co-Invest KE-QP, LLC (“**Special Opportunities Co-Invest**”), which has invested in an AKKR proprietary trading vehicle.

The Funds are each private investment funds and, with respect to the PE Funds and Emerging Buyout Funds, generally invest through negotiated transactions in holding companies that in turn own private operating companies, generally referred to herein as “**portfolio companies.**” The Growth Capital Funds were established to make investments in portfolio companies consisting of investments in structured minority preferred equity or subordinated debt with equity enhancements. The Credit Funds were established to generally generate

proprietary direct lending to portfolio companies. Investments of the Funds are made predominantly in non- public companies, although investments in certain public companies are permitted. From time to time, where such investments consist of portfolio companies, the senior principals or other personnel of the Advisers or their affiliates may serve on such portfolio companies' boards of directors or otherwise act to influence control over management of portfolio companies in which the Funds have invested. The Advisers' services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, monitoring investments and achieving dispositions for such investments, each on a discretionary basis.

The Advisers' advisory services for Private Investment Funds are further described in the applicable private placement memoranda, if available, or other offering documents and Fund Agreements (as defined below) (together with the offering documents, the “**Governing Documents**”) as well as below under “Methods of Analysis, Investment Strategies and Risk of Loss” and “Investment Discretion.” Investors in Private Investment Funds (generally referred to herein as “investors” or “limited partners”) participate in the overall investment program for the applicable Fund, but in certain circumstances are excused from a particular investment in certain of the Funds due to legal, regulatory or other agreed-upon circumstances, in each case pursuant to the terms of the applicable Fund Agreement for the avoidance of doubt, such arrangements generally do not and will not create an adviser-client relationship between the Advisers and any investor. The Private Investment Funds or the Advisers have entered into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of a Private Investment Fund's Fund Agreement.

As of December 31, 2022, the Advisers managed approximately \$19,109,600,000 in client assets on a discretionary basis. AKKR Management Company, LLC, a Cayman Islands limited liability company, acts as the general partner of AKKR Mgmt Co. AKKR Mgmt Co is principally owned and operated by Thomas Barnds and Robert Palumbo.

FEES AND COMPENSATION

In general, the Advisers receive a Management Fee (as defined below) and a carried interest in connection with the provision of advisory services to its clients. The Advisers or other AKKR entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies (*e.g.*, monitoring and other fees) of Funds and a portion of such additional compensation will offset in part the management fees otherwise payable to the applicable Adviser to the extent provided in the applicable Fund Agreement. In addition, in certain circumstances the Adviser receives compensation for management and other services performed in connection with co-investments made in portfolio companies of the Funds. Investors in the Funds also bear certain fund expenses.

Management Fee

Each of the Funds, other than the CVs and the Credit Funds, initially pays AKKR Mgmt Co a management fee (the “**Management Fee**”) equal to a specified percentage according to the

respective Fund Agreements on a semi-annual basis of third-party investor capital commitments (“**Commitments**”). Investors participating in a closing after the initial closing bear the Management Fee from the initial closing plus interest. The Management Fee is generally paid semi-annually, 15 days in arrears and in advance with respect to the remainder of the period. Following the occurrence of certain events as specified in the relevant governing agreement of the applicable Fund (each limited partnership agreement or operating agreement, as applicable, of a Fund, a “**Fund Agreement**”), including the end of the applicable investment period, the Management Fee will be reduced in accordance with the terms of such Fund Agreement as described below. The Management Fee is typically payable until all portfolio investments and other assets have been distributed, disposed of or liquidated as described in the relevant Fund Agreement. Installments of the Management Fee payable for any period other than a full Management Fee period are adjusted on pro rata basis according to the actual number of days in such period. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

The Credit Funds pay AKKR Mgmt Co a Management Fee equal to a specified percentage according to the Fund Agreements on a quarterly basis of either the gross asset value of investments (excluding the value of cash and cash equivalents) or gross invested capital of investments not disposed of or written-down (net of write-ups) plus outstanding commitments to fund investments; provided, however, that in cases of a partial disposition of a non-credit investment in a particular portfolio company of a Fund, the Management Fee associated with such portfolio company shall not be reduced if the fair market value of all remaining non-credit investments in such portfolio company exceeds the total amount of investment contributions (including Fund borrowing) in such portfolio company, subject to certain other adjustments and modifications as described in the Fund Agreement.

As is generally the case in private equity funds, the Fund Agreements for the PE Funds, Growth Capital Funds and Emerging Buyout Funds provide that such Fund’s Management Fees will be calculated and charged on a basis that generally is not tied to a Fund’s then-current net asset value.

With respect to the PE Funds (other than the CVs), the Growth Capital Funds and the Emerging Buyout Funds, from the effective date of the relevant Fund until a date specified in the Fund Agreement (generally either the end of the investment period, or the earlier of the end of a Fund’s defined investment period and the date (or anniversary of the date) the relevant General Partner (or an affiliate thereof) first begins receiving or accruing management fees from another Fund meeting certain criteria, or for EBP I, a fixed date in the EBP I Governing Documents) (the “**Stepdown Date**”), Management Fees generally will be calculated based on a formula tied to the amount of the relevant Fund’s aggregate Commitments (as further specified in the Fund Agreements).

After the Stepdown Date (and from inception of the CVs), Management Fees generally will be charged based on a formula tied to the amount of investment contributions (and Fund borrowings) for investments by the relevant PE Fund, Growth Capital Fund or EBP II that have not been completely disposed of plus, for certain Funds, the balance in any escrow account relating to any disposed investments; provided, however, that (i) for some Funds, in cases where

the Fund has reinvested or rolled-over capital in a portfolio company in connection with a sale transaction, the investment contributions will be calculated as the higher of the actual investment contributions and the fair market value of the roll-over investment at the time of the roll-over transaction; and (ii) in cases of a partial disposition of an investment in a particular portfolio company of a Fund, the Management Fee associated with such portfolio company shall not be reduced if the fair market value of all remaining investments in such portfolio company exceed the total amount of investment contributions (excluding bridge financings) in such portfolio company. For EBP I, after the Stepdown Date, the Management Fees will generally be based on the value of investments over debt outstanding longer than one year that was used to make such investments.

As a result, the amount of Management Fees generally will not correspond with fluctuations in the net asset value of a Fund, including following the investment period, and generally will not be reduced in connection with any write downs (whether temporary or permanent), except in the case of investments completely disposed of.

In many circumstances, the Management Fee base of such post-stepdown date Management Fees will include capitalized transaction-specific expenses of unrealized investments. Further, Management Fees generally will not be reimbursed or refunded under the Governing Documents in the event of realizations, dispositions or write-downs that occur partway through the relevant calculation period.

The Governing Documents set forth the full list of terms under which Management Fees will be reduced, offset or otherwise be limited, and consequently investors should expect to bear the full specified Management Fee rate in the Governing Documents until they are reduced in the circumstances and on the date(s) specified therein.

The Management Fee will typically be reduced by a specified portion of the relevant Fund's share of certain types of fees received by an Adviser or certain management persons (as defined in the Fund Agreements, "**Management Persons**") from the portfolio companies (such fees, "**Supplemental Fees**"). Such fees are expected to include monitoring, consulting, directors' and financial advisory fees in connection with supervising the business and financial activities of the portfolio companies received by an Adviser or certain Management Persons and certain other professional service fees and break-up fees. To the extent that such an offset credit would reduce the Management Fee for a given Management Fee period below zero, the credit will be carried forward for future application against payable Management Fees. As discussed under the sub-section "Investment and Operating Strategy for the PE Funds," certain fees, expenses and other compensation received by Accel-KKR Consulting Group, LP ("**AKKR Operating Team US**") and ACG Mgmt UK Limited, with respect to consulting group employees in the United Kingdom ("**AKKR Operating Team UK**") and, together with AKKR Operating Team US, "**AKKR Operating Team**") are not counted toward Supplemental Fees.

As a matter of practice, AKKR is typically paid fees of the type referred to in the preceding paragraph from, on behalf of or with respect to co-investors in an investment. The receipt of such fees will not reduce the Management Fee payable by any Fund(s) that have also invested in such investment, and, as a result, a Fund will, in most cases, only benefit with respect

to the relevant allocable portion of any such fee and not the portion of any fee related to General Partner or affiliated partner commitments or that relates to such co-investors or potential co-investors (which could include co-investment vehicles managed by AKKR, third parties, portfolio company management or employees and/or others), which have the potential to be significant. Supplemental Fee offsets generally are performed on a net basis, after giving effect to certain taxes and other expenses in connection with the receipt of such fees or the provision of related services, and to the extent Supplemental Fees are paid in kind (including through securities, option grants or other interests), AKKR is permitted to calculate the amount of offset based on the extent of cash received or, if still held upon the final distribution of the Fund's assets, the then-current value of the in-kind payment, rather than the ultimate value of the interests as of a future date. Unless otherwise agreed with investors, Supplemental Fees generally will be payable during term extensions, even if Management Fees are reduced or eliminated during the extended term, thus reducing the amounts of Management Fees actually offset. Supplemental Fees will be offset only to the extent they are paid during the holding period of the relevant Fund, and investors generally will not receive the benefit of Supplemental Fees paid prior to a Fund's acquisition of the relevant investment. In certain circumstances, AKKR expects that co-investors, lenders, consultants or other parties from time to time will negotiate the right to share a portion of such fees from a particular investment, and the above-described offset percentage will be applied after excluding any amounts paid to such persons.

As permitted under the Fund Agreement for each Fund, the relevant Adviser is permitted to waive or agree to reduce the Management Fee that would otherwise be due to the Adviser. Certain waived or reduced portions of the Management Fee are treated by the Fund Agreements as a deemed capital contribution by the relevant Adviser, which is effectively invested in the relevant Fund on such Adviser's behalf, and operates to reduce the amount of capital the relevant Adviser would otherwise be required to contribute to the applicable Fund. The PE Funds, Emerging Buyout Funds and Growth Capital Funds have pre-determined future aggregate reduction amounts. The limited partners of the relevant Fund would, in such circumstances be required to make a *pro rata* contribution according to their respective Commitments to fund any contribution that would otherwise be required of the applicable Adviser in connection with any such waiver or reduction as described above and, as a result, the exercise of such waiver may result in an acceleration (or delay) of investor capital contributions. Waived or reduced Management Fees are not subject to the Management Fee offsets described above, and the amount of such waived or reduced Management Fees has the potential to be significant. Due to waived or reduced Management Fees by the Advisers and/or timing of receipt of compensation subject to offsets (as described above), it is possible that Management Fee offsets will not be fully realized by investors in the relevant Fund, resulting in a net additional benefit to the Adviser.

Carried Interest

In connection with the Advisers' advisory services to the Funds, each Adviser is entitled to receive a carried interest with respect to the applicable Fund equal to a specified percentage of certain profits in excess of a preferred return, subject to a general partner catch-up, as more fully described in the applicable Fund Agreement. Furthermore, with respect to GC II, GC Strategic II, GC III, GC IV, Fund V, Strategic Fund V, Fund VI, and Fund VII additional carried

interest may be earned if certain performance thresholds are met. The carried interest distributed to the relevant Adviser is subject to a potential clawback or giveback at the end of the life of the applicable Fund if such Adviser has received excess cumulative distributions.

Other Information

Each of the Funds reserve the right to exempt certain investors from payment of all or a portion of Management Fees and/or carried interest, including the Advisers and their respective managing directors, other employees, partners, affiliates, designees and accounts or trusts established for the benefit of such persons or their families and any other person designated by AKKR. Any such exemption from Management Fees and/or carried interest may be made by a direct exemption, a rebate by the Adviser and/or its affiliates, or through other Private Investment Funds which co-invest with the applicable Fund.

The Funds and other Private Investment Funds generally invest on a long-term basis. Accordingly, Management Fees and other fees are expected to be paid, except as otherwise described in the Fund Agreement, over the term of the applicable Fund, and investors generally are not permitted to withdraw or redeem interests in the Funds.

Principals or other current or former employees of AKKR may receive salaries and other compensation derived from, and in certain cases including a portion of, the Management Fee, carried interest or other compensation received by the Advisers or their affiliates.

In addition to the Management Fee and carried interest payable to the applicable Adviser, each Fund bears certain expenses. As set forth more fully in the Governing Documents, a Fund bears all fees, costs, expenses, liabilities and obligations relating to such Fund's (and its subsidiaries' and intermediate entities) activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Management Fees, including: costs and expenses attributable to sourcing, structuring, organizing, negotiating, consummating, financing, refinancing, acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving or otherwise disposing of such Fund's investments; legal, research, auditing, any travel (including, where appropriate as reasonably determined by the Adviser, the cost of using private air travel on aircraft owned, partially owned or leased by AKKR, any of its affiliates or any of their respective owners, members, managers, shareholders, partners, directors, officers, employees, agents, advisors, assigns, representatives or affiliates) at a cost above the cost of first class commercial airfare, lodging, meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities (including events with current or former portfolio company personnel), consulting, information, financing, commitment, origination, accounting, administration, valuation, appraisal, printing, reporting and custodian fees and expenses; broker, dealer, finder, underwriting, loan administration, private placement fees, sales commissions, investment banker, finder and similar services; brokerage, sale, custodial, depository, trustee, record keeping, account and similar services; consulting fees paid to the AKKR Operating Team or consultants performing investment initiatives; expenses associated with a Fund's financial statements and tax returns; expenses, fees or other liabilities incurred in connection with transactions not

consummated (“**Broken Deal Expenses**”); expenses of any advisory board; and other expenses associated with the acquisition, holding and disposition of its investments, including extraordinary expenses (such as litigation, if any). The Advisers, and not the Funds, bear any expenses incurred in connection with maintaining and operating the Advisers’ offices (such as compensation of their employees, rent, utilities and general office expenses). Additionally, subject to the Governing Documents, a Fund typically will bear certain unreimbursed expenses of portfolio companies and intermediate holding vehicles through which a Fund invests. Private Investment Funds likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds and there can be no assurance that the benefits to investors will be commensurate with such expenses. Brokerage fees are incurred in accordance with the practices set forth in “Brokerage Practices.” Additionally, certain principals of AKKR own buildings where AKKR offices are located and subsequently lease such office space to AKKR.

Expenses attributable to a portfolio company that are incurred in connection with an investment in such portfolio company will be allocated to the Funds, Accel-KKR Members Fund, LLC, and any other co-investment vehicles in accordance with AKKR’s expense allocation policy. AKKR may employ a subscription facility maintained by one or more Funds to provide interim financing in connection with the acquisition of a portfolio company by such Funds (including co-investment vehicles) and/or other co-investors. Where appropriate and in AKKR’s sole discretion, AKKR is authorized to charge interest on the purchase to the co-investor or co-investment vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs, subject to negotiation with such co-investors. However, to the extent any holding expenses or other related costs, including interest, are not charged to the co-investor, they generally will be borne by the relevant Fund.

The Funds will, in some instances, pay an expense or satisfy an obligation on behalf of other funds (including the Accel-KKR Members Fund or any other AKKR affiliated fund), in advance of receiving reimbursement from such other Funds, including, without limitation, legal expenses, tax return preparation fees, state filing fees or other fees or expenses. For example, a Fund may pay the annual Delaware franchise fees of a Delaware holding company in or from which multiple funds participate and benefit, and be reimbursed by such other funds at a later time (e.g., upon liquidation of such holding company), without interest. It is possible, although unlikely, that one or more of the other funds could default on its obligation to reimburse a Fund, which would result in such Fund bearing such defaulting funds’ share of such expenses or obligations.

Similar expenses incurred relating to investment opportunities not consummated, including broken deal expenses, will be allocated to the Funds and its then-existing co-investment vehicles. Certain co-investors and co-investment vehicles established solely for the purpose of investing in a potential, but unconsummated, investment in a portfolio company will not share in expenses related to the unconsummated transaction and the Funds will bear such expenses. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such fees and expenses. Notwithstanding the foregoing, the Advisers may allocate expenses related to unconsummated investment opportunities in a different manner if the Advisers determines, in

good faith, that another allocation method would be more fair or equitable under the circumstances. Where Broken Deal Expenses relate to a potential portfolio company investment in which a Growth Capital Fund, PE Fund and/or an Emerging Buyout Fund, on the one hand, and a Credit Fund (and any related vehicles), on the other hand, intend to invest, AKKR expects to determine in good faith the applicable share of such broken deal expenses (e.g., due diligence and legal expenses) that relate to the PE Funds, Growth Capital Funds, Emerging Buyout Funds and/or Credit Funds and allocate such amounts accordingly, and in doing so, is authorized to consider expenses typically borne by third-party lenders in similar transactions. With respect to allocation of expenses associated with any portfolio company or potential portfolio company (including broken deal expenses), the Credit Funds are permitted to be allocated a lesser amount relative to the PE Funds, Growth Capital Funds and Emerging Buyout Funds taking into consideration expenses typically borne by third-party lenders in similar transactions.

