

TENEX CAPITAL MANAGEMENT, L.P.

COMBINED FIRM BROCHURE (PART 2A OF FORM ADV)
AND BROCHURE SUPPLEMENT (PART 2B OF FORM ADV)

This brochure (the “**Brochure**”) provides information about the qualifications and business practices of Tenex Capital Management, L.P. and its related investment advisers doing business as Tenex Capital Management (“**Manager**” or “**Tenex**”). If you have any questions about the contents of this Brochure, please contact Ben Kramer at (212) 457-1139 and/or bkramer@tenexcm.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

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

March 31, 2023

TENEX

CAPITAL MANAGEMENT

60 E.42nd St. Suite 5230, New York, NY 10165

www.tenexcm.com

(212) 457-1138

Item II. Material Changes

This Brochure has been revised to reflect an additional private fund investment advisory client, update the amount of client assets under management, and make other minor updates and revisions. Unless otherwise indicated, the information in this Brochure has been compiled as of the date set forth on the preceding cover page. There are no other material changes from Tenex's last brochure dated March 31, 2022.

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Item IV. Advisory Business

Tenex Capital Management, L.P. (the "**Manager**" or "**Tenex**") is based in New York City and was formed in 2009 to manage private equity funds. Currently, Tenex only manages privately held funds (all collectively referred to as the "**Funds**"). Tenex continues the successful strategy developed by TenX Capital Partners, LLC ("**TenX**"), the Manager's predecessor, of investing in underperforming middle-market companies and driving investment performance through operational improvements. The Principals (as defined below) seek to leverage their significant experience in operational restructuring, capital markets, and investment management to take control of companies operating below historical or industry standards and return them to market average performance relative to industry metrics. TenX was founded in 1999 as a turnaround investment management firm, and partnered with investors. The Tenex¹ team is now considered a leading, independent investment firm focused on making equity investments of between \$25 million to \$100 million in middle-market companies (typically under \$1 billion in revenue) in the United States and Canada.

Tenex utilizes the operating expertise of its team to identify underperforming companies it believes have profitable operations, assets, or other sources of value and where changes can likely be quickly effected. Such companies have often grown beyond their ability to operate profitably or have not adapted to meet market challenges. Tenex seeks to re-establish liquidity quickly, allowing time to restructure by adjusting capacity to meet demand for its products or services. Tenex seeks to limit investment risk and create upside opportunities by targeting companies with few, if any, competing bidders and that can be acquired at values that reflect operational uncertainty and market illiquidity. As experienced business operators, members of the Tenex team may take on operating roles within each Fund's portfolio companies until operations and finances can be stabilized.

Michael Green is Tenex's principal owner. Varun Bedi, Joe Cottone and Michael Green (collectively, the "**Principals**") have worked together for approximately fifteen years. Each of the three Principals began their career at leading organizations. Michael Green spent 12 years as a member of the highly reputed leadership team at General Electric ("**GE**") where he obtained world-class operations and finance training and participated in multiple operational restructuring exercises within multiple industries. The other Principals, Varun Bedi and Joe Cottone, complement the Tenex team with a disciplined strategic perspective developed while working at McKinsey & Company. These common career experiences shape an underlying approach and work ethic, which drive Tenex's performance and cash-focused operational management style and distinct culture of teamwork. The Principals' experience in restructuring operations comes from positions with direct-line accountability and adds depth and practical perspective to Tenex's investment and portfolio management decisions that go well beyond board oversight. Tenex believes its diverse skill base, derived from its capital markets, investment management and operations experiences, forms the foundation for an approach and investment style that Tenex believes is truly differentiated among financial sponsors.

1 As used herein, the term "Tenex" refers to the Manager, TenX, and/or the Principals, as appropriate.

As of December 31, 2022, Tenex has a total of seven Managing Directors (including the three Principals). The seven Managing Directors, six of which make up the Funds' Investment Committee, are supported by twenty additional dedicated investment, operations, finance, and administrative professionals (collectively, the "**Tenex Team**").

In addition to its employees, Tenex utilizes and retains (at the portfolio company or Fund level) an experienced group of advisors from a broad range of industry sectors ("**Operating Advisors**") that Tenex believes gives it a significant competitive advantage. See Item V. Fees and Compensation below for more information regarding Operating Advisors.