Additionally, as further described herein and in the Fund Agreements, it is AKKR's practice to use or retain the AKKR Operating Team to provide services to (or with respect to) one or more Funds or certain current or prospective portfolio companies in which one or more Funds invest. Such AKKR Operating Team members generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. AKKR Operating Team members receive compensation, including, but not limited to, cash fees, retainers, discretionary bonuses (whether or not based on pre-determined milestones), transaction fees, a profits, participation or equity interest in a portfolio company or holding company, incentive equity and stock awards, profits, equity interests or carried interest in one or more Funds or General Partners, remuneration from AKKR and/or its Funds or affiliates, guaranteed minimums or other compensation, the amount of which typically is determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of such AKKR Operating Team member, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts believed to be charged by other providers for comparable services and/or a percentage of cash flows from such portfolio company. Compensation in the form of profits or equity interests in a portfolio company or intermediate holding company generally has a dilutive impact on the relevant Fund's investment, and has the potential to result in economic effects greater than the original amount of compensation, and the relevant Fund typically will bear the costs of all AKKR Operating Team compensation as well as fees, costs and expenses of structuring AKKR Operating Team arrangements. AKKR Operating Team members also generally will be reimbursed for certain travel and other costs in connection with their services. As described above, no such amounts will offset or reduce the Management Fee. The use of the AKKR Operating Team subjects the General Partners to potential conflicts of interest, as discussed under "Conflicts of Interest," below.

Further, the principals of AKKR lease office space in buildings they own to one or more portfolio companies; rent received similarly will not offset any Management Fee payable by any Private Investment Fund. The receipt of such compensation will give rise to conflicts of interest between the Private Investment Funds, on the one hand, and an Adviser and/or its affiliates on the other hand.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described under “Fees and Compensation,” the Advisers may receive a carried interest allocation on certain profits in the Funds. The Advisers may also advise certain private investment vehicles formed to allow certain investors to invest in certain portfolio investments made by the Funds. These private investment vehicles include Accel-KKR Members Fund, LLC, AKKR-MVSC Member, LLC, SciQuest Co-Invest, LLP, Accel-KKR Special Opportunities Co-Invest KE-QP, LLC and AKKR-Endeavor Member Holdings, LP. The Advisers will select which investors are permitted to participate in such co-invest opportunities based on various factors, including the sophistication of the investor, the ability of the investor to fund and complete the investment on a timely basis and for strategic or other reasons. Such co-investment opportunities are also provided to selected AKKR employees and individuals with whom AKKR maintains a strategic relationship. These individuals are allowed to co-invest on a deal-by-deal basis. The Advisers are generally not obligated to make co-investment opportunities available to any particular investors or limited partners, subject to certain exceptions. Such private investment vehicles might not charge a Management Fee and might not be subject to carried interest at the discretion of the Advisers. This practice could present a conflict of interest because the Advisers may have an incentive to favor investment vehicles for which they receive a performance-based fee over vehicles that do not charge such fees. With the exception of AKKR-MVSC Member, LLC and AKKR Endeavor Member Holdings, LP, these aforementioned private investment vehicles are not charged Management Fees and are not subject to carried interest. AKKR’s general policy is to allocate investment opportunities to the Funds first and then permit co-investment vehicles to participate in a particular investment opportunity if there is excess capacity in such investment or for other strategic reasons. In addition, co-investment vehicles generally make investments in parallel with the applicable Fund on substantially the same terms and conditions.

The existence of performance-based compensation has the potential to create an incentive for a General Partner to make more speculative investments on behalf of a Fund than it would otherwise make in the absence of such arrangement, although AKKR generally considers performance-based compensation to better align its interests with those of its investors, particularly in instances where the Fund Agreements include terms requiring clawback or giveback of performance-based compensation amounts at the end of the relevant Fund’s life or at certain interim intervals.

TYPES OF CLIENTS

The Advisers provide investment advice solely to its Fund clients, and references throughout this Brochure to “clients” and to AKKR’s related duties to and practices on behalf of its clients and/or investors should be construed accordingly. Private Investment Funds are investment partnerships or other investment entities formed under domestic or foreign laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended (the “**Investment Company Act**”). The investors participating in Private Investment Funds generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, principals or other employees of the Advisers and their

affiliates and members of their families or service providers retained by the Advisers, as well as executives of portfolio companies.

The Funds may include alternative investment vehicles established from time to time in order to permit one or more investors to participate in one or more particular investment opportunities in a manner desirable for tax, regulatory or other reasons. Alternative investment vehicle sponsors generally have limited discretion to invest the assets of these vehicles independent of limitations or other procedures set forth in the organizational documents of such vehicles and the Governing Documents of the related Fund.

Each Fund generally has a minimum investment of \$5 million for third-party investors, which may be waived by the applicable Adviser. Interests in the Funds are generally offered and sold to investors that are (i) “accredited investors” as defined under Regulation D of the Securities Act of 1933, as amended and (ii) either “qualified purchasers” or “knowledgeable employees” as defined under the Investment Company Act.

Certain affiliates of AKKR and other third party investors are expected to be permitted to co-invest directly in a particular portfolio company or in a holdings company which holds the equity in the portfolio company directly. The Advisers will select which investors are permitted to participate in such co-invest opportunities based on various factors, including the sophistication of the investor, the ability of the investor to fund and complete the investment on a timely basis and for strategic or other reasons as may be more fully described in the applicable Fund’s Fund Agreement. The Advisers are not obligated to make co-investment opportunities available to any particular investor.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

AKKR is a private investment firm focused on investments in mid-market software and technology enabled services companies believed to benefit from AKKR’s investment professionals’ expertise and experience. The Advisers’ investment advisory services consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for investments. Investments are generally made in non-public companies although investments in public companies are permitted.

The Advisers’ investment strategy for the PE Funds focuses on the acquisition of controlling interests in lower middle market technology companies with revenues generally greater than \$15 million and enterprise values generally in excess of \$50 million and the most recent PE Fund, Fund VII, focuses on companies with revenues generally greater than \$50 million and enterprise value generally in excess of \$100 million. The Advisers seek to invest in companies that generally possess many or all of the following characteristics: (i) a product or service that has a high return on investment and/or is highly important for customers; (ii) a stable, high visibility revenue model (*e.g.*, maintenance fees, subscription fees, transaction fees, and multi-year contracts); (iii) strong operating and cash flow margins that can result in high

operating leverage; (iv) a capital efficient business model that can deliver above average returns on invested capital; and (v) vertical market domain expertise that can drive business value for customers and potentially create a sustainable competitive advantage.

The Advisers' investment strategy for the Emerging Buyout Funds focuses on the acquisition of controlling interests in lower middle market technology companies with annual revenues generally between \$10 million and \$40 million and enterprise values generally less than \$100 million. Similar to the PE Funds' strategy, the Advisers seek to invest in companies that generally possess many or all of the following characteristics: (i) a product or service that is mission critical for customers; (ii) a stable, high visibility revenue model (e.g., maintenance fees, subscription fees, transaction fees and multi-year contracts); (iii) predictable operating and cash flow margins; (iv) capital efficiency that can deliver above-average returns on invested capital; and (v) vertical market domain expertise.

The Advisers' investment strategy for the Growth Capital Funds is to fund a diversified portfolio consisting principally of senior preferred equity, subordinated debt and other investments in lower middle market software and technology-enabled services companies with revenues generally greater than \$15 million. The investments of the Growth Capital Funds will typically be structured as minority senior preferred equity or subordinated debt with potential equity enhancements. The Advisers will generally seek to provide investors in the Growth Capital Funds with equity upside, while seeking to limit principal risk through structural downside protection. Targeted transactions are expected to include recapitalizations, add-on acquisitions and growth financings. The Advisers generally seek to invest in companies that generally possess many or all of the characteristics similar to the PE Funds.

The Advisers' investment strategy for the Credit Funds is to both lend directly to lower middle market and middle market technology software and technology-enabled services businesses and to make secondary purchases of software technology senior loans well known to the Advisers. On the direct lending side, the Credit Funds will seek to provide credit to software businesses generally with annual revenues between \$10 million and \$200 million. Secondary credit opportunities are expected to be in larger technology software companies with annual revenues between \$100 million and \$2 billion. Capital will be deployed through a combination of direct lending investments and secondary purchases of first and second lien debt averaging between \$5 million and \$10 million, although the Credit Funds may consider smaller or larger investments as appropriate and may consider different structures and investments. The Advisers generally seek to invest in companies that generally possess many or all of the characteristics similar to the PE Funds and Growth Capital Funds.

The following is a summary of the investment strategies and methods of analysis generally employed by the Advisers on behalf of the Funds. More detailed descriptions of the Funds' investment strategies and methods of analysis are included in the applicable private placement memorandum, if available, and Fund Agreement for each Fund. There can be no assurance that the Advisers will achieve the investment objectives of the Funds, and a loss of investment may be possible.

Investment and Operating Strategy for the PE Funds and Emerging Buyout Funds

Deal Origination and Due Diligence. The Advisers' origination strategy includes leveraging a network of technology industry executives, bankers, brokers and other service providers, as well as an outbound calling effort focused on founder and family-owned businesses with little or no institutional backing. The Advisers' due diligence is meant to provide a framework for assessing business models, markets and management teams in an effort to identify businesses and assets that are well-positioned for long-term value accretion.

Development of Portfolio Companies. Post investment, the Advisers employ a disciplined, long-term approach to value creation. The Advisers aim to create value at the portfolio company by engaging in certain of the following activities: (i) developing core competitive advantages by prudently investing in growth; (ii) implementing financial controls and key operating performance metrics; (iii) formalizing an operating plan and a long-term strategic road map for organic growth and inorganic growth; (iv) providing management with a disciplined approach to capital allocation decisions as it relates to acquisitions, organic growth initiatives, investment in innovation and sales and marketing strategies; (v) leveraging AKKR's corporate resources and business networks in the development of customer and partner relationships; and (vi) building the management team and board of directors as needed.

The AKKR Operating Team was formed for the purpose of further augmenting AKKR's value creation capabilities available to the Funds' portfolio companies. The AKKR Operating Team provides a range of consulting services to certain Fund portfolio companies that request these services, including assistance on strategic and tactical initiatives such as organizational design, strategy development, executive coaching, talent assessment, recruiting, strategic acquisitions, and implementation of specific processes and procedures in a range of functional areas (*i.e.*, finance, sales, marketing, professional services, product development, etc.), as well as serving in an interim management capacity. A portfolio company can request these services from the AKKR Operating Team, in exchange for certain fees and expenses. The Funds may also compensate the AKKR Operating Team for services provided by the AKKR Operating Team or any member thereof as disclosed in their respective Fund Agreements.

Value Realization. The Advisers generally seek to build long-term sustainable businesses that are leaders in their respective markets so that each company will be well-positioned to achieve an attractive exit at the appropriate time. The Advisers believe that their technology and service focus and experience provide a clearer understanding of potential exit opportunities and affords the firm the opportunity to engage in ongoing dialogue with the universe of natural buyers.

Investment and Operating Strategy for the Growth Capital Funds

Deal Origination and Due Diligence. The Advisers' origination strategy includes leveraging a network of technology industry executives, bankers, brokers and other service providers, as well as an outbound calling effort focused on founder and family owned businesses with little or no institutional backing. The Advisers' due diligence is meant to provide a framework for assessing business models, markets and management teams in an effort to

identify businesses and assets that are well-positioned for long-term value accretion.

Post-Investment Involvement. Active involvement with portfolio companies is an important component in protecting and enhancing the value of the Growth Capital Funds' structured investments. The Advisers believe that their domain expertise allows them to provide valuable strategic and financial advice to portfolio companies. The Growth Capital Funds expect to provide input on the following where applicable: (i) advising on financial structures and capital allocation decisions; (ii) advising on asset divestitures; (iii) arranging and/or providing follow-on financing; (iv) providing management with a disciplined approach to capital allocation decisions as it relates to acquisitions, organic growth initiatives, investment in innovation and sales and marketing strategies; (v) facilitating customer and / or supplier introductions; (vi) positioning for, and advising on, exit opportunities; and (vii) recruiting additional management where appropriate and building boards of directors where needed.

Value Realization. The Advisers generally seek to build long-term sustainable businesses that are leaders in their respective markets so that each company will be well-positioned to achieve an attractive exit at the appropriate time. The Advisers believe that their technology and service focus and experience provide a clearer understanding of potential exit opportunities and affords the firm the opportunity to engage in ongoing dialogue with the universe of natural buyers.

Investment and Operating Strategy for the Credit Funds

Deal Origination and Due Diligence. The Advisers' origination strategy includes leveraging a network of technology industry executives, bankers, brokers and other service providers, as well as an outbound calling effort focused on founder and family-owned businesses with little or no institutional backing. The Credit Funds' focus will be to generate proprietary direct lending opportunities in which management is seeking non-dilutive senior capital to help address certain capital needs. The Advisers due diligence is meant to assess business models, markets and management teams in an effort to identify businesses and assets that are well-positioned for stable cash flow generation and sustained credit performance.

Post-Investment Involvement. Post investment, the Advisers employ a disciplined approach to monitoring performance through active dialogue and in-person meetings with the management teams that the Credit Funds will transact with. The Advisers plan to actively review monthly, quarterly and annual performance relative to budget and previously agreed to covenant levels. In addition, the firm expects to actively review and engage with portfolio management teams on following year annual budgets and other material events and report to the firm's portfolio management committee on a regular basis and the firms' investment committee, should there be requests for additional capital, or material deviations from plan.

Value Realization. Consistent with the PE Funds' and Growth Capital Funds' investment strategies, the Advisers generally seek to target direct lending opportunities in lower middle market and middle market software and technology-enabled services companies in sectors in which vertical market domain expertise is designed to create a sustainable competitive advantage, fragmented competition and healthy end-market growth. These business profiles lend

themselves to reliable cash flow performance, ability to maintain covenant compliance, and meet required principal amortization payments. The Advisers anticipate that full loan repayment will be achieved through cash flow generation, refinancing, and potential M&A transactions.

Risks of Investment

A Fund and its investors bear the risk of loss that the applicable Advisers' investment strategy entails. The risks involved with the Advisers' investment strategy and an investment in a Fund are detailed in such Fund's private placement memorandum, if available. In general, the risks applicable to each Fund and the activities of its related Advisers include, but are not limited to:

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

Future and Past Performance. The performance of the Advisers' prior investments is not necessarily indicative of the Fund's future results. While the Advisers intends for the Funds to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurances that any targeted internal rate of return will be achieved. On any given investment, loss of principal is possible.

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

Reliability of Valuations. Valuation of instruments for which market quotations are not readily available will be determined by the relevant General Partner, whose determination will be final and conclusive as to all parties. The actual value of the security or other instrument, however, may prove significantly different, which may adversely affect the net asset value of a Fund. The valuation of certain illiquid assets is inherently subjective and subject to increased risk that the information utilized to value the asset or to create the price models may be inaccurate or subject to other error. Inaccurate valuations may, among other things, prevent a Fund from effectively managing its investment portfolios and risks, may result in such Fund exceeding certain internal investment guidelines, may affect the diversification and risk management of such Fund's portfolios, and may affect the determination of Management Fees, and carried interest for certain Funds.

Director Liability. In certain circumstances, a Fund could receive the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which such Fund invests (each, a "**Board Representative**"). A Board

Representative may have duties to persons and/or entities other than a Fund. Serving on the board of directors (or similar governing body) of a portfolio company will expose a Board Representative, and ultimately the relevant Fund, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Fund's investment activities.

Concentration of Investments. Each Fund will participate in a limited number of investments and intends to make most of its investments in companies with a technology focus. As a result, a Fund's investment portfolio could become highly concentrated, and its aggregate return may be affected substantially by the performance of a few holdings.

Lack of Sufficient Investment Opportunities. It is possible that a Fund will never be fully invested if enough sufficiently attractive investments are not identified. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, regardless of the extent to which the Commitments of the limited partners are invested (or drawn down to be invested), the limited partners will be required to bear management fees through a Fund during the commitment period based on the aggregate amount of all Commitments to a Fund, and other expenses as set forth in the Fund Agreement.

Dynamic Investment Strategy. While the Adviser generally intends to seek attractive returns for the Funds through the investment strategy and methods described herein, the Adviser is permitted to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the relevant Fund Agreement. The Adviser is permitted to pursue investments outside of the industries and sectors in which AKKR has previously made investments or has internal operational experience.

Leveraged Investments. A Fund is permitted to make use of leverage by having a portfolio company or intermediate entity incur debt to finance a portion of its investment. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Fund's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Fund's investments in the leveraged portfolio companies in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. In the event any portfolio company

cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio company, such Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant Governing Documents, a Fund will not be obligated to borrow on behalf of a portfolio company, even in circumstances where such Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio company.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio company's debt a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage may remain outstanding. A Fund generally is permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by AKKR or any of its affiliates, including through Fund subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors and/or third-party co-investors) will not share in incurring such leverage and that a Fund will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by Commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

Subscription Lines. A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of a Fund's investments). A Fund's use of such debt facility will be determined by the relevant General Partner, and the performance of such Fund may be impacted by how the General Partner causes such Fund to utilize such facilities. Although the use of such a facility may increase a Fund's ability to swiftly invest capital, it also will cause a Fund to incur interest expense and other costs and subject limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against a Fund would likely be subordinate to such Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in additional partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an

upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to the maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the Fund Agreement, it may be higher than the interest rate a limited partner could obtain individually. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, or results in short-term gains to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the General Partner and its affiliates and increases the likelihood that any hurdle or preferred return component in a Fund's carried interest arrangements will be met. In other circumstances the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the Governing Documents. To the extent a particular limited partner's cost of capital is lower than a Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases such Fund's reported net returns in certain methods of calculation. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds), as to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Fund and the limited partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in a Fund or impose concentration or other limits on such Fund's investments, and/or financial or other covenants, that could affect the implementation of such Fund's investment strategy. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The General Partner will have significant discretion in negotiating the terms of any subscription line and may agree to terms that are not the most favorable to one or more limited partners. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Fund subsidiary is expected to bear higher rates under a borrowing facility than are borne by a Fund, resulting in a potential net benefit to such Fund, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Fund subsidiary.

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. To the extent provided

in the applicable Fund Agreement, any such borrowing is permitted to remain outstanding for such time as the General Partner deems appropriate, potentially including through disposition of such investment, and the interest expense and other costs of any such borrowings will be Fund expenses that decrease net returns of a Fund. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. The General Partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Advisers for expenses incurred on behalf of a Fund. A Fund is also permitted to utilize Fund-level borrowing when the General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

If an investment appreciates in value and is disposed of prior to repayment of the borrowing, the disposition proceeds would be applied to repay the borrowing (and related interest and expenses), and the net proceeds would be distributed to the limited partners. Accordingly, borrowings by a Fund or portfolio holdings might support the distribution of proceeds to limited partners and increase the potential carried interest for the General Partner; however, the interest incurred due to such borrowing would reduce the carried interest received by the General Partner. Subject to the limitations in the applicable Fund Agreement, if any, this conflict of interest incentivizes the General Partner to permanently fund the acquisition and ongoing capital needs of investments of a Fund and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never if principal and interest on such borrowings are repaid out of disposition proceeds).

Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of each Fund's investments and hence, most of a Fund's investments will be difficult to value. Certain investments may be distributed in kind to the partners of a Fund, and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Fund Agreement, including the value used to determine the amount of carried interest available to the Adviser with respect to such investment. Upon the commencement of the winding up of a Fund, distributions by the relevant General Partner are permitted to include restricted securities or other assets of such Fund. Such securities and other assets may not be readily marketable or saleable and may have to be held by the limited partner for an indefinite period of time.

Valuation of Investments. Generally, the relevant Adviser will determine the value of all the related Fund's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for most of a Fund's investments because, among other things, the securities of portfolio companies held by such Fund generally will be illiquid and not quoted on any exchange. Each Adviser will determine the value of all a Fund's investments that are not readily marketable based on ASC 820 guidelines as promulgated by the Financial Accounting Standards Board and any subsequent valuation guidelines required of an investment fund reporting under generally accepted accounting principles as promulgated in the United States. There can be no assurance that the relevant Adviser will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of an Adviser with respect to an investment will represent the value realized by the relevant Fund on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation.

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

Additional risks include: (a) risks of economic dislocations in the host country; (b) less publicly available information; (c) less well-developed regulatory institutions; and (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

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

Additionally, the SEC has indicated that it intends to seek to enact changes to numerous areas of law and regulations that would impact the business of the Advisers and the Funds. In particular, the SEC has signaled an increased emphasis on investment adviser and private fund regulation and has proposed a number of new rules that, if adopted, would impose significant changes on private fund advisers and their management of private funds, and the SEC is expected to propose additional changes in the future. Any such changes are expected to materially impact the Advisers and its affiliates, a Fund and/or its investments, as well as increasing their expenses. Significant time and resources may be required to comply with new regulations, which potentially will detract from the time and resources dedicated to a Fund.

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

In an effort to contain such health emergencies, national, regional and local governments, as well as private businesses and other organizations, have taken or have the potential to take restrictive measures, including instituting local and regional quarantines, restricting travel (including closing certain international borders), prohibiting public activity (including “stay-at-home” and similar orders), and ordering the closure of large numbers of offices, businesses, schools, and other public venues. Any such measures have the potential to significantly diminish economic production and activity of all kinds and contribute to volatility in financial markets, demand across categories of consumers and businesses, as well as in the credit and capital markets. Restrictive measures, whether on an initial or re-imposed basis, also have the potential to cause labor force and operational disruptions, slowing or complete idling of certain supply chains and manufacturing activity, increases in unemployment levels, and strain and uncertainty for businesses and households, with a particularly acute impact on industries dependent on travel and public accessibility, such as transportation, hospitality, tourism, retail, sports and entertainment.

The ultimate impact of any such health emergency — and any resulting decline in economic and commercial activity — on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to the Funds. The extent of the impact on the Funds’ and their portfolio companies’ operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of the Funds to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy the Funds intend to pursue, all of which could adversely affect the Funds’ ability to fulfill their investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations

under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of the Funds, their portfolio companies, the General Partners and AKKR may be significantly impacted, or even temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

Economic Recessions or Downturns. A Fund's portfolio companies may be susceptible to economic slowdowns or recessions and may be unable to repay a Fund's debt investments during these periods. In the past, instability in the global capital markets has resulted in disruptions in liquidity in the debt capital markets, significant write-offs in the financial services sector, the re-pricing of credit risk in the broadly syndicated credit market and the failure of major domestic and international financial institutions. In particular, in past periods of instability, the financial services sector was negatively impacted by significant write-offs as the value of the assets held by financial firms declined, impairing their capital positions and abilities to lend and invest. In addition, continued uncertainty surrounding the Russia-Ukraine conflict, COVID-19 crisis, negotiation of trade deals between Britain and the European Union following the United Kingdom's exit from the European Union and uncertainty between the United States and other countries, including China, with respect to trade policies, treaties, and tariffs, among other factors, have caused disruption in the global markets. There can be no assurance that market conditions will not worsen in the future.

In an economic downturn, a Fund may have non-performing assets or non-performing assets may increase, and the value of a Fund's portfolio is likely to decrease during these periods. Adverse economic conditions could also decrease the value of any collateral securing a Fund's loans. A severe recession could further decrease the value of such collateral and result in losses of value in a Fund's portfolio and a decrease in such Fund's revenues, net income, assets and net worth.

Unfavorable economic conditions could also limit a Fund's access to the capital markets, which could prevent a Fund from increasing investments and harm a Fund's operating results.

The occurrence of recessionary conditions and/or negative developments in the domestic and international credit markets may significantly affect the markets in which a Fund does business, the value of a Fund's investments, and a Fund's ongoing operations, costs and profitability. Any such unfavorable economic conditions, including rising interest rates, could limit a Fund's access to capital markets. In addition, any future financial market uncertainty could lead to financial market disruptions. These events could limit a Fund's origination of debt investments or sourcing of equity investments, limit a Fund's ability to grow and negatively impact a Fund's operating results and financial condition.

Russia-Ukraine Conflict. The ongoing military conflict between Russia and Ukraine (the “**Russia-Ukraine Conflict**”), has caused, and is currently expected to continue to cause, significant disruptions to the global financial system, international trade, and the transportation and energy sectors, among others. In addition, the Russia-Ukraine Conflict has displaced millions of people, causing an acute refugee crisis in Europe, and has increased the threat of nuclear accidents or attacks, cyberattacks and further regional or global conflicts (including a potential expansion of the Russia-Ukraine Conflict to other countries as well as other unrelated potential conflicts). Many countries, including the United States and the EU, have put in place global sanctions and other severe restrictions or prohibitions on the activities of certain individuals and businesses connected to Russia and/or Belarus. Private companies have also implemented restrictions that severely limit, and in some cases, reverse or cancel, business transactions in or involving certain individuals and/or businesses connected to or associated with Russia and/or Belarus. Further, some private companies have moved to divest of Russia-based subsidiaries and assets. In addition, the impacts of the Russia-Ukraine Conflict on the supply chain and commodity prices are expected to be profound and may result in substantial inflation in one or more countries (or globally). However, the ultimate impact of the Russia-Ukraine Conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business, currency or country and the duration and severity of those effects, is impossible to predict.

Inflation and Deflation Risks. Inflation risk is the risk that the value of assets or income from a Fund’s investments will be worth less in the future, as inflation decreases the value of payments at future dates. Inflation risk results from the variation in the value of cash flows from a security due to inflation, as measured in terms of purchasing power. For example, if a Fund purchases a five (5) year bond in which it can realize a coupon rate of five percent (5%), but the rate of inflation is six percent (6%), then the purchasing power of the cash flow has declined. As inflation increases, the real value of a Fund’s investments could decline and the interest payments on Fund borrowings, if any, may increase. Deflation risk is the risk that prices throughout the economy decline over time. Deflation may have an adverse effect on the creditworthiness of companies in which a Fund invests (directly or indirectly) and may make defaults more likely or materially impair the ability of distressed issuers to restructure, which may result in a decline in the value of a Fund’s investments.

Many world governments, as well as inter-governmental institutions, have in recent years undertaken unprecedented forms of fiscal stimulus, including setting interest rates that have been or were for extended periods at historic lows. The precise effects of such unprecedented stimulus cannot be predicted (whether over the short, medium or long term), but in particular, as of the date hereof, the U.S. national economy has recently experienced significant levels of inflation that have not been seen in several decades, and the inflation trend is expected to continue at least in the near- and medium-term and possibly the long-term. Recent actions in response thereto or as a result thereof by the U.S. Federal Reserve and other central bankers have included increases in interest rates with public announcements that additional increases are expected, which have begun to and are expected to continue to have a significant effect on interest rates and on the U.S. and world economies generally to an unpredictable extent, which in turn may affect the performance of a Fund’s investments. In particular, as of the date

hereof, interest rates have recently increased significantly in the United States and are expected to experience continued increases in at least the near- and medium-term. Such stimuli, unless successfully managed and scaled back and wound down at the appropriate time and in the appropriate amounts, together with the passing of U.S. legislation calling for historically significant amounts of government spending, run a severe risk of being inflationary. In addition, there is significant concern in macroeconomic terms about the general levels of indebtedness carried by certain governments. While bringing with it a range of issues, one of the consequences of an extended period of a higher-than-desired level of inflation is often to erode in real terms the value of government debt in a manner that reduces the economic cost in real terms of their payment obligations on such debt. This element of debt erosion may create an incentive for governments to be less robust in seeking to deal with inflation than might otherwise have been the case had the government concerned not suffered from a high level of indebtedness. If such inflation occurs it would have the negative consequences for a Fund set out above.

Further financial crises may result in additional governmental intervention in the markets. In addition, the consequences of the extensive changes to the regulation of various markets and market participants contemplated by the legislation and increased regulation arising out of the financial crisis are difficult to predict or measure with certainty.

During periods of high inflation, the real value of interests in a Fund and distributions therefrom decline. If a Fund is unable to increase the income from its investments during periods of higher inflation, it could be unable to pay out large enough distributions to investors to compensate for the decrease in the value of money, thereby affecting the return of investors. Further, the market value of a Fund's investments could decline during times of higher inflation. Accordingly, there can be no assurance that a higher rate of inflation will not have a material adverse effect on a Fund's performance.

Reliance on Portfolio Company Management. Although the applicable Adviser will monitor the performance of each Fund investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although a Fund generally intends to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the existing management of such companies will continue to operate a company successfully.

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

Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Fund is permitted to decide to provide additional funds to such portfolio company or may have the opportunity to increase its investment in a portfolio company (whether for

opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons). There is no assurance that a Fund will make add-on investments or that a Fund will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make add-on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made), result in a lost opportunity for a Fund to increase its participation in a successful investment or result in the dilution of the relevant Fund's ownership in a portfolio company if a third party or co-investor is permitted to invest.

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

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

Cybersecurity Risks. Cyber-attacks and other malicious Internet-based activity continue to increase in frequency and magnitude. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio company, a Fund, General Partner, AKKR or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, AKKR, the General Partners, the Funds and/or portfolio companies may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in AKKR's, the General Partners', the Funds', portfolio companies' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet of cloud-based programs, technologies and data storage generally heighten these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio company, or

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

Privacy and Data Protection Law Compliance Risk. The adoption, interpretation and application of consumer protection, data protection and/or privacy laws and regulations in the United States, Europe and other jurisdictions (collectively, “**Privacy Laws**”) could significantly impact current and planned privacy and information security related practices, the collection, use, sharing, retention and safeguarding of personal data and current and planned business activities of the Adviser, the General Partners, the Funds and/or their portfolio companies, and increase compliance costs and require the dedication of additional time and resources to compliance for such entities. A failure to comply with such Privacy Laws by any such entity or their service providers could result in fines, sanctions or other penalties, which could materially and adversely affect the results of operations and overall business, as well as have a negative impact on reputation and Fund performance. As Privacy Laws are implemented, interpreted and applied, compliance costs for the Adviser, the General Partners, the Funds and/or their portfolio companies, are likely to increase, particularly in the context of ensuring that adequate data protection and data transfer mechanisms are in place.

United Kingdom (“UK”) Exit from the European Union (the “EU”). The UK formally left the EU on January 31, 2020 (“Brexit”), and entered a transition period that ended on December 31, 2020. On December 30, 2020, the UK government and the EU Commission signed a trade and cooperation agreement governing their future relationship, which, following a ratification process, is expected to apply on a provisional basis through an additional transition period. However, this agreement does not include an agreement on financial services and, as a result, UK firms in the financial sector have more limited access to the EU market than prior to Brexit and EU firms similarly have more limited access to the UK, owing to the loss of passporting rights under applicable EU and UK legislation. Alternative arrangements and structures may allow for the provision of cross-border marketing and services between the EU and UK, but these are subject to legal uncertainty and the risk that further legislative and regulatory restrictions could be imposed in the future.

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to many of the same rules and regulations as prior to Brexit. However, the UK government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third-country access to EU markets. If the regulatory regimes for

EU and UK financial services change or diverge further, this could have an adverse impact on any Fund and its investments, including the ability of a Fund to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions). There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Fund and its investments, including the ability of a Fund to achieve its investment objectives.

The legal, political and economic uncertainty generally resulting from Brexit may adversely affect both EU- and UK-based businesses, including AKKR and Fund portfolio companies, as applicable. Brexit has already led to disruptions in trade as businesses attempt to adapt cross-border procedures and rules applicable in the UK and in the EU to their activities, products, customers, and suppliers. Continuing uncertainty and the prospect of further disruption may also result in an economic slowdown and/or a deteriorating business environment in the UK and in one or more EU Member States.

Lack of Unilateral Control. Even if a Fund is the majority investor or controlling shareholder, as applicable, of a portfolio company, in certain circumstances it may not have unilateral control of the portfolio company. To the extent a Fund invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, is subject to terms and conditions imposed by portfolio company lenders, or makes a minority investment, the relevant portfolio companies may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the relevant Funds or its limited partners. Such third parties may be in a position to take action contrary to a Fund's business, tax or other interests, and such Fund may not be in a position to limit such contrary actions or otherwise protect the value of its investment. When taking non-control positions, a Fund generally will seek to negotiate certain negative controls and veto rights on major decisions, but there can be no assurance that a Fund will be able to control the timing or occurrence of an exit strategy for such portfolio companies in a manner that maximizes or protects value.

Limited Access to Information. Limited partners' rights to information regarding a Fund, the relevant General Partner or AKKR generally will be specified, and in many cases strictly limited, by the Fund Agreements. In particular, it is anticipated that the General Partner and its affiliates will obtain certain types of material information from or relating to a Fund's investments that will not be disclosed to limited partners because such disclosure is prohibited, including as a result of contractual, legal or similar obligations outside of AKKR's control. Decisions by AKKR or its affiliates to withhold information may have adverse consequences for limited partners in a variety of circumstances. For example, a limited partner that seeks to transfer its interest in a Fund may have difficulty in determining an appropriate price for such interest. Decisions to withhold information may also make it difficult for a limited partner to monitor AKKR and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on a Fund's advisory board generally may, by virtue of such participation, have more or earlier information about a Fund and its investments in certain circumstances than other limited partners. Limited partners generally will bear the expenses of responding to disclosure requests, including in connection with state public records, similar freedom of information and other laws, whether or not the relevant Fund succeeds in asserting

confidentiality for requested documents and other materials, and AKKR reserves the right to withhold certain information from investors subject to such laws for reasons relating to AKKR's public reputation, business strategy or other reasons.

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

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

Long-term Investments; Evergreen Investments. Investment in a Fund require a long-term commitment, with no certainty of return. A Fund's investments are expected to be predominantly illiquid and there can be no assurance that a Fund will be able to generate returns for investors, that the returns will be commensurate with the risks of investing in the type of

transactions and issuers described herein or that the Adviser's methodology for evaluating risk-adjusted return profiles for investments will achieve a Fund's objectives. In some cases, a Fund may be legally, contractually or otherwise prohibited from selling certain investments for a period of time or may otherwise be restricted from disposing of them and illiquidity may also result from the absence of an established market for certain investments. The realizable value of a highly illiquid investment at any given time may be less than its intrinsic value. In addition, certain types of investments made by a Fund may require a substantial length of time to liquidate. As a result, a Fund may be unable to realize its investment objectives by sale or other disposition at attractive prices or may otherwise be unable to complete any exit strategy.

Currency Risk. Certain investments and the income received by a Fund with respect to such investments, may be denominated in various non-U.S. currencies. The books of a Fund, will however, be maintained, and capital contributions to and distributions from such Fund will be made, in U.S. dollars. Fluctuations in currency values may adversely affect the U.S. dollar value of portfolio investments, interest, dividends, gains and losses realized on the sale of investments and the amount of distributions, if any, made by a Fund. In addition, a Fund will incur costs in converting investment proceeds from one currency to another. Where practicable, the Adviser is permitted to (but shall not be required to) enter into hedging transactions designed to reduce such currency risks. Furthermore, the portfolio companies in which a Fund invests may be subject to risks relating to changes in currency values, as described above. If a portfolio company suffers adverse consequences as a result of such changes, a Fund may also be adversely affected as a result. In addition, due to developments surrounding the regulation of OTC derivatives, a Fund's ability to hedge currency risk may be limited.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset which generated such gain for more than three years. This could create an incentive for a General Partner to cause a Fund to hold investments for a longer period than would be the case if such three-year holding period requirement did not exist. In addition, this three-year holding period requirement for long-term capital gains treatment in respect of carried interest may create the potential for conflicts of interest between a General Partner and limited partners. For example, a General Partner may cause a Fund to borrow more frequently, in greater amounts, or for longer periods; hold investments for longer than it would absent adverse tax consequences to such General Partner from a shorter holding period; or waive or defer the distribution or allocation of carried interest to such General Partner, potentially changing the character or amount of income allocated to limited partners.