As of December 31, 2022 Tenex has approximately \$3.13 billion of regulatory assets under management across all Funds. Tenex provides investment advisory services to seven private funds: Tenex Capital Partners SG L.P. and Tenex Capital Partners, L.P. (together, "**Fund I**"), Tenex Capital Partners II, L.P. ("**Fund II**") and Tenex Capital Partners III, L.P. ("**Fund III**"), and three Tenex-managed co-investment vehicles formed for the purpose of investing alongside Fund III in certain portfolio company investments: NMPERA White Sands Tenex Co-Invest, L.P., BDN Investors Co-Invest, LP and Oliver Investors Co-Invest LP (together, the "**Co-Investment Vehicles**," and together with Fund I, Fund II and Fund III, the "**Funds**" and each individually a "**Fund**"). Each Fund is a limited partnership controlled by a general partner (each a "**General Partner**"). Each Fund and General Partner have entered into an investment management agreement with Tenex.

Investment advice to each of the Funds is provided on a discretionary basis and based upon the investment criteria set forth in each Fund's limited partnership agreement, private placement memorandum and/or investment management agreement with Tenex (collectively, "**Operating Documents**"). Tenex does not tailor the investment decisions of the Funds to individual investors in such Funds (except with respect to the Co-Investment Vehicles), and investors generally will not be able to impose restrictions on the Funds' investments in certain securities or types of securities. Please see the relevant Fund's Operating Documents for additional details on the terms of an investment in that Fund. Capitalized words not defined herein have the meaning in the applicable Fund's Operating Documents.

Ben Kramer, available at (212) 457-1139 is the Chief Compliance Officer of Tenex and is responsible for the compliance supervision of the Manager's Managing Directors and staff. As Chief Compliance Officer, he administers the compliance policies and procedures for Tenex.

Item V. Fees and Compensation

Management Fees

Under the Fund I Operating Documents, Fund I, a 2011 vintage fund, pays the Manager an annual Management Fee, as defined in all Funds' governing documents ("**Management Fee**"), beginning as of the Initial Closing and continuing throughout the term of the Fund. The Management Fee is payable in quarterly installments in advance commencing on the Initial Closing of Fund I and continuing on each January 1, April 1, July 1 and October 1 thereafter. Any payment for a period of less than three months is adjusted on a *pro rata* basis according to the actual number of days during the period and deducted from each Fund's account. The annual Management Fee was 2% of the committed capital until the end of the investment period. After the investment period, the Management Fee was adjusted down by a rate applied to the committed capital. The rate after the investment period was adjusted down to 1.5% for the 1st year and then adjusted further down by 0.15% every year until it reached 1%. At termination of the Fund, unearned fees for a period of less than three months shall be adjusted and refunded, as the case may be on a pro-rated basis. The Management Fee does not include brokerage costs (see Item XII), custodial fees, accounting charges and other expenses (as more fully described in Fund I's Operating Documents) or amounts spent by Fund I or its portfolio companies in connection with Operating Advisors. As of November 20, 2022, Fund I is no longer paying a Management Fee to the Manager.

For Fund II, a 2016 vintage fund, through the earlier of (i) the end of the Investment Period and (ii) the date on which a successor fund to Fund II begins to accrue Management Fees, the Manager will receive an annual management fee equal to 2% of Capital Commitments, payable quarterly in advance. Thereafter, the annual Management Fee will be 1.75% of the cost basis of investments outstanding. The Management Fee is subject to reduction with respect to (i) "Placement Fees" paid by the Fund, (ii) "Excess Organizational Expenses" incurred and (iii) "Fee Income" received, all as described below. The Management Fee is also subject to adjustment to effect a portion of the General Partner's participation in the Fund's investment program. The Management Fee is separate from, and in addition to, amounts spent or expenses incurred by Fund II or its portfolio companies in connection with Operating Advisors. The Fund II Investment Period ended in 2022.