Recycling; Reinvestment. Net proceeds from the disposal of investments realized during a Fund's investment period may, to the extent permitted by such Fund's Governing Documents, be retained by a Fund, or restored to the partners' unused Commitments and subsequently recalled, for future investments. Accordingly, a partner may be required to make capital contributions in excess of its Commitment and, to the extent such recalled or retained amounts are reinvested in investments, a partner will remain subject to investment and other risks associated with such investments.

Public Company Holdings. A Fund's investment portfolio may contain securities issued

by publicly held companies. Such investments may subject a Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of such securities at certain times, increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, including the principals of the Adviser, and increased costs associated with each of the aforementioned risks.

Material Non-Public Information. As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of Adviser personnel, the Adviser comes into possession of confidential or material non-public information. Therefore, the Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund. Consequently, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies and procedures. Due to these restrictions, a Fund may not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold.

Significant Adverse Consequences for Default. The Fund Agreements provide for significant adverse consequences in the event a limited partner defaults on its Commitment or any other payment obligation. In addition to losing its right to potential distributions from a Fund, a defaulting limited partner may be forced to transfer its interest in a Fund for an amount that is less than the fair market value of such interest and that may be paid over a period of up to ten years, without interest. Whether and how to exercise a General Partner's remedies against a defaulting limited partner will be in the sole discretion of such General Partner, and each General Partner reserves the right to require the non-defaulting limited partners to contribute capital to make up for the shortfall created by such defaulting limited partner.

Litigation. In the ordinary course of its business, a Fund may be subject to litigation from time to time and the costs associated with such litigation are paid for by such Fund (and could be material). The outcome of such proceedings may materially adversely affect the value of a Fund and may continue without resolution for long periods of time. Any litigation may consume substantial amounts of a General Partner's and its partners' time and attention, and that time and the devotion of these resources to litigation may, at times, be disproportionate to the amounts at stake in the litigation.

Risks Inherently Associated with Technology Companies. Technology companies often face specific risks which a Fund will necessarily also be exposed to by concentrating its investment strategy in such companies. Such risks typically include: (i) rapidly changing science and technologies; (ii) new competing products and improvements in existing products which may quickly render existing products or technologies obsolete; (iii) changing consumer preferences; (iv) short product life cycles; (v) exposure to government regulation and changing and/or increasing regulations; (vi) scarcity of management, technical, scientific, research and marketing personnel with appropriate training; (vii) the possibility of lawsuits related to patents and other intellectual property and their associated rights; and (viii) rapidly changing investor sentiments

and preferences with regard to technology sector investments. Instability, fluctuation or an overall decline within the technology industry will likely not be balanced by investments in other industries not so affected. In the event that the technology industry as a whole declines, returns to limited partners are likely to be adversely affected.

LIBOR and other Benchmark Rates. To the extent that a Fund's investments, borrowing facilities, hedging activities, or other assets or structures are tied to interest rates based on the London Interbank Offered Rate ("LIBOR") or other benchmark or reference rates (each, a "Benchmark Rate"), a Fund may be subject to certain material risks, including the risk that a Benchmark Rate is terminated, ceases to be published or otherwise ceases to be broadly used by the market. Regulators, central banks, governments and other market participants are working to facilitate the transition of existing instruments and contracts away from LIBOR to new Benchmark Rates, and any such transition includes the potential to: increase volatility or illiquidity in markets; cause delays in or reductions to financing options for the Funds and their portfolio companies; increase the cost of borrowing; reduce the value of certain instruments or the effectiveness of certain hedges; cause uncertainty under applicable legal documentation; or otherwise impose costs and administrative burdens relating to factors that include document amendments and changes in systems. Future transitions to and from Benchmark Rates have the potential to have similar effects.

Secondaries and other General Partner-Led Transactions. There continues to be a significant market in the private fund sector for secondary sales, General Partner-led transactions, continuation funds, successor fund investments and other transactions for the disposition of investments, and AKKR reserves the right to dispose of (or seek additional capital for) Fund investments through such means. Many of these transactions involve an auction process run by an investment bank and a buyer (or buyer group) that agrees to purchase a portion of one or more investments that will continue to be managed by AKKR following the transaction. Such transactions are undertaken for various reasons, including, for example, to balance competing interests between offering liquidity to existing limited partners and maintaining exposure to an asset where AKKR believes there is the potential for additional value generation. Where undertaken, existing limited partners typically are offered certain options relating to receiving liquidity from the transaction or continuing to maintain exposure to the asset, assets or a new portfolio of assets (including a portfolio that combines assets from multiple Funds sponsored by AKKR and its affiliates), often on different terms than the original investment. However, certain of such transactions are expected to require a limited partner to invest additional capital in the existing Fund and/or other investment vehicles, a greater exposure to one or more particular portfolio company, and/or a delay in the full liquidation of its investment. In other circumstances, even limited partners that elect to continue to hold a direct or indirect interest in the relevant portfolio company will have their interest adjusted as if distributed (*i.e.*, a portion of such interest will be allocated to the relevant General Partner to the extent of its right to receive carried interest, if any), effectively diluting their interests.

Each of these transactions has the potential for conflicts between the interests of a Fund or limited partner and those of AKKR or any buyer group that typically are not applicable to more traditional investment sales. For example, in circumstances where AKKR or an affiliate will continue to manage and receive fees and/or performance-based compensation relating to the subject assets following the transaction (potentially in addition to performance-based compensation earned by the relevant General Partner on the sale of an asset from an existing Fund

in such transaction), their incentives are expected to diverge from those of limited partners who elect to sell their interests. Similarly, there are potential conflicts of interest among the selling Fund, AKKR, the relevant General Partner and any buyer group relating to the valuation and consideration offered for the investment(s) subject to the transaction. To the extent AKKR requires existing limited partners and/or new buyers to commit capital to a continuation fund or another Fund managed by AKKR in addition to the purchase amount paid in a transaction, such requirement is expected to have a dilutive effect on the purchase price for the selling Fund and its limited partners. There can be no assurance that any such transaction will accurately reflect the fair market value of the Fund investment(s) being sold. Further, the relevant General Partner is expected to be incentivized to make investments in portfolio companies with the view of holding such investments for longer periods of time or to make investments that it would not otherwise have made if the possibility of liquidity through a secondary transaction did not exist. Where co-investors historically have been invested in an investment subject to such a transaction, there can be no assurance that they will receive the same liquidity or other options as limited partners in the relevant Fund, and in such circumstances AKKR reserves the right to compel co-investors to receive cash or continue to hold an interest in the relevant investment. In other circumstances, certain limited partners will not be permitted to continue to maintain exposure to the asset(s) due to a lack of eligibility to invest in a continuation vehicle under relevant securities, tax or other considerations. Although relevant potential conflicts of interest are disclosed to limited partners and/or the relevant advisory committee prior to the closing of the transaction, there can be no assurance that AKKR will successfully identify all conflicts of interest or resolve or mitigate all such conflicts of interest in favor of Fund or any individual limited partner or group of limited partners. However, AKKR reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Governing Documents. AKKR is permitted to seek the consent of the relevant Fund advisory committee to approve conflicts associated with such transactions and accordingly not all limited partners will necessarily be able to approve or disapprove of such transactions. Similar to any prospective sale or disposition of Fund investments, to the extent such transactions are not consummated, the Fund is expected to bear all of the related costs in the absence of an agreement with other parties to bear a portion of such costs.

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a “**Financial Institution**”) of some or all of the Fund’s (or any portfolio company’s) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty, similar to that experienced by Silicon Valley Bank and Signature Bank in March 2023 (each, a “**Distress Event**”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, AKKR, any General Partner, the Funds and/or any of the portfolio companies may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any

non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

Any Distress Event has a potentially adverse effect on the ability of AKKR to manage the Funds and their investments, and on the ability of AKKR, any Fund or any portfolio company to maintain operations, which in each case could result in operational burdens, significant losses and un consummated investment acquisitions and dispositions. Such losses could include: a loss of funds; an obligation to pay fees and expenses in the event a Fund is unable to close a transaction (whether due to the inability to draw capital on a credit line provided by a Financial Institution experiencing a Distress Event, the inability of the Fund to access capital contributions or otherwise); the inability of the Fund to acquire or dispose of investments, including at prices that the relevant General Partner believes reflect the fair value of such investments; and/or the inability of AKKR or portfolio companies to make payroll, fulfill obligations and/or maintain operations. If a Distress Event leads to a loss of access to a Financial Institution's services, it is also possible that AKKR will experience operational burdens and expenses, and a Fund or a portfolio company will incur additional expenses and/or delays in putting in place alternative arrangements and/or that such alternative arrangements will be less favorable than those formerly in place (with respect to economic terms, service levels, access to capital or otherwise). There can be no assurance that AKKR will be able to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, or that such remedies will be successful or avoid losses, delays or other negative impacts. The Funds and their portfolio companies are subject to additional risks in the event a Financial Institution utilized by investors of a Fund or suppliers, vendors, service providers or other counterparties of a portfolio company become subject to Distress Events, which could have a material adverse effect on a Fund, its investors or such portfolio companies, including the risk of investor defaults.

Many Financial Institutions require, as a condition to using their services (including lending services), that AKKR and/or the relevant Fund maintain all or a set amount or percentage of their respective accounts or assets with the Financial Institution, which heightens the risks associated with a Distress Event with respect to such Financial Institutions. Although AKKR seeks to do business with Financial Institutions that it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, AKKR is under no obligation to use a minimum number of Financial Institutions with respect to any Fund, or to maintain account balances at or below the relevant insured amounts.

In addition, the following risks are applicable to the investment strategy of EBP I:

Lack of Liquidity for the Interests or Withdrawal Rights; Perpetual Term; Limited Transferability of Partnership Interests. EBP I is a continuous investment vehicle and an investment in EBP I should be viewed as an illiquid investment. The Interests have not been registered under the Securities Act, the securities laws of any state or the securities laws of any other jurisdiction and, therefore, cannot be resold unless they are subsequently registered under the Securities Act and other applicable securities laws or an exemption from registration is

available. Absent a Liquidity Event, it is not contemplated that registration of the limited partner interests under the Securities Act or other securities laws will ever be effected. There is no public market for the limited partner interests and one is not expected to develop. In general, withdrawals of Fund interests are not permitted. In addition, Fund interests are not redeemable. There are substantial restrictions upon the transferability of Fund interests under the Fund Agreement and applicable securities laws. EBP I has a perpetual term, however, following EBP II's effective date, EBP I can no longer make new investments (other than for then-existing commitments, transactions in process and follow-on investments).

Reinvestment. Except in limited circumstances, net proceeds from the disposal of investments are expected to be retained by EBP I and subsequently used for future investments or expenses, liabilities or other obligations of the Partnership. However, following EBP II's effective date, EBP I can no longer make new investments (other than for then-existing commitments, transactions in process and follow-on investments). Accordingly, to the extent such recalled or retained amounts are reinvested in investments, a partner will remain subject to investment and other risks associated with such investments.

In addition, the following risks are applicable to the investment strategy of the Growth Capital Funds:

Prepayment of Subordinated Debt Investments. The stated maturity of traditional subordinated debt investments is generally eight to ten years. However, the Growth Capital Funds expect that borrowers of subordinated debt funds will generally prepay their loans within three to five years. The life of a traditional subordinated debt investment can be substantially shorter, particularly for good credits. Early prepayment, particularly by good credits, reduces the Growth Capital Funds' opportunity to make long-term compounded returns. Later prepayment, particularly by weaker credits, can tie up the Growth Capital Funds' capital in investments which may have a greater risk of default. Either way, the shortening or lengthening of the holding period may prevent the Growth Capital Funds from realizing its investment objective.

Non-Controlling Investments. The Growth Capital Funds anticipate that it will principally hold non-controlling senior preferred equity interests and other debt obligations in portfolio companies and, therefore, will have a limited ability to protect the Growth Capital Funds' position in such portfolio companies. However, the General Partners will seek appropriate creditor and shareholder rights to help protect the Growth Capital Funds' interest.

Growth Equity Transactions. The Funds' strategy includes targeting growth-equity investments. While growth-equity investments offer the opportunity for significant capital gains, such investments generally involve a higher degree of business and financial risk that can result in substantial or total loss. Growth-equity portfolio companies may operate at a loss or with substantial variations in operating results from period to period, and many will need substantial additional capital to support additional research and development activities or expansion, to achieve or maintain a competitive position, and/or to expand or develop management resources. Growth-equity portfolio companies may face intense competition, including from companies with greater financial resources, better brand recognition, more extensive development,

marketing and service capabilities and a larger number of qualified managerial and technical personnel.

Equitable Subordination. A Fund may co-invest with another affiliate of the Adviser where one or more private equity or other funds managed by the Adviser or an affiliate has a controlling or other interest in the issuer (the “**Other Funds**”). To the extent a Fund holds securities that are different (or more senior or junior) than those held by the Other Funds, the Adviser may be presented with decisions when the interests of a Fund and the Other Funds are in conflict. It is possible that in a bankruptcy proceeding a Fund’s interest may be subordinated or otherwise adversely affected by virtue of the Other Fund’s involvement and any actions relating to its investment. This equitable subordination risk may also result from a Fund’s investing in debt and equity securities sponsored by affiliates of AKKR.

Nature of Preferred Equity Securities. Although preferred equity securities are typically senior to common stock or other equity securities, the preferred equity and debt securities in which a Fund is targeting to invest will generally be unsecured and subordinated to substantial amounts of senior debt, all or a significant portion of which may be secured. In addition, these securities may not be protected by all of the financial covenants, such as limitations upon additional indebtedness, typically protecting such senior debt. Holders of subordinated debt generally are not entitled to receive any payments in bankruptcy or liquidation until senior creditors are paid in full. Holders of preferred equity are not entitled to payments until all creditors are paid. In addition, the remedies available to holders of subordinated debt are normally limited by restrictions benefiting senior creditors. In the event any portfolio company cannot generate adequate cash flow to meet senior debt service, a Fund may suffer a partial or total loss of capital invested.

In addition, the following risks are applicable to the investment strategy of the Credit Funds:

Credit Risks of Investments in Senior Loans. Debt portfolios are subject to credit risk, which is the likelihood that an issuer will default in the payment of principal and/or interest on an instrument, and interest rate risk, which is the risk associated with market changes in interest rates. Financial strength and solvency of an issuer are the primary factors influencing credit risk. Borrowers may face intense competition, changing business and economic conditions or other developments that may adversely affect their performance and increase credit risk. In addition, subordination or lack or inadequacy of collateral or credit enhancement for a debt instrument may affect its credit risk. Credit risk may change over the life of an investment. In addition, borrowers may contest enforcement of foreclosure or other remedies, seek bankruptcy protection against such enforcement and/or bring claims for lender liability in response to actions to enforce debt obligations.

Non-Payment of Principal and Interest; Adequacy of Collateral. Debt investments are subject to the risk of non-payment of scheduled interest or principal by the borrowers with respect to such investments. Such non-payment would likely result in a reduction of income to a Credit Fund and a reduction in the value of the loans experiencing non-payment. In addition, in the event of borrower’s bankruptcy, a Credit Fund could experience delays or limitations with

respect to its ability to realize the benefits of the collateral securing an investment a portfolio company. Under certain circumstances, collateral securing an investment in a portfolio company may be released without the consent of a Credit Fund. Moreover, a Credit Fund's security interests may be unperfected for a variety of reasons, including the failure to make required filings by lenders and, as a result, a Credit Fund may not have priority over other creditors as anticipated. When making a debt investment, a Credit Fund generally intends to obtain security interests in assets of its portfolio companies, but the protection obtained through such interests may be inadequate to return all capital invested by such Credit Fund, especially in cases in which the loan is primarily based on the portfolio company's cash flow.

Prepayment of Investments. While a debt investment may have a stated maturity, it is possible that borrowers prepay their loans prior to such maturity. It is expected that a Credit Fund's investments will generally allow for repayment at any time subject to certain penalties. Early prepayment, particularly by good credits, reduces a Credit Fund's opportunity to make long-term compounded returns. Later prepayment, particularly by weaker credits, can tie up a Credit Fund's capital in investments which may have a greater risk of default. Either way, the shortening or lengthening of the holding period may prevent a Credit Fund from realizing its projected returns. In addition, upon prepayment, a Credit Fund will generally reinvest all or a portion of these proceeds in temporary investments, pending their future investment in accordance with such Credit Fund's investment strategy. These temporary investments will typically have substantially lower yields than the debt being prepaid and a Credit Fund could experience significant delays in reinvesting these amounts. Any future investment in a new portfolio company may also be at lower yields than the debt that was repaid. As a result, a Credit Fund's results of operations could be materially adversely affected if one or more of such a Credit Fund's portfolio companies elect to prepay amounts owed to such Credit Fund. This risk will be more acute when interest rates decrease, as a Credit Fund may be unable to reinvest at rates as favorable as when such Credit Fund made its initial investment.

Obligors' Ability to Refinance. A significant portion of the a Credit Fund's assets will consist of loans for which most or all of the principal is due at maturity. The ability of the obligor(s) under such loan to make such a large payment upon maturity typically depends upon its ability to refinance the loan prior to maturity. The ability of an obligor to consummate a refinancing will be affected by many factors, including the availability of financing at acceptable rates to such obligor, the financial condition of such obligor, the marketability of the collateral (if any) securing such loan, the operating history of the obligor and related businesses, tax laws and prevailing general economic conditions. Additionally, middle-market obligors generally have more limited access to capital and higher funding costs, may be in a weaker financial position, may need more capital to expand or compete, and may be unable to obtain financing from public capital markets or from more traditional sources, such as commercial banks. Consequently, such obligor may not have the ability to repay the loan at maturity and, unless it is able to refinance such loan, it could default in payment at maturity, which could result in losses to a Credit Fund and, indirectly, to the limited partners. Any deterioration of the global debt markets, any possible future failures of certain financial services companies and any significant rise in market perception of counterparty default risk will likely significantly reduce investor demand and liquidity for investment grade, high-yield and senior bank debt, which in turn is likely to lead some investment banks and other lenders to be unwilling or significantly

less willing to finance new investments or to only offer committed financing for investments on less favorable terms than had been prevailing in the recent past.

Uncertain Exit Strategies. Although a Credit Fund will often make a debt investment with the intention of holding a loan to maturity, the General Partner of such Credit Fund reserves the right to determine that it is advisable to exit a position earlier. However, due to the illiquid nature of some of the positions which a Credit Fund is expected to acquire, the General Partner of such Credit Fund is unable to predict with confidence what the exit strategy will ultimately be for any given position, or that one will definitely be available at an attractive price, or at all. Exit strategies which appear to be viable or profitable when an investment is initiated may be precluded or unprofitable by the time the investment is ready to be realized due to market, economic, legal, political or other factors.

Origination of Loans and Licensing Requirements. As a result of its investment activities, it is possible that a Credit Fund could be deemed to be engaged in the origination of debt or debt-linked securities for purposes of the applicable laws in jurisdictions in which such activities take place. Such laws are frequently highly complex and may include licensing requirements. Certain federal and local banking and regulatory bodies or agencies in or outside the United States may require a Fund, a General Partner, AKKR and/or certain employees of AKKR to obtain licenses or similar authorizations to engage in various types of lending activities, including without limitation, the origination of debt. It may take a significant amount of time and expense to obtain such licenses or authorizations and a Credit Fund may be required to bear the cost of obtaining such licenses and authorizations. There can be no assurance that any such licenses or authorizations would be granted or, if granted, whether any such licenses or authorizations would impose restrictions on a Credit Fund. Such licenses may require the disclosure of confidential information about a Credit Fund, investors or their respective affiliates, including financial information and/or information regarding officers and directors of certain significant limited partners. A Credit Fund may not be willing or able to comply with these requirements. Alternatively, a General Partner and/or AKKR may be compelled to structure certain potential investments in a manner that would not require such licenses and authorizations, although such transactions may be structured in an inefficient or otherwise disadvantageous manner for a Credit Fund and/or any relevant portfolio company or may not be able to allocate such potential investments until it has obtained such licenses. There can be no assurance that a Credit Fund will maintain or obtain all of the licenses that it will need on a timely basis. A Credit Fund also is and will be subject to various information and other requirements to maintain and obtain these licenses, and there can be no assurance that it will satisfy those requirements. A Credit Fund's failure to maintain or obtain licenses that it requires, now or in the future, might restrict investment options and have other adverse consequences.

Borrower Fraud. Of key concern in loan and other debt investing is the possibility of material misrepresentation or omission on the part of the issuer. Such inaccuracy or incompleteness may adversely affect the value of a Credit Fund's investments in such portfolio company and/or the valuation of the collateral underlying the loans and/or the ability of such Credit Fund to perfect or effectuate a lien on the collateral securing the loans. A Credit Fund will rely upon the accuracy and completeness of representations made by issuers to the extent the relevant General Partner's principals believe to be reasonable, but cannot guarantee such

accuracy or completeness. Under certain circumstances, payments to a Credit Fund may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance or a preferential payment.

Lender Liability Considerations and Equitable Subordination. In recent years, a number of judicial decisions in the United States have upheld the right of borrowers to sue lending institutions on the basis of various evolving legal theories, including equitable subordination (collectively termed “**Lender Liability**”). Generally, Lender Liability is founded upon the premise that the institutional lender has violated a duty (whether implied or contractual) of good faith and fair dealing owed to the borrower or has assumed a degree of control over the borrower resulting in the creation of a fiduciary duty owed to the borrower. A Credit Fund, as a creditor, may be subject to allegations of Lender Liability. Furthermore, a Credit Fund may be unable to control the conduct of the lenders under a loan syndication agreement requiring less than a unanimous vote, yet such Credit Fund may be subject to Lender Liability for such conduct.

Under common law principles that in some cases form the basis for Lender Liability claims, if a lender (i) intentionally takes an action that results in the undercapitalization of a borrower or issuer to the detriment of other creditors of such borrower or issuer, (ii) engages in other inequitable conduct to the detriment of such other creditors, (iii) engages in fraud with respect to, or makes misrepresentations to, such other creditors or (iv) uses its influence as a stockholder to dominate or control a borrower or issuer to the detriment of other creditors of such borrower or issuer, a court may elect to subordinate the claim of the offending lender or bondholder to the claims of the disadvantaged creditor or creditors (a remedy called “equitable subordination”). Due to the nature of the debt obligations, a Credit Fund may be subject to claims from creditors of an obligor that debt obligations of such obligor which are held by a Credit Fund should be equitably subordinated. As indicated above with respect to claims of Lender Liability, a Credit Fund could be subject to such a claim based upon the conduct of others, such as lenders in a syndicate, over which it did not have control.

Although each Credit Fund intends to structure certain of its investments as senior debt, if one of a Credit Fund’s portfolio companies were to go bankrupt, depending on the facts and circumstances, including the extent to which a General Partner or its affiliates provided managerial assistance to that portfolio company or a representative of such General Partner or AKKR or their affiliates sat on the board of directors of such portfolio company, a bankruptcy court might re-characterize a Credit Fund’s debt investment and subordinate all or a portion of such Credit Fund’s claim to that of other creditors. In situations where a bankruptcy carries a high degree of political significance, a Credit Fund’s legal rights may be subordinated to other creditors. This equitable subordination risk may particularly result from other funds, vehicles or accounts managed by AKKR making investments in portfolio companies where a Credit Fund holds an investment in such portfolio company’s debt or equity tranches. Particularly, in a bankruptcy proceeding, a Credit Fund’s investment in a portfolio company may be subordinated or otherwise adversely affected by virtue of AKKR’s affiliation with such Credit Fund and its ownership of the particular portfolio company.

Cross-Collateralization. Each Credit Fund reserves the right to engage in financings where several investments are cross-collateralized, thereby subjecting multiple investments to

the risk of loss. As a result, a Credit Fund could lose its interests in performing investments in the event such investments are cross-collateralized with poorly performing or non-performing investments.

Risks of Custodians, Counterparties, Administrators and Other Agents. The Credit Funds depend on the services of custodians, counterparties, administrators and other agents to carry out certain transactions on behalf of the Credit Funds. The terms of these contracts are often customized and complex, and many of these arrangements occur in markets or relate to products that are not subject to regulatory oversight.

Each Credit Fund is subject to the risk that the counterparty to one or more of these contracts defaults, either voluntarily or involuntarily, on its performance under the contract. Any such default may occur suddenly and without notice to the relevant General Partner. Moreover, if counterparty defaults, a General Partner may not be able to take action to cover a Credit Fund's exposure, either because of a lack of contractual recourse or because market conditions make it difficult to take effective action. This inability could occur in times of market stress, which is when defaults are most likely to occur.

In the event of the insolvency of a custodian, counterparty or any other party that is holding assets of a Credit Fund as collateral, such Credit Fund might not be able to recover equivalent assets in full as they will rank among the custodian's or counterparty's unsecured creditors in relation to the assets held as collateral. In addition, a Credit Fund's cash held with a custodian or counterparty generally will not be segregated from the custodian's or counterparty's own cash, and a Credit Fund may therefore rank as an unsecured creditor in relation thereto.

The counterparty risks that a Credit Fund faces have increased in complexity and magnitude as a result of disruption in the financial markets in recent years. For example, the consolidation and elimination of counterparties has increased the concentration of counterparty risk and decreased the universe of potential counterparties, and a Credit Fund is generally not restricted from dealing with any particular counterparty or from concentrating any or all of its transactions with one counterparty. In addition, counterparties have generally reacted to recent market volatility by tightening their underwriting standards and increasing their margin requirements for all categories of financing, which has the result of decreasing the overall amount of leverage available and increasing the costs of borrowing.

Non-Performing Nature of Debt. Each Credit Fund is permitted to purchase certain debt instruments that may be non-performing and possibly in default at the time of such purchase. Furthermore, the obligor or relevant guarantor may also be in bankruptcy or liquidation. There can be no assurance as to the amount and timing of payments, if any, with respect to the loans in which the Partnership is permitted to invest.

Zero-Coupon and Deferred Interest Bonds. Each Credit Fund reserves the right to invest in zero coupon bonds and deferred interest bonds, which are debt obligations issued at a significant discount from face value. The original issue discount approximates the total amount of interest the bonds will accrue and compound over the period until maturity or the first interest

accrual date at a rate of interest reflecting the market rate of the security at the time of issuance. While zero coupon bonds do not require the periodic payment of interest, deferred interest bonds generally provide for a period of delay before the regular payment of interest begins. Such investments experience greater volatility in market value due to changes in interest rates than debt obligations that provide for regular payments of interest.

Covenant-Lite Loans. Although it is expected that the loan documentation of most of a Credit Fund's debt investments in portfolio companies will include both incurrence and maintenance-based covenants, it is possible that there will be instances in which a Credit Fund invests in "Covenant-Lite Loans." An investment by a Credit Fund in a Covenant-Lite Loan may potentially hinder the ability to re-price credit risk associated with the portfolio company and reduce the ability to restructure a problematic loan and mitigate potential loss. As a result, a Credit Fund's exposure to losses may be increased, which could result in an adverse impact on such Credit Fund's return to the limited partners.

Ratings; Non-Rated Securities. A Credit Fund may invest in "high-yield" debt, preferred stock, convertible debt or debt securities which are rated in the lower rating categories by the various credit rating agencies or, more commonly, in non-rated securities, including those rated lower than investment grade and considered to be "junk bonds" or distressed securities. Securities in the lower rating categories and non-rated securities are subject to greater risk of loss of principal and interest than higher-rated and non-rated securities and are generally considered to be predominantly speculative with respect to the issuer's capacity to pay interest and repay principal. There is no minimum credit standard that is a prerequisite to a Credit Fund's investment in any security, and most debt securities and preferred stock that offer potential for capital appreciation are likely to be non-investment grade.

Interest Rate Risk. Interest rate changes may affect the value of a debt instrument indirectly (especially in the case of fixed rate securities) and directly (especially in the case of instruments whose rates are adjustable). In general, rising interest rates will negatively impact the price of a fixed rate debt instrument and falling interest rates will have a positive effect on price. In a declining rate environment, debt investments without adequate call protection may benefit less than other fixed-income securities due to accelerated prepayments. Interest rate changes may also affect a Fund's return on new investments that it makes. If there is a period of declining rates, the amounts becoming available to a Fund for investment due to repayment of a Fund's investments may be re-invested at lower rates than such Fund had been able to obtain in prior investments or than the rates on the repaid investments. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules. Also, increases in the interest rates on any leverage employed by a Fund may not be reflected in increased rates of return on such Fund's investments, thereby adversely affecting such Fund's return on such investments. Accordingly, interest rate changes may adversely affect the total return on a Fund's investment portfolio.

Although changes in prevailing interest rates can be expected to cause some fluctuations in the value of floating-rate debt held by a Fund (due to the fact that rates reset only periodically), the value of this debt is substantially less sensitive to changes in market interest rates than fixed-rate instruments (depending, however, on the characteristics of the reset terms, including the

index chosen, frequency of reset and reset caps or floors, among other factors). Fluctuations in the market price of the debt held by a Fund will not affect interest income derived from debt already owned by such Fund, but will be reflected in such Fund's net asset value. A Fund may utilize certain strategies, including investments in interest rate swap or cap transactions, for the purpose of reducing the interest rate sensitivity of the portfolio and decreasing a Fund's exposure to interest rate risk, although there is no assurance that it will do so or that such strategies will be successful. Interest rate sensitivity is generally more pronounced and less predictable in instruments with uncertain payment or prepayment schedules.

Illiquid Investments in Senior Loans. There is less readily available, reliable information about most senior loans than is the case for many other types of securities or other assets. In addition, there is no minimum rating or other independent evaluation of a borrower or its securities or other assets including loans and similar types of investments limiting the Credit Funds' investments, and the Advisers will rely primarily on its own evaluation of borrower credit quality rather than on any available independent sources. Senior loans generally are not listed on any national securities exchange or automated quotation system and no active trading market exists for many senior loans. As a result, many senior loans are illiquid, meaning that a Credit Fund may not be able to sell them quickly at a fair price and/or that the redemptions may be delayed due to illiquidity of the senior loans. The market for illiquid securities is more volatile than the market for liquid securities, and illiquid securities are difficult to value.

Nature of Investment in Senior Loans. The assets of a Credit Fund's credit investment portfolio are permitted to include first-lien senior-secured debt, and is also permitted to include selected second-lien senior-secured debt, which involves a higher degree of risk of a loss of capital. The factors affecting an issuer's first- and second-lien leveraged loans, and its overall capital structure, are complex. Some first-lien loans may not necessarily have priority over all other unsecured debt of an issuer. For example, some first-lien loans may permit other secured obligations (such as overdrafts, swaps or other derivatives made available by members of the syndicate to the company), or involve first liens only on specified assets of an issuer (e.g., excluding real estate). Issuers of first-lien loans may have two tranches of first-lien debt outstanding, each with first liens on separate collateral. Second-lien loans are subordinate in right of payment to one or more senior secured loans of the related issuer and therefore are subject to additional risk that the cash flow of the related issuer and the collateral securing the loan may be insufficient to repay the scheduled payments to a Credit Fund after giving effect to any senior secured obligations of the related issuer. Second-lien senior loans are also expected to be more illiquid than first lien senior secured loans for this reason. Moreover, there is less likelihood that a Credit Fund will be able to sell participations in any second-lien loans that it originates or acquires, which would expose such Credit Fund to higher risk with respect to the issuer. Furthermore, any secured debt is secured only to the extent of its lien and only to the extent of underlying assets or incremental proceeds on already secured assets. Moreover, underlying assets are subject to credit, liquidity, and interest rate rises. Although the amount and characteristics of the underlying assets selected as collateral may allow a Credit Fund to withstand certain assumed deficiencies in payments occasioned by the borrower's default, if any deficiencies exceed such assumed levels or if underlying assets are sold it is possible that the proceeds of such sale or disposition will not be equal to the amount of principal and interest owing to a Credit Fund in respect of its investment. A Credit Fund's investments may be subject

to early redemption features, refinancing options, prepayment options, or similar provisions which in each case could result in the issuer repaying the principal on an obligation held by a Credit Fund earlier than expected. As a consequence, a Credit Fund's ability to achieve its investment objective may be adversely affected.

Senior-secured credit facilities may be syndicated to a number of different financial market participants. The documentation governing these facilities typically requires either a majority consent or, in certain cases, unanimous approval for certain actions with respect to the outstanding loans, such as waivers, amendments or the exercise of remedies. In addition, voting to accept or reject the terms of a credit restructuring pursuant to a Chapter 11 plan of reorganization is usually done on a class basis. As a result of these voting regimes, a Credit Fund may not have the ability to control any decision as it relates to an amendment, waiver, exercise of remedies, restructuring or reorganization of an investment.

Further, senior-secured loans are subject to other risks and can cause unsecured creditors to seek remedies to limit a Credit Fund's potential recovery from such investments, including (i) the possible invalidation of a debt or lien as a "fraudulent conveyance"; (ii) the recovery as a "preference" of liens perfected or payments made on account of a debt in the 90 days before a bankruptcy filing; (iii) equitable subordination claims by other creditors; (iv) "lender liability" claims by the issuer of the obligations; (v) environmental liabilities that may arise with respect to collateral securing the obligations; (vi) recharacterization claims in which certain creditors may seek to have a Credit Fund's debt investments recharacterized as equity and therefore subordinate a Credit Fund's claims to such creditors' claims; and (vii) designating the vote (i.e., ignoring the customary class vote system) under a Chapter 11 plan of reorganization in which lenders are entitled to vote as a class.