For Fund III, a 2020 vintage fund, through the earlier of the end of (i) the Investment Period and (ii) the date on which a successor fund to Fund III begins to accrue management fees, the Manager will receive an annual Management Fee equal to 2% of Capital Commitments, payable quarterly in advance. Thereafter, the annual Management Fee will be 1.75% of the cost basis of investments outstanding. The Management Fee is subject to reduction with respect to (i) "Placement Fees" paid by the Fund, (ii) "Excess Organizational Expenses" incurred and (iii) "Fee Income" received, all as described below. The Management Fee is also subject to adjustment to effect a portion of the General Partner's participation in the Fund's investment program. The Management Fee is separate from, and in addition to, amounts spent by Fund III or its portfolio companies in connection with Operating Advisors.

The Co-Investment Vehicles do not pay a Management Fee to the Manager.

Carried Interest

Certain affiliates of the Manager serve as the general partner of each of the Funds (each a “**General Partner**”). The General Partner of each Fund is principally owned and controlled by Mike Green, who is also principal owner of the Manager. Each General Partner receives profit sharing, through an allocation of “carry” in the transactions that are sold at a profit. Only after the Limited Partners in a Fund are returned their initial capital invested with respect to investments that are disposed of or written down, the amounts appointed to that investment for Organizational and Fund expenses, plus an 8% annual preferred return on such investments, will the General Partner begin to share in net profits from such investments. This profit share of up to 20% is a “**Carried Interest**.”

The General Partner of each Fund is generally subject to a “clawback” of Carried Interest previously received to the extent that it has received cumulative distributions in excess of amounts otherwise distributable or anticipated to be distributed to the General Partner by each Fund as Carried Interest, applied on an aggregate basis covering all transactions of the applicable Fund. In no event will the General Partner of a Fund be required to restore more than the cumulative distributions received by such General Partner as Carried Interest, determined on an after-tax basis.

The Co-Investment Vehicles do not pay Carried Interest to the Manager.

Organizational Expenses

Each Fund, including the Co-Investment Vehicles, bears its own organizational costs and expenses (“**Organizational Expenses**”).

For Fund III, the Fund bears all legal and other expenses incurred in its formation and the offering of interests in Fund III (the “**Interests**”) (including Placement Fees), up to an amount not to exceed \$2.5 million. Organizational Expenses in excess of this amount (“**Excess Organizational Expenses**”), together with any Placement Fees, are paid by Fund III but ultimately borne by the Manager through a 100% offset against the Management Fee.

“Fund Expenses” Borne by the Funds

For Fund I and Fund II, the Manager will pay all normal operating expenses incidental to the provision of the day-to-day administrative services to such Fund, including its own overhead, but not including the cost of Operating Advisors. To the extent practicable, third-party costs will be charged to each Fund’s portfolio companies. Fund I and Fund II bear all costs, expenses and liabilities in connection with their respective operations, including but not limited to: fees, costs and expenses related to the purchase, holding and sale of portfolio investments (to the extent not reimbursed); expenses incurred in connection with transactions not consummated; insurance premiums; taxes; fees and expenses of accountants, counsel and consultants (including Operating Advisors engaged by Fund I and Fund II and/or their respective portfolio companies); costs and expenses of the Advisory Committee and the annual meeting; litigation expenses; and extraordinary expenses.