Revolving Loans. A portion of the Credit Funds' investments are expected to be comprised of revolving credit facilities or other delayed draw loans, which are loan commitments that are unfunded (in whole or in part) at the time of investment. A lender typically is obligated to advance the unfunded amount of a loan commitment at the borrower's request, typically subject to certain conditions, such as the creditworthiness of the borrower. Borrowers with deteriorating creditworthiness may continue to satisfy their contractual conditions and therefore be eligible to borrow at times when a Credit Fund might prefer not to lend. In addition, a Credit Fund portfolio company may be incentivized (for liquidity or other reasons) to draw on all or a significant amount of the unfunded portion of any revolving or delayed draw loan. This could be due to, among other things, the continuing actual or perceived effects of or unpredictable developments in the ongoing COVID-19 pandemic, the occurrence of any other public health crisis or unexpected market event, an economic downturn or recession, perceptions of market liquidity or market pricing of credit risk or any anticipated or perceived looming changes thereto, and/or a change in the availability of alternative funding sources. A Credit Fund, as lender, may have assumptions as to when the borrower will draw on an unfunded loan commitment when it enters into the commitment. If the borrower does not draw as expected, the commitment may not prove as attractive an investment as originally anticipated. In particular, in the event of a recession, depression, liquidity crunch or an unexpected market event that materially and adversely affects the national or global economic outlook (such as a pandemic or public health emergency) or under certain circumstances merely increases the

perceived risk thereof, all borrowers on a Credit Fund's revolving loan and delayed-draw loan investments may be incentivized (for liquidity or other reasons) to draw on a significant amount or all of the unfunded portion of such investments at or around the same time. A Credit Fund may not have the ability under the applicable credit agreement to refuse to fund such draws. Further, any failure to advance requested funds to a borrower could result in possible assertions of offsets against amounts previously lent.

Nature of Investment in Subordinated Loans. Subordinated debt investments involve a high degree of risk with no certainty of any return of capital. Although subordinated securities are typically senior to common stock and other equity securities in the capital structure, they may be subordinated to large amounts of senior debt and may be unsecured. Many of the remedies available to subordinated holders are available only after satisfaction of claims of senior creditors. Therefore, in the event that a portfolio company does not generate adequate cash flow to service its debt obligations, a Credit Fund may suffer a partial or total loss of invested capital. The ability of a Credit Fund to influence a portfolio company's affairs, especially during periods of financial distress or following insolvency, is likely to be substantially less than that of senior creditors. For example, under the terms of subordination agreements, senior creditors are typically able to block the acceleration of the subordinated debt or other exercises by a Credit Fund of its rights as a creditor. Accordingly, a Credit Fund may not be able to take the steps necessary to protect its investments in a timely manner or at all. In addition, a Credit Fund's loans may not be protected by financial covenants or limitations upon additional indebtedness, may have limited liquidity, and may not be rated by a credit rating agency.

Second Lien Loans. A Credit Fund's debt investments may consist of second lien loans. Second lien loans are subject to the same risks associated with loans in general described herein. However, a second lien loan is subordinate in right of collateral and/or payment to one or more first lien loans of the related borrower and therefore is subject to additional risk that the cash flow of the related borrower and the property securing the second lien loan may be insufficient to make the scheduled payments to the lender of record after giving effect to any first lien loans of the related obligor. The subordination of second lien loans is also expected to cause second lien loans to be more risky and illiquid investments than first lien loans.

Mezzanine Debt. A portion of a Credit Fund's debt investments may be comprised of mezzanine debt, subject to the terms of the Fund Agreement. Mezzanine obligations are subject to the same risks as the loans otherwise described herein. In addition, mezzanine obligations may provide that all or a part of the interest accruing thereon will not be paid on a current basis but will be deferred. Mezzanine obligations also generally involve greater credit and liquidity risks than those associated with senior secured loans. They are often entered into in connection with leveraged acquisitions or recapitalizations in which the obligors thereunder incur a substantially higher amount of indebtedness than the level at which they previously operated and such loans sit at a subordinated level in the capital structure of such company.

Bank Loans. The Credit Funds' investment program is permitted to include investments in significant amounts of bank loans and participations. These obligations are subject to unique risks, including, without limitation: (i) the possible invalidation of an investment transaction as

a fraudulent conveyance under relevant creditors' rights laws; (ii) so-called lender-liability claims by the issuer of the obligations; (iii) environmental liabilities that may arise with respect to collateral securing the obligations; and (iv) limitations on the ability of a Credit Fund to directly enforce its rights with respect to participations. In analyzing each bank loan, the General Partner compares the relative significance of the risks against the expected benefits of the investment. Successful claims by third parties arising from these and other risks will be borne by a Credit Fund.

Certain newer loans use standardized documentation in an attempt to facilitate loan trading. Although this may improve market liquidity, there can be no assurance that future levels of supply and demand in loan trading will provide an adequate degree of liquidity or that any level of liquidity will continue. Because of the provision to holders of such loans of confidential information relating to the borrower, the unique and customized nature of the loan agreement, and the private syndication of the loan, loans are not as easily purchased or sold as a publicly traded security, and historically the trading volume in the loan market has been small relative to the high-yield debt market.

Participation Interests. The Credit Funds reserve the right to purchase participation interests in debt instruments that do not entitle the holder thereof to direct rights against the obligor. Participations held by a Credit Fund in a selling institution's portion of a debt instrument typically result in a contractual relationship only with such selling institution, not with the obligor. The Credit Fund have the right to receive payments of principal, interest and any fees to which it is entitled only from the selling institution selling the participation and only upon receipt by such selling institution of such payments from the obligor. In connection with purchasing participations, a Credit Fund generally will have no right to enforce compliance by the obligor with the terms of the related loan agreement, nor any rights of set off against the obligor and such a Credit Fund may not directly benefit from the collateral supporting the debt instrument in which it has purchased the participation. As a result, a Credit Fund will assume the credit risk of both the obligor and the selling institution selling the participation. In the event of the insolvency of such selling institution, such Credit Fund may be treated as a general creditor of such selling institution, and may not benefit from any set off between such selling institution and the obligor. Moreover, when a Credit Fund holds a participation in a debt instrument, it may not have the right to vote to waive enforcement of any restrictive covenant breached by an obligor or, if such a Credit Fund does not vote as requested by the selling institution, it may be subject to repurchase of the participation at par. Selling institutions voting in connection with a potential waiver of a restrictive covenant may have interests different from those of a Credit Fund, and such selling institutions may not consider the interests of such a Credit Fund in connection with their votes.

Assignments. The Credit Funds reserve the right to purchase assignments, which are arrangements whereby a creditor assigns an interest in a loan to a Credit Fund. The purchaser of an assignment typically succeeds to all the rights and obligations of the assignor of the loan and becomes a lender under the loan agreement and other operative agreements relating to the portfolio investment. Assignments are, however, arranged through private negotiations between potential assignees and potential assignors, and the rights and obligations acquired by the purchaser of an assignment may differ from, and be more limited than, those held by the assignor

of the loan. In contrast to the rights of a Credit Fund as an owner of a participation, as described above, a Credit Fund, as an assignee, will generally have the right to receive directly from the obligor all payments of principal, interest and any fees to which it is entitled. In some assignments, the obligor may have the right to continue to make payments to the assignor with respect to the assigned portion of the loan. In such a case, the assignor would be obligated to receive such payments as agent for a Credit Fund and to promptly pay over to such Credit Fund such amounts as are received. As a purchaser of an assignment, a Credit Fund typically will have the same voting rights as other lenders under the applicable loan agreement and will have the right to vote to waive enforcement of breaches of covenants. A Credit Fund will also have the same rights as other lenders to enforce compliance by the obligor with the terms of the loan agreement, to set off claims against the obligor and to have recourse to collateral supporting the portfolio investment. As a result, a Credit Fund may not bear the credit risk of the assignor and the insolvency of an assignor of a loan should have little effect on the ability of a Credit Fund to continue to receive payments of principal, interest or fees from the obligor. A Credit Fund will, however, assume the credit risk of the obligor.

Risks Arising from Purchases of Debt on Secondary Basis. The Credit Funds reserve the right to invest in loans acquired on a secondary basis. To the extent it does so, a Credit Fund is unlikely to be able to negotiate the terms of such debt as part of its acquisition and, as a result, these loans may not include some of the covenants and protections such Credit Fund may generally seek. Even if such covenants and protections are included in the investments held by a Credit Fund, the terms of the loans may provide obligors substantial flexibility in determining compliance with such covenants. In addition, the terms on which loans are traded on the secondary market may represent a combination of the general state of the market for such investments and either favorable or unfavorable assessments of particular investments by the sellers thereof.

Delayed Draw Investments; Future Funding Obligations. The Credit Funds are authorized to incur funding obligations that arise in the future in connection with an investment. For example, a Credit Fund may originate or purchase from a lender a revolving credit facility that has not yet been fully drawn. If the borrower subsequently draws down on the facility, a Credit Fund would be obligated to fund the amount of the drawdown. Such investments will be subject to the risks described under “Need for Follow-On Investments.” Further, a lender typically is obligated to advance the unfunded amount of a loan commitment at the borrower’s request, subject to certain conditions regarding the creditworthiness of a borrower, and borrowers with deteriorating creditworthiness may continue to satisfy their contractual conditions and therefore be eligible to borrow at times when the lender might prefer not to lend. In addition, a lender may have assumptions as to when a company in which a Credit Fund invests may draw on an unfunded loan commitment when the lender enters into the commitment. If the borrower does not draw as expected, the commitment may not prove as attractive an investment as originally anticipated. Any failure to advance requested funds to a company in which a Credit Fund invests could result in possible assertions of offsets against amounts previously lent.

Risks Associated with Bankruptcy Cases. It is possible that a Credit Fund’s investments involve portfolio companies that are experiencing or are expected to experience severe financial difficulties, which may never be overcome and may cause a portfolio company to become

subject to bankruptcy or insolvency proceedings. Many of the events within bankruptcy or insolvency proceedings are adversarial and are often beyond the control of the creditors. While creditors generally are afforded an opportunity to object to significant actions, there can be no assurance that bankruptcy courts would decide favorably toward, or consistent with the interests of, a Credit Fund. Furthermore, there are instances where creditors and equity holders lose their ranking and priority as such if they are considered to have taken over management and/or functional operating control of a debtor. As the duration of bankruptcy cases can be only roughly estimated, the reorganization process can involve substantial legal, professional, and administrative costs to a company and/or a Credit Fund, and is subject to unpredictable and lengthy delays. In addition, during the process a company's competitive position may erode, key management may depart, and the company may not be able to invest adequately. In some cases, a company may not be able to reorganize and may be required to liquidate assets. Decisions by a Credit Fund to invest primarily in the debt of such companies may not be protective of a Credit Fund's economic interests, as the debt of companies in the process of financial reorganization generally will not pay current interest, may not accrue interest during reorganization, and may be adversely affected by an erosion of the issuer's fundamental values. Such investments can result in a total loss of principal.

There exists a significant risk that a Credit Fund's influence with respect to a class of securities can be lost by the inflation of the number and the amount of claims in, or other gerrymandering of, a class. In addition, certain administrative costs and claims (for example, claims for taxes) that have priority by law over the claims of certain creditors may be quite high. The Credit Funds reserve the right to purchase creditor claims subsequent to the commencement of a bankruptcy case. Under judicial decisions, it is possible that such purchase may be disallowed by the bankruptcy court if the court determines that the purchaser has taken unfair advantage of an unsophisticated seller, which may result in the rescission of the transaction or forfeiture by a Credit Fund.

Fraudulent Conveyance or Voidable Preferences. Certain of a Credit Fund's investments could be subject to federal bankruptcy law and state fraudulent transfer laws, which vary from state to state, if the debt obligations relating to certain investments were issued with the intent of hindering, delaying or defrauding creditors or, in certain circumstances, if the issuer receives less than reasonably equivalent value or fair consideration in return for issuing such debt obligations. If the debt proceeds are used for a buyout of shareholders, this risk is greater than if the debt proceeds are used for day-to-day operations or organic growth. If a court were to find that the issuance of the debt obligations was a fraudulent transfer or conveyance, the court could void or otherwise refuse to recognize the payment obligations under the debt obligations or the collateral supporting such obligations, further subordinate the debt obligations or the liens supporting such obligations to other existing and future indebtedness of the issuer or require us to repay any amounts received by us with respect to the debt obligations or collateral. In the event of a finding that a fraudulent transfer or conveyance occurred, we may not receive any repayment on such debt obligations.

Under certain circumstances, payments to a General Partner and its affiliates and distributions by such General Partner to limited partners may be reclaimed if any such payment or distribution is later determined to have been a fraudulent conveyance, preferential payment

or similar transaction under applicable bankruptcy and insolvency laws. Furthermore, investments in restructurings may be adversely affected by statutes relating to, among other things, fraudulent conveyances, voidable preferences, lender liability and the court's discretionary power to disallow, subordinate or disenfranchise particular claims or recharacterize investments made in the form of debt as equity contributions.

Conflicts of Interest

AKKR and its related entities engage in a broad range of advisory and non-advisory activities, including investment activities for their own account and for the account of other Funds, and providing transaction-related, legal, management and other services to Funds and portfolio companies. AKKR will devote such time, personnel and internal resources as are necessary to conduct the business affairs of the Funds in an appropriate manner, as required by the Governing Documents, although the Funds and their respective investments will place varying levels of demand on these over time. In the ordinary course of AKKR conducting its activities, the interests of a Fund likely will conflict with the interests of AKKR, one or more other Private Investment Funds, portfolio companies or their respective affiliates. Certain of these conflicts of interest are discussed herein. As a general matter, AKKR will determine all matters relating to structuring transactions and Fund operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory boards of the participating Funds.

During the investment period of a given Fund, all appropriate investment opportunities will be pursued by the Advisers through such Fund, subject to certain limited exceptions. At any given time, the Advisers will typically manage several other Private Investment Funds in addition to a given Fund, including investments similar to those in which it will be investing or have investments in portfolio companies in the form of securities or other investments that are not the principal focus of such Fund, and expect to direct certain relevant investment opportunities or resources to those Private Investment Funds and with respect to such investments. The Adviser's personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing arrangements. The Advisers' principals and investment staff will continue to manage and monitor the investments of such Private Investment Funds until their realization. Such other investments that Adviser's principals expect from time to time to control or manage generally have the potential to compete with companies invested in by a given Fund. Following the investment period of a given Fund, the Advisers' principals reserve the right to, and likely will, focus their investment activities on other opportunities and areas unrelated to such Fund's investments while continuing to monitor such Fund's investments with an eye towards increasing value and seeking realization. To the extent an investment opportunity is received that is unsuitable for a Fund, in AKKR's sole discretion, AKKR and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. In certain circumstances, AKKR personnel are permitted to serve on boards or act in other roles unaffiliated with AKKR, the Funds or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio companies, and receive compensation in connection with such

services and roles, none of which will offset or otherwise reduce Management Fees.

From time to time, an Adviser will be presented with investment opportunities that would be suitable not only for a given Fund, but also for other Private Investment Funds and other investment vehicles operated by advisory affiliates of such Adviser. In determining which investment vehicles should participate in such investment opportunities, the Advisers are subject to conflicts of interest among the investors in such investment vehicles. Except as required by the Governing Documents, AKKR is not obligated to recommend any investment to any particular investment vehicle. Investments by more than one client of AKKR in a portfolio company also have the potential to raise the risk of using assets of a client of AKKR to support positions taken by other clients of AKKR.

In making allocation decisions with respect to investment opportunities that could reasonably be expected to fit the investment objectives of one or more Private Investment Funds, AKKR anticipates that it will consider one or more of the following: (i) the investment strategy, guidelines or restrictions (including diversification limits) of the Funds; (ii) the internal source of the investment/exit opportunity; (iii) the risk profile or the need to resize risk in the Funds' portfolios (including the potential for the proposed investment to create an industry, sector, issuer, geographic or currency imbalance in the relevant portfolio); (iv) the portfolio composition, including by market, segment, industry and geography, the magnitude of the investment opportunity, including anticipated future follow-on investment needs (if applicable), and diversification of the relevant Funds; (v) the expected duration of the investment in light of each Fund's objectives and investment program, and the proximity of the relevant Funds to the end of their investment period or term; (vi) the amount of available capital (including financing) for the relevant Funds; (vii) the target or expected return and investment hold period of the relevant Funds; (viii) the management of any actual or potential conflicts of interest, including pursuant to the conflicts provisions in the relevant governing documents of the applicable Funds; (ix) the degree of risk arising from an investment individually and within the portfolio of each Fund; (x) the liquidity then available or anticipated to become available (including through contributions or leverage, if applicable) to the relevant Funds; (xi) the availability and degree of leverage and any requirements or other terms of any leverage facilities available to the relevant Funds; (xii) any pending, potential or anticipated redemption/withdrawal requests (if any) in respect of the relevant Funds; (xiii) the operating currency and hedging strategies (if applicable) of the relevant Funds; (xiv) any applicable transfer, assignment or minimum hold restrictions relating to the investment opportunity; (xv) any tax, regulatory or contractual restrictions or consequences; (xvi) the magnitude of the investment and any outsized or de minimis allocation; (xvii) the desirability of allocating a portion of an investment opportunity to strategic or other co-investors; and (xviii) such other factors as AKKR deems to be appropriate, and in the case of any estimate, as reasonably determined by AKKR. Ultimately, however, AKKR has discretion in allocating investments among Private Investment Funds and will face conflicts in making such determinations. AKKR's allocation of investment opportunities among Private Investment Funds will not always be proportional based on available capital commitments. Therefore, such allocations may be more advantageous to a Fund relative to some or all of the other Private Investment Funds, or vice versa. There can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or the terms on which such allocation is made, will be as favorable as they would be if the potential conflicts of interest did not exist. Following such

determination of allocation among Funds, AKKR reserves the right to offer co-investment opportunities to one or more potential co-investors, including members of the AKKR Operating Team, vendors, service providers and/or other third parties, as determined by the Fund Agreements, Side Letters and AKKR's policies and procedures. AKKR's procedures permit it to take into consideration a variety of factors in making such determinations. Although AKKR reserves the right to consider a prospective co-investor's willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by AKKR in identifying co-investors. The General Partners reserve the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio companies or otherwise to have priority in co-investment opportunities.

Furthermore, AKKR or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other Fund investors, and the consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Fund, and AKKR expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Fund because (i) co-invest opportunities generally appeal to Fund investors and third parties, (ii) to the extent co-investments made by Fund investors are not subjected to Management Fees and/or performance-based compensation, co-investments blend the effective rates of compensation paid by such persons in a manner not subject to the "most-favored nation" provisions of a Fund's Governing Documents and (iii) co-investors' proportionate share of a particular investment typically is not subject to the Management Fee offset provisions of a Fund's Governing Documents. In order to facilitate the acquisition of a portfolio company, a Fund reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner's interest in limiting a Fund's exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the relevant Fund would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio company, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) be diluted or realize lower than expected returns from such investment. When and to the extent that employees and related persons of AKKR and its affiliates make capital investments in or alongside certain Funds, AKKR and its affiliates are subject to conflicting interests in connection

with these investments. There can be no assurance that any Fund's return from a transaction would be equal to and not less than another Private Investment Fund participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

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

Where multiple Private Investment Funds at the same, different or overlapping levels of a portfolio company's capital structure, there is a potential for conflicts of interest in determining the terms of each such investment, particularly where certain Private Investment Funds are intended to invest in different types of securities in a single portfolio company or where multiple Funds invest at the same, different or overlapping levels of a portfolio company's capital structure. Questions may arise subsequently as to whether payment obligations and covenants should be enforced, modified or waived, or whether debt should be refinanced or restructured. In troubled situations, decisions, including whether to enforce claims, or whether to advocate or initiate a restructuring or liquidation inside or outside of bankruptcy, and the terms of any work-out or restructuring may raise conflicts of interest, particularly with respect to Private Investment Funds that have invested in different securities within the same portfolio company. If additional capital is necessary as a result of financial or other difficulties, or to finance growth or other opportunities, Funds may or may not provide such additional capital, and if provided, each Fund generally will supply such additional capital in such amounts, if any, as determined by AKKR in its sole discretion. Because of the different legal rights associated with debt and equity of the same portfolio company, AKKR and its affiliates expect to face a conflict of interest in respect of the advice it gives to, and the actions it takes on behalf of one Fund versus another Fund (e.g., the terms of debt instruments, the enforcement of covenants, the terms of recapitalizations and the resolution of workouts or bankruptcies). If a Fund enters into any indebtedness with another Fund on a joint and several basis, the applicable General Partner is expected to enter into one or more agreements that provide each Fund with a right of contribution, subrogation or reimbursement. In administering, or seeking to reinforce, these agreements, AKKR expects to be subject to potential conflicts of interest, for example between a Fund with a reimbursement obligation and a Fund seeking reimbursement. In certain circumstances Funds are expected to be prohibited from exercising (or AKKR may deem it appropriate to refrain from exercising) voting or other rights in order to mitigate the relevant potential conflicts, notwithstanding the fact that the investment(s) of one Fund or the other may be subject to creditor claims regarding subordination of interests.

In addition, there are circumstances in which multiple Private Investment Funds invest in the same securities of a portfolio company. For example, one Private Investment Fund may invest in securities of a portfolio company held by another Private Investment Fund, with one Private Investment Fund either selling such securities to the other, or both Private Investment

Funds participating in a subsequent round of financing. In each case AKKR is subject to conflicts of interest, including without limitation with respect to the pricing of such investments and its effect on carried interest received by AKKR. A Fund may not, for example, invest through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Funds. This likely will result in differences in price, terms, leverage and associated costs. Where multiple Funds invest in the same company at different times, the first Fund to invest typically will bear a higher level of diligence and transaction fees, costs and expenses than later Funds; similarly, to the extent a transaction does not proceed, the first Fund to invest typically will bear the full amount of Broken Deal Expenses relating to the transaction, regardless of whether other Funds could or would have invested in the company in potential future transactions. Further, there can be no assurance that the relevant Fund and the other Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. AKKR and its affiliates reserve the right from time to time to express inconsistent views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Fund's investments will be the same as the returns obtained by other Funds participating in a given transaction. Given the nature of the relevant conflicts there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Funds. In that regard, actions taken for one or more Funds may adversely affect other Funds.

The Adviser will seek approval from the advisory board of a Credit Fund (i) with respect to a Credit Fund's investment in the securities of a company in which another Fund already holds a controlling interest, and (ii) with respect to any investment by another Fund in securities of a company in which a Credit Fund holds a controlling interest in any class or tranche of debt thereof. For instance, if another Fund controls a majority stake of a company's equity, a Credit Fund may invest up to 40% of any tranche of debt of such company without the requirement to seek approval from such Credit Fund's advisory board.

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

Subject to any relevant restrictions or other limitations contained in the Governing Documents, AKKR will allocate fees and expenses in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering such factors as it deems relevant, but in any case in its sole discretion. In exercising such discretion, AKKR expects to be faced with a variety of potential conflicts of interest.

As a general matter, Fund expenses typically will be allocated among all relevant Funds or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, the applicable General Partner, in its sole discretion, will allocate fees and expenses in accordance with the applicable Fund Agreement

and in a manner that it believes in good faith is fair and equitable to the Funds under the circumstances and considering such factors as it deems relevant. The allocations of such expenses may not be proportional, and any such determinations involve inherent matters of discretion, e.g., in determining whether to allocate pro rata based on number of funds or co-investors receiving related benefits or proportionately in accordance with asset size, or in certain circumstances determining whether a particular expense has a greater benefit to a Fund or the Advisers and/or its affiliates. The Funds generally have different expense reimbursement terms, including with respect to Management Fee offsets, which is expected from time to time to result in the Funds bearing different levels of expenses with respect to the same investment. Further, AKKR reserves the right to consider each relevant Fund's strategy as a component of its allocation of investment expenses, and as a general matter will not allocate expenses associated with one Fund's equity investment to a different Fund's credit investment, or *vice versa*, even if the two investments are in the same portfolio company. Where broken deal expenses relate to a potential portfolio company investment in which a PE Fund, Growth Capital Fund and/or Emerging Buyout Fund, on the one hand, and a Credit Fund (and related vehicles), on the other hand, intend to invest, AKKR expects to determine in good faith the applicable share of such broken deal expenses (e.g., due diligence and legal expenses) that relate to such PE Fund, Growth Capital Fund, Emerging Buyout Fund and/or Credit Fund and allocate such amounts accordingly, and in doing so, is authorized to consider expenses typically borne by third-party lenders in similar transactions, which is likely to result in broken deal expenses allocated primarily (or all) to the PE Funds, Growth Capital Funds and Emerging Buyout Funds rather than to the Credit Funds.

As a result of the Private Investment Funds' interests in portfolio companies, an Adviser and/or its affiliates typically have the right to appoint portfolio company board members (including current or former AKKR personnel or persons serving at their request), or to influence such board members' appointment, and to determine or influence a determination of the board members' compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to an Adviser and/or its affiliates. Except to the extent such amounts are subject to the Fund Agreements' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to AKKR.

Additionally, a portfolio company, typically will reimburse the Advisers or service providers retained at the Advisers' discretion for expenses (including, without limitation, travel expenses) incurred by the Advisers or such service providers in connection with its performance of services for such portfolio company. This subjects AKKR and its affiliates to conflicts of interest because the Funds generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. The Advisers determine the amount of these reimbursements for such services in their own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Private Investment Fund, their effect is reflected in each Private Investment Fund's audited financial statements, and any fee paid or expense reimbursed to the Advisers or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors help to mitigate related potential conflicts of interest.

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

AKKR generally will exercise its discretion to recommend to a Fund or its portfolio companies that it contract for services with (i) AKKR affiliates (and potentially a portfolio company of a Fund or another Fund); (ii) an entity with which AKKR affiliates or current or former members of their personnel have a relationship or from which AKKR affiliates or their personnel otherwise derive financial or other benefit or (iii) a limited partner of a Fund (or a limited partner of another AKKR client). This subjects AKKR to conflicts of interest, because although AKKR selects service providers that it believes are aligned with its operational strategies and will enhance portfolio company performance and returns of a Fund, AKKR has an incentive to recommend the related or other person because of its financial or other business interests. There is a possibility that AKKR, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Funds or AKKR), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. AKKR will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although AKKR generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived quality, sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. In certain circumstances where AKKR commits or has committed to seek "market" or "arms-length" rates or terms,

AKKR will do so in its sole discretion, seeking rates that it has determined in its sole discretion to be reflective of the range of rates in the applicable or related markets. AKKR reserves the right to deem third-party investment in a transaction to be verification that the transaction was entered into at a value that is “arms-length.” Consequently, AKKR undertakes no minimum amount of benchmarking, and does not represent that any such benchmarking ultimately will be accurate, comparable or relate specifically to the assets or, services or comparable markets to which such rates or terms relate. Where such rates or terms include hourly components, AKKR reserves the right to rely on approximations or estimates of time spent for purposes of allocating or charging for services. Any methodology, or choice among methodologies, involves potential conflicts of interest. Whether or not AKKR has a relationship or receives financial or other benefit from recommending a particular service provider, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although uncommon, AKKR reserves the right to cause a Fund to enter into a transaction whereby a Fund purchases securities from, or sells securities to, other Funds managed by the Adviser, or co-investors or co-investment vehicles. Such transactions may arise in the context of automatic or other re-balancing of an investment among parallel investing entities or in contexts where a portfolio company owned by one Fund is acquired by a portfolio company acquired by another Fund. Certain of such transactions raise potential conflicts of interest, including where the investment of one Fund supports the value of portfolio companies owned by another Fund. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment’s fair value. To the extent required by the relevant Fund Agreements or otherwise in the sole discretion of AKKR, AKKR reserves the right to seek to mitigate such conflicts by obtaining the consent of the relevant Fund(s) (including, where authorized, the consent of each Fund’s advisory board) to such transactions or by seeking input from an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness or “arm’s-length” nature of a purchase or sale price, whether or not part of a formal fairness opinion, “request for proposal” process, or proposal or quotation provided exclusively for the benefit of AKKR). In certain circumstances, AKKR reserves the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction (including its value) to a Fund under then-current market conditions. The Adviser intends that any such transactions be conducted in a manner that it believes to be fair and equitable to each Fund under the circumstances, including a consideration of the potential present and future benefits with respect to each Fund.

A Fund’s General Partner generally is permitted to receive a distribution in kind from a Fund, including in connection with investment dispositions or the payment in kind of amounts owed to the General Partner as carried interest (which generally will be made using the value of the relevant securities on the date of contribution). In such circumstances, there is a potential conflict of interest between the General Partner (and its beneficial owners) and the relevant Fund’s limited partners. For example, the General Partner and its beneficial owners may intend to hold the investment for a different time period than AKKR deems suitable for a Fund. Although the General Partner and its beneficial owners bear the risk that such securities will

decrease during their holding period, to the extent the value of the relevant securities increases following a Fund's disposition thereof, neither the relevant Fund nor its limited partners will benefit from the increase, and over time the economic benefit to the General Partner and its beneficial owners could exceed the value of the General Partner's *pro rata* interest in a Fund and the amount of carried interest owed. To the extent the beneficial owners of the General Partner contribute such securities to a charity (including to a private foundation or other charitable organization associated with, operated or chosen by such persons or their families), any tax efficiencies or other personal benefits associated with the contribution will inure to the benefit of such beneficial owners rather than to a Fund or its limited partners.

The Advisers, the Private Investment Funds and their respective affiliates and portfolio companies are expected to from time to time retain other companies and individuals, including the AKKR Operating Team and its employees and/or consultants (collectively, the “**Special Consultants**”), which may (and in the case of the AKKR Operating Team and its employees, will) be affiliates of the Advisers, employees of such affiliates, portfolio companies of other Funds managed by the Advisers or its affiliates, third party consultants (including individual members of the AKKR Operating Team and those who otherwise have a relationship with AKKR) and external executives, “operating partners,” “strategic partners,” “executive partners,” or “senior advisors.” The Special Consultants may be engaged to provide services to, or in connection with, a Fund in relation to its activities or one or more portfolio companies in relation to the identification, acquisition, holding, improvement and disposition of such portfolio companies, including operational aspects of such companies (“**Services**”). AKKR and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. To the extent that Special Consultants are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Funds will bear a greater share of such compensation due to the utilization of such consultant's services at a time when fewer portfolio companies or Funds make use of such consultant. Under many of these arrangements, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or the amount tangible work product generated by the consultants. In certain cases, including where a Fund does not own a controlling interest in a portfolio company, the portfolio company, its management and/or equity holders potentially will not agree to engage and/or bear the costs of consultants. In such cases, where the relevant General Partner believes the services of the consultants will benefit a portfolio company, it is authorized to cause the Fund to bear such costs directly, resulting in the Fund bearing a disproportionate share of those costs vis-à-vis other equity holders of a portfolio company, notwithstanding that other equity holders in that portfolio company will receive the benefit of any returns that result from consultant services.

The AKKR Operating Team was formed to provide value creation services described above to the Funds' portfolio companies that elect to receive such services. Services are generally provided at the request and discretion of the portfolio companies' management and board. Services can also be provided at the request of a given Fund. Consulting services provided by the AKKR Operating Team and its employees are paid for by the respective portfolio companies and Fund that engage the AKKR Operating Team for its services. Accel-KKR Consulting Group, LP and ACG Mgmt UK Limited are owned by AKKR employees and intend

to be operated on a break-even basis. The AKKR Operating Team members are not managers, partners, members, shareholders, officers or employees of the Advisers, however, certain AKKR Operating Team employees participate in certain economics of the Advisers and are compensated through portfolio company option or warrant grants paid by the respective portfolio company to them or to the AKKR Operating Team. The AKKR Operating Team is expected from time to time to include former employees of AKKR or certain portfolio companies, and in some circumstances former AKKR Operating Team members are expected to become AKKR employees or employees of portfolio companies. AKKR Operating Team members generally receive investment opportunities, reimbursements and other compensation that do not offset or reduce the Management Fee of any Fund, as described herein, and the use of the AKKR Operating Team is expected to fluctuate and/or expand over time. Pursuant to the terms of the Fund Agreements, the AKKR Operating Team and its employees are not Management Persons and, as applicable, are part of an operations group, such that consulting fees earned by the AKKR Operating Team and its employees are not considered Supplemental Fees, and an Adviser's Management Fee is not offset by the AKKR Operating Team consulting fees. AKKR seeks to mitigate the potential for any conflicts of interest inherent in its use of the AKKR Operating Team by providing the AKKR Operating Team services to portfolio at rates below those that AKKR believes would be charged by third-party consultants over time. AKKR also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that AKKR believes will align such persons' interests with those of the Funds' limited partners, and seeks to retain only AKKR Operating Team members and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other third-party consultant is more qualified to provide the applicable services or could provide such services at lesser cost.

Amounts received by the Advisers or other person from a portfolio company (a) as reimbursement for expenses directly related to such portfolio company, (b) as payment for services provided to any portfolio company in the ordinary course of such portfolio company's business or (c) as compensation for services (including through portfolio company option, warrant or other equity grants) provided by the Advisers or other person as an employee, consultant of or in a similar capacity for, or by a Special Consultant (including the AKKR Operating Team and its employees) to, such portfolio company (which compensation may be paid by a Fund and/or a portfolio company), typically are not considered Supplemental Fees and will not offset any Management Fees. Such amounts for services may, at the discretion of the applicable General Partner taking into account the particular Services, include a profits or equity interest in a portfolio company, a share of proceeds upon a sale of a portfolio company and/or other incentive-based compensation, which may be determined according to one or more methods, including the value of the time (including an allocation for overhead and other fixed costs) of the service provider, a percentage of the value of the portfolio company, the invested capital exposed to such portfolio company, amounts charged by other providers for comparable services and/or a percentage of cash flows from such company. Additionally, portfolio companies may provide opportunities for Special Consultants to invest in such portfolio company and reimburse costs and expenses incurred by Special Consultants. Special Consultants also may receive remuneration from the Advisers and/or a Fund or affiliates and/or be entitled to other forms of compensation, including equity grants in portfolio companies. Such

investment opportunities, reimbursements and other compensation paid to a Special Consultant will not offset the Management Fee. Special Consultants may have a limited partnership or profit interest in a Fund, its General Partner, one or more other Private Investment Funds or in an affiliate of the Adviser. Although AKKR intends to retain Special Consultants with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. In addition, AKKR intends to retain only such Special Consultants which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost. The Advisers may determine or strongly influence the amount of such payments or compensation that it or its affiliates receive, and such payments or compensation may be substantial. Such amounts received by the applicable General Partner and its affiliates may create a conflict with respect to the interests of the applicable Fund if such fees are not sufficiently supported by benefits received by portfolio companies. Certain decisions made by AKKR's investment professionals potentially will be influenced by this conflict of interest, including decisions with respect to the amount of such fees. In addressing such conflicts, it is expected that AKKR will seek to act in a fair and equitable manner consistent with their respective fiduciary duties to the applicable Fund.

As part of its business strategy, AKKR will, at times, maintain ongoing consulting relationships with industry operating executives, including former operating executives previously in senior positions at Fund portfolio companies or other companies. The objective of these ongoing relationships is to receive the benefit of such executives' operating experience. They will generally be compensated as "consultants" under the Fund Agreements. AKKR believes these relationships with executives are beneficial to portfolio companies. These operating executives work closely with AKKR professionals, though operate independently of AKKR.