For Fund III, the Manager will pay all normal operating expenses incidental to the provision of the day-to-day administrative services to Fund III, including its own overhead, but not including the cost of Operating Advisors. To the extent practicable, third-party costs will be charged to Fund III portfolio companies. Fund III will bear all costs, expenses and liabilities in connection with its operations, including but not limited to those relating to: (i) fees, costs and expenses related to the purchase, holding and sale of portfolio investments (to the extent not reimbursed), including expenses incurred in connection with transactions not consummated; (ii) fees and expenses related to indebtedness on behalf of the Fund; (iii) financing, origination and similar fees and expenses; (iv) broker, dealer, investment banker and similar services; (v) brokerage and similar expenses; (vi) legal, accounting, research, auditing, administration (including fees and expenses associated with the Fund's third-party administrator) and advisory and consulting (including advisory, consulting and retainer fees and other cash and non-cash compensation paid or granted to Operating Advisors engaged by Fund III or its portfolio companies) fees and expenses; (vii) reverse breakup, termination and other similar fees; (viii) insurance premiums; (ix) filing and title expenses; (x) printing, communications, marketing and publicity; (xi) financial statement and other reporting expenses; (xii) web portal and cybersecurity; (xiii) expenses incurred in protecting confidential information; (xiv) expenses of the Advisory Committee; (xv) indemnification obligations; (xvi) expenses relating to actual, threatened or otherwise anticipated litigation; (xvii) Annual Meeting expenses; (xviii) Management Fees; (xix) expenses relating to feeder funds into Fund III; (xx) the winding up of Fund III; (xxi) investor defaults; (xxii) amendments to the Operating Documents; (xxiii) certain compliance costs; (xxiv) costs of establishing and operating a Dedicated Operations Company and the compensation and expense reimbursements paid to a Dedicated Operations Company, including an allocable share of the Manager's expenses as determined by the Fund III General Partner in good faith to be associated with the Dedicated Operations Company; (xxv) unreimbursed expenses relating to the transfer of interests in Fund III; (xxvi) taxes, fees and other governmental charges and all expenses relating to a tax audit; (xxvii) extraordinary costs and expenses; (xxviii) expenses relating to forming special purpose vehicles through which Fund III investments are made; (xxix) travel, meals and lodging costs and expenses incurred in connection with investments; (xxx) Organization Expenses; (xxxi) Placement Fees; and (xxxii) costs approved by the Advisory Committee.

The above is only a high-level summary of key expenses that are borne by the Funds. Potential investors are strongly encouraged to carefully review the Operating Documents for a full description of the expenses that are borne by each Fund.

Other Fees

The Manager or its affiliates may also receive monitoring, transaction, consulting, directors and other fees in connection with the activities of the Funds (collectively, "**Fee Income**"), generally paid by the Funds' portfolio companies.

For Fund I, Fund II and Fund III, Fee Income is generally defined as 100% of transaction fees, monitoring fees, directors' fees, consulting fees, advisory fees, break-up fees and other similar fees received by the Manager or any of its employees in connection with the consummation, holding or disposition of a portfolio investment or unconsummated investments (net of any unreimbursed transaction expenses, including unconsummated transaction expenses incurred by the Manager or its affiliates). Fee Income will be applied to reduce the Management Fee otherwise payable. Each Fund will be allocated its pro rata share of the benefit of such Fee Income based on the capital committed by such Fund and any related co-investing entities to the relevant investment. Management Fee reductions will be carried forward if applicable.

To the extent that a Co-Investment Vehicle or any other Fund, entity or individual co-invests alongside a Fund in any portfolio investment, such Fund will only be allocated its *pro rata* share of any Fund Income (based on the cost of the investment or potential investment in the portfolio company held (or committed to be held) by such Fund and the co-investors). Accordingly, such Fund will generally only benefit from the Management Fee reduction described above with respect to its allocable portion of any such Fee Income, to the extent such Fund pays a management fee.

Reimbursements

The Manager and its affiliates generally will be reimbursed by the Funds' portfolio companies for all expenses incurred in connection with the performance of services provided to the respective Fund or portfolio company. Reimbursements received by the Manager or an affiliate (including its employees, members, partners, or Operating Advisors) do not offset or reduce Management Fees payable by the respective Fund.

Investors in the Funds receive an annual summary of all expense reimbursements made by the relevant Fund's portfolio companies to the Manager and its affiliates, as well as expense reimbursements made to the Operating Advisors.

Item VI. Performance-Based Fees

Tenex generally charges the performance-based fees described above as Carried Interest.

Tenex's performance-based fees depend on continuing increases in the Funds' profitability. This creates an incentive for Tenex to allocate the Funds' assets in a manner that is riskier or more speculative than would otherwise be the case. Tenex has detailed policies and procedures in place to ensure that all Funds and investors are treated fairly and equally regardless of their Carried Interest structure, and to prevent this conflict from influencing the allocation of investment opportunities among Funds.

Item VII. Types of Clients

The Manager's clients are the Funds. Investors in the Funds are expected to include pension plans, funds of funds, corporate investors, insurance companies, high net worth individuals, family offices and charitable endowment accounts. Subject to waiver in the GP's sole discretion, the minimum capital commitment for Fund I, Fund II and Fund III is \$10,000,000. The minimum capital commitment for each Co-Investment Vehicle is bespoke per Vehicle.