AKKR and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in the Funds' portfolio companies or other investment vehicles advised by an Adviser and/or its affiliates. Conversely, former personnel or executives of AKKR and/or its affiliates are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by AKKR. Similarly, AKKR, its affiliates and/or personnel maintain relationships with (or invest in) financial institutions, service providers and other market participants, including, but not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, current and former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, AKKR and/or its affiliates and/or the Funds or other investment vehicles they advise. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through AKKR entities) to AKKR personnel and their estate planning vehicles. AKKR expects to be subject to a potential conflict

of interest with a Fund in recommending the retention or continuation of a third-party service provider to such Fund or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Funds, will provide AKKR information about markets and industries in which AKKR operates (or is contemplating operations) or will provide other services that are beneficial to AKKR or one or more other Funds. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements to AKKR, its affiliates and their estate planning vehicles. AKKR expects to be subject to a potential conflict of interest in making such recommendations, in that AKKR has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Fund, while the products or services recommended may not necessarily be the best available to a Fund or its portfolio companies.

From time to time the Adviser will negotiate arrangements with third-party service providers or vendors and will either require or provide the option to portfolio companies owned by the Funds to participate such arrangements with AKKR, its affiliates and other portfolio companies. Participants in such arrangements expect to receive discounts negotiated with various vendors and service providers on a groupwide basis. The Adviser allocates fees and costs for the program among the relevant portfolio companies. The Adviser believes the potential for conflicts relating to such arrangements is mitigated by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Fund(s)) that will result if the rates for goods and services are discounted due to scale or relative to those widely available in the market. The Adviser does not receive any commission, fees or other source of revenue from the program.

Because the Advisers' carried interest is based on a percentage of net realized profits, it creates an incentive for an Adviser to cause a Private Investment Fund to make riskier or more speculative investments than would otherwise be the case. Also, because there is a fixed investment period after which capital from investors in a Private Investment Fund may only be drawn down in limited circumstances and because Management Fees are, at certain times during the life of a Private Investment Fund, based upon capital invested by such Private Investment Fund, this fee structure may create an incentive to deploy capital when the Advisers may not otherwise have done so.

Since the Advisers are permitted to retain certain Supplemental Fees (as described under "Fees and Compensation") in connection with Private Investment Fund investments, they expect to be subject to a potential conflict of interest in connection with approving transactions and setting such compensation. In many cases, where Supplemental Fees are based on enterprise value or other metrics relating to a portfolio company, but also have the potential to be charged on a flat-fee basis or based on another metric, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed or tangible work product generated on behalf of the portfolio company. Additionally, AKKR, its personnel, affiliates or others designated by AKKR expect from time to time to receive compensation in the form of portfolio company securities. To the extent any such securities are received, after any applicable offset provisions in the Fund Agreements are applied, AKKR and/or such other recipients will be permitted to retain such securities as Supplemental Fees, and in doing so will be subject to potential conflicts of interest in determining whether to sell such

securities (subject to restrictions imposed by the portfolio company and/or AKKR) or retain such securities for a period consistent with their own financial and investment objectives, which may differ from those of the relevant Private Investment Fund. In addition, because portfolio company securities typically represent newly issued incentive equity (whether in the form of common stock, warrants or options to buy common stock, or similar instruments), the receipt of compensation in the form of securities typically has the result of diluting a Fund's relative ownership of the portfolio company awarding such compensation.

In certain circumstances, such as those relating to short- or long-term portfolio company cash or liquidity needs, and regardless of whether the portfolio company is undergoing financial stress, AKKR reserves the right to accrue, defer or forego payments of Supplemental Fees, and reserves the right to charge interest at then-available rates with respect to such amounts. In such cases, in accordance with the relevant Fund Agreement, investors will not receive the benefit of Management Fee offsets with respect to such amounts until they are actually received.

AKKR and/or its affiliates reserve the right to enter into Side Letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of AKKR's compensation, none of which generally will be subject to the "most-favored nation" provisions of a Fund's Governing Documents), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on a Fund's advisory board, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, investment pacing restrictions, as well as economic, procedural and other terms.

AKKR is likely to have its own economic and/or other business incentives to provide certain terms to certain limited partners (*e.g.*, based on commitment amount to a Fund or the timing thereof, the ability of a limited partner to provide sourcing or other services to AKKR, its affiliates and personnel or the Funds, or the potential to establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to AKKR, its affiliates and personnel, or the Funds). Further, Side Letters may also relate to strategic relationships under which an investor agrees to make Commitments to multiple Funds. Except where required by Fund Agreements, other investors will not receive copies of Side Letters or related provisions, and as a general matter, the other investors have no recourse against a Fund, AKKR, the relevant General Partner or any of their affiliates in the event that certain investors have received additional and/or different rights and/or terms as a result of such Side Letters. Side Letters subject AKKR to potential conflicts of interest, including in circumstances where an investor's right to serve on the relevant Fund's advisory board results in the investor receiving additional information relative to other investors. To the extent an investor is subject to statutory or other limitations on indemnification, or otherwise negotiates rights relating thereto, other investors may be subject to increased losses, or be required to bear an increased portion of indemnification amounts.

As a consequence of one or more limited partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments or

ability to bear certain liabilities or obligations, the aggregate returns realized by participating or non-participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments; similar considerations apply in the event a limited partner defaults on a drawdown in respect of an investment. Although AKKR believes it to be unlikely, excuse or other rights requested or received by one or more limited partners (or such regulatory, tax or other factors applicable to such limited partners) representing a substantial percentage of a Fund have the potential to create significant variations in limited partner investment returns or exposures to liabilities or obligations, or to influence or affect the investment strategy and pursuit of investment opportunities by the General Partner on behalf of the relevant Fund as a whole. A limited partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more limited partners' voting rights generally will increase the voting rights percentage of other limited partners in the relevant Fund. Further, limited partners with different domiciles or tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, *e.g.*, based on tax savings or ownership of alternative investment vehicle, "blocker" or other structures used to facilitate their investments in, through or below a Fund.

The relevant liability standards under insurance coverage procured by AKKR are expected to vary by carrier, and such standards are expected to vary from time to time depending on, for example, coverage features or limitations then-available from the carrier at the time of insurance contract renewal. As a result, insurance coverages from time to time are expected to vary from relevant liability and/or indemnity standards in the Governing Documents. Investors generally will be responsible for insurance premiums, as set forth in the Governing Documents, regardless of whether the liability and/or indemnity standards in AKKR's insurance coverage are higher or lower than that set forth in the Governing Documents.

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

DISCIPLINARY INFORMATION

AKKR Mgmt Co and its Management Persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

AKKR Mgmt Co is affiliated with the following AKKR investment advisers:

- AKKR Fund III Management Company, LP (general partner of Fund III);
- AKKR Fund III Management Company CV, LP (general partner of Fund CV III);
- AKKR Fund IV Management Company CV, LP (general partner of Fund CV IV and Strategic Fund CV IV);
- AKKR Fund V Management Company, LP (general partner of Fund V and Strategic Fund V);
- AKKR Fund VI Management Company, LP (general partner of Fund VI);
- AKKR Fund VII GP LP (general partner of Fund VII);
- AKKR EBP Management Company, LP (general partner of EBP);
- AKKR EBP II GP LP (general partner of EBP II);
- AKKR Growth Capital Management Company, LP (general partner of GC I and the California Co-Invest);
- AKKR Growth Capital Management Company II, LP (general partner of GC II and GC Strategic II);
- AKKR Growth Capital Management Company III, LP (general partner of GC III);
- AKKR Growth Capital Management Company IV LP (general partner of GC IV);
- AKKR Credit Partners Management Company, LP (general partner of Credit Fund I);
- AKKR Credit Partners Management Company II LP (general partner of Credit Fund II);
- AKKR Management Company, LLC (general partner of Members Fund and Special Opportunities Co-Invest);
- EAK Management UK, LLP; and

These Advisers, other than EAK Management are deemed registered with the SEC under the Advisers Act pursuant to AKKR Mgmt Co's registration in accordance with SEC guidance.

AKKR Mgmt Co provides personnel and other services to the Advisers and other AKKR entities. These affiliated investment advisers operate as a single advisory business together with AKKR Mgmt Co and serve as managers or general partners of private investment funds and other pooled vehicles and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions. EAK Management and the AKKR Operating Team UK, each of which provides advice to AKKR's registered investment adviser entities, is not required to be registered under the Advisers Act, but operates in compliance with certain related requirements and undertakings as prescribed by the SEC.

AKKR has accepted a passive minority interest from one or more investment vehicles affiliated with an institutional investor (the “**Minority Investor**”) that grants the Minority Investor an economic interest in a portion of carried interest proceeds and net fee income received by AKKR and the right to contribute a portion of capital commitments to certain Funds. The Minority Investor does not have authority over the day-to-day operations or investment decisions of AKKR or any Fund, although it has negotiated certain minority protection and consent rights in connection with its investment in AKKR. The Minority Investor has relationships with other advisers and investment vehicles that may give rise to potential conflicts, including sponsoring or investing in firms or vehicles that pursue investment strategies similar to those of a Fund and ultimately compete with a Fund for investment opportunities. The Minority Investor may also have relationships in the ordinary course with current or prospective portfolio investments, including providing services and/or financing to current or prospective portfolio investments.

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

The Advisers have adopted a Code of Ethics and Securities Trading Policy and Procedures (the “**Code**”), which sets forth standards of conduct that are expected of the Advisers' Principals and employees and addresses conflicts that arise from personal trading. The Code requires the Advisers' personnel to:

- report their personal securities transactions;
- pre-clear any proposed purchase of any initial public offering or limited offering; and
- comply with the policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information.

A copy of the Code will be provided to any investor or prospective investor upon request to Paisley Kadison, AKKR's Chief Compliance Officer, at (650) 289-2488. Personal securities transactions by employees who manage client accounts are required to be conducted in a manner that prioritizes the client's interests in client-eligible investments.

The Advisers and their affiliated persons may come into possession from time to time of

material nonpublic or other confidential information about public companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, the Advisers and their affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Advisers.

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

Principals and employees of the Advisers and their affiliates may directly or indirectly own an interest in Private Investment Funds. The Funds and other Private Investment Funds may invest together with other Private Investment Funds advised by an affiliated adviser of AKKR in the manner set forth in the applicable Fund Agreement. The Advisers will determine allocation of investment opportunities, including allocation to any co-investment vehicles, in a manner that they believe is fair and equitable to their clients consistent with the Advisers' fiduciary obligations and consistent with the applicable Private Investment Funds' underlying documents.

From time to time, the Advisers may provide certain investors or other persons the opportunity to participate in co-investment vehicles that may invest in one or more portfolio companies alongside a Fund. For strategic and other reasons, in certain instances, a co-investment vehicle may purchase a portion of an investment from a Fund. The co-invest buy-down typically occurs shortly after a Fund's completion of the investment to avoid any changes in valuation of the investment. The co-investment vehicle is generally not charged interest on its buy-downs.

The Advisers and their affiliates, principals and employees may carry on investment activities for their own accounts and for family members, friends or others who do not invest in the Funds, and may give advice and recommend securities to other accounts or certain Funds or vehicles which may differ from advice given to, or securities recommended or bought for, other Funds or vehicles, even though their investment objectives may be the same or similar.

The Advisers or their affiliates may recommend the purchase or sale of securities for Private Investment Funds in which one or more of their partners, members, officers, directors, employees (and members of their families) or affiliates ("**affiliated persons**"), directly or indirectly, have a position or interest, or which an affiliated person buys or sells for himself or herself. Such transactions also may include trading in securities in a manner that differs from or is inconsistent with the advice given to the Private Investment Funds. Certain of these transactions may require the consent of the applicable Private Investment Fund.

BROKERAGE PRACTICES

The Advisers focus on securities transactions of private companies and generally purchase and sell such companies through privately-negotiated transactions in which the services of a broker-dealer may be retained. However, the Advisers reserve the right to distribute securities to investors in a Private Investment Fund or sell such securities, including through using a broker-dealer, such as where public trading market exists. Although the Advisers do not intend to regularly engage in public securities transactions, to the extent they do so, they intend to follow the brokerage practices described below.

If the Advisers purchase or sell publicly traded securities for a Private Investment Fund, they are responsible for directing orders to broker-dealers to effect securities transactions for accounts managed by the Advisers. In such event, the Advisers will seek to select brokers on the basis of best price and execution capability. In selecting a broker to execute client transactions, the Advisers reserves the right to consider a variety of factors, including: (i) execution capabilities with respect to the relevant type of order; (ii) commissions charged; (iii) the reputation of the firm being considered; and (iv) responsiveness to requests for trade data and other financial information.

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

Consistent with the Advisers seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Advisers generally do not make use of such services at the current time. To the extent that the Advisers allocate brokerage business on the basis of research services, they expect to have an incentive to select or recommend broker-dealers based on the interest in receiving such research or other products or services, rather than based on its Private Investment Funds’ interest in receiving most favorable execution.

The Advisers do not anticipate engaging in significant public securities transactions; however, to the extent that the Advisers engage in any such transactions, orders for the purchase or sale of securities placed first will be executed first, and within a reasonable amount of time of order receipt. To the extent that orders for Private Investment Funds are completed independently, the Advisers also reserve the right to purchase or sell the same securities or instruments for several Private Investment Funds simultaneously. From time to time, the Advisers expect, but are not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or “batched” to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched

transactions are executed in a manner intended to ensure that no participating Private Investment Fund of the Advisers is favored over any other Private Investment Fund. When an aggregated order is filled in its entirety, each participating Private Investment Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. To the extent such orders are not batched, they may have the effect of increasing brokerage commissions or other costs.

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

Each Private Investment Fund generally will receive the average price obtained on all such purchases or sales made during such trading day. Exceptions to *pro rata* allocations are permissible provided the Advisers believe they are fair and equitable to Private Investment Funds under circumstances over time.

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

REVIEW OF ACCOUNTS

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

The Funds will provide to their investors audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each partner's U.S. tax returns, and (iv) descriptive investment information for each portfolio company annually (or more frequently in the Advisers' discretion).

CLIENT REFERRALS AND OTHER COMPENSATION

The Advisers and/or affiliates intend to provide certain business or consulting services to companies in the Funds' portfolio and expect to receive compensation from these companies in connection with such services. As described in the applicable Fund's Fund Agreement, this compensation in many cases will offset a portion of the Management Fees paid by such Funds. However, in other cases (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company), these fees are in addition to Management Fees. See "Fees and Compensation."

The Advisers or their affiliates have not currently entered into any solicitation arrangements pursuant to which they compensate third parties for referrals that result in a potential investor becoming a limited partner in a Private Investment Fund, but reserve the right to enter into such arrangements in the future. Any fees and expenses payable to any such placement agents will be borne by the Advisers indirectly through an offset against the Management Fee, although related expenses incurred pursuant to the relevant placement agent or similar agreement, including but not limited to placement agent travel, meal and entertainment expenses, typically are borne by the relevant Private Investment Funds.

CUSTODY

AKKR generally expects that it will be deemed to have "custody" (within the meaning of Advisers Act Rule 206(4)-2 (the "**Custody Rule**")) of funds or securities held in the name of one or more Funds, subject to certain exceptions set forth in the Custody Rule and related guidance, and intends to maintain such assets with the following qualified custodians:

- a. Silicon Valley Bank, a division of First Citizens Bank, located in Menlo Park, California;
- b. First Republic Bank, located in Menlo Park, California;
- c. Piper Sandler & Co., located in Minneapolis, Minnesota;
- d. Citibank, N.A., located in San Francisco, California;
- e. Morgan Stanley & Co. LLC, located in Walnut Creek, California;
- f. Merrill Lynch, Pierce, Fenner & Smith Incorporated, located in San Francisco, California; and
- g. Goldman Sachs & Co. LLC, located in San Francisco, California.

INVESTMENT DISCRETION

The Advisers have discretionary authority to manage investments on behalf of the applicable Fund. As a general policy, the Advisers do not allow limited partners to place limitations on this authority, provided that the Fund Agreement of a Fund may impose certain restrictions on investing in certain types of securities. Pursuant to the terms of the Fund Agreement, however, an Adviser and/or its affiliates have entered, and expect to enter into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Fund are altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. The Advisers assume this discretionary authority pursuant to the terms of the Fund Agreements.

VOTING CLIENT SECURITIES

The Advisers have adopted a Proxy Voting Policies and Procedures (the “**Proxy Policy**”) to address how they will vote proxies, as applicable, for the Funds’ portfolio investments. The majority of “proxies” received by the Advisers will be written shareholder consents (or similar instruments) for private companies, although the Advisers may also receive traditional proxies from public companies from time to time. The Proxy Policy seeks to ensure that the Advisers vote proxies (or similar instruments) in the best interest of the Funds, including where there may be material conflicts of interest in voting proxies. The Advisers generally believe their interests are aligned with those of the Funds’ investors through the principals’ beneficial ownership interests in the Funds and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Advisers may address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory board of Fund investors, on the proposed proxy vote, or through other alternatives set forth in the Proxy Policy. The Advisers do not consider service on portfolio company boards by AKKR personnel or the Advisers’ receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Advisers when voting proxies on behalf of the Funds. Current or potential investors that would like a copy of AKKR’s complete Proxy Policy or information regarding how the Advisers voted proxies for particular portfolio companies, may contact Paisley Kadison, AKKR’s Chief Compliance Officer, at (650) 289-2488, and it will be provided at no charge.

FINANCIAL INFORMATION

Neither AKKR Mgmt Co nor any of the other Advisers requires prepayment of management fees more than six months in advance or has any other events requiring disclosure under this item of the Brochure.