Each Fund is offered only by its Offering Documents to investors who meet the relevant investor eligibility requirements. Please see the relevant Fund's Offering Documents for more information on the investor eligibility requirements minimum investment required for that Fund.

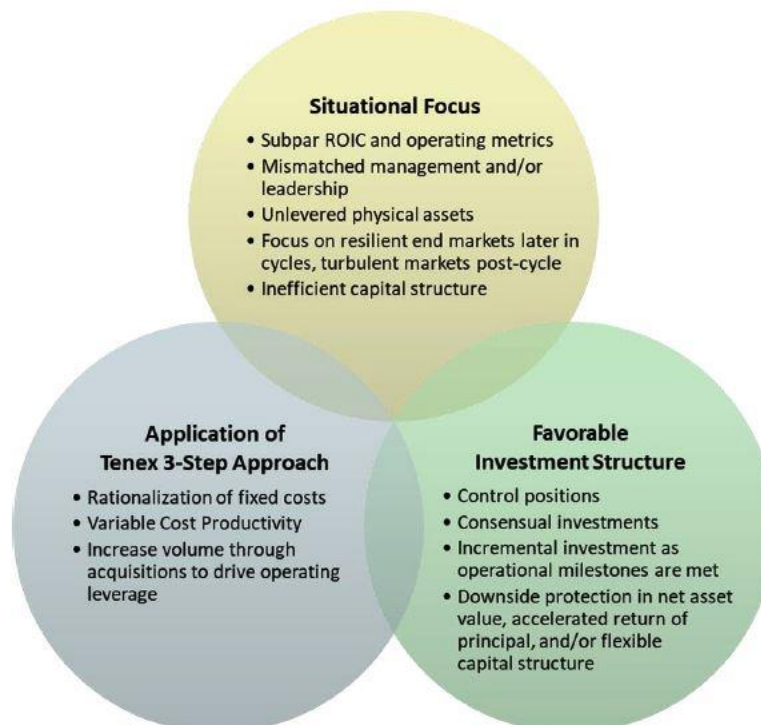
Item VIII. Methods of Analysis, Investment Strategies and Risk of Loss

A. Investment Strategy

Raising Operationally Challenged Companies to Market Average

Tenex has a disciplined approach to restructuring and improving operationally underperforming companies. These companies, by their nature, could present a myriad complex characteristics: they span different industries, are at different stages of development, and are experiencing different challenges. As illustrated in the chart below, however, Tenex seeks to apply three primary considerations to all relevant investment opportunities: what is the company's *Situational Focus*, or cause(s) of operational underperformance or challenges; is it a *Controllable Opportunity*; and can the investment strategy be made using a *Favorable Investment Structure*. Investments will be made by the Funds either through special purpose vehicles that act as holding companies or directly into the target companies themselves. The use of special purpose vehicles is deal specific and will be determined by each situation's tax posture, liabilities, corporate governance and other regulatory requirements.

Chart 2. Focused Investment Model



Situational Focus

The Manager's general strategy is to target companies that are performing below their peers due to something operational in nature, and then drive those companies to market average performance. The Manager has a disciplined and conservative approach to investing in companies that are operationally underperforming their peers by up to approximately one standard deviation. These companies are better-performing than the worst group of companies represented by the left portion of a bell curve, which the Manager believes do not have a reason to exist and likely merit liquidation as their assets will never be able to earn a return greater than their cost of capital.

The Tenex Approach: A Repeatable 3-Step Approach to Add Value

The Tenex Team is comprised of hybrid operations and investment professionals who specialize in taking established, operationally underperforming companies and bringing them back to market-average performance. Instead of relying on outsized revenue growth to drive investment returns, the Tenex Team has become adept at identifying sources of cash and cash-generating operations, assets, contracts, concessions, distribution channels, and other sources of value within underperforming companies. They then devise and execute new business plans for realizing the value inherent in these assets through increased operating leverage and subsequently monetizing those assets through a variety of exit strategies. The Tenex Team's operating expertise is essential to each stage of this process.

Favorable Investment Structure

The Manager seeks to stage its equity investments to de-risk transactions whenever possible. It seeks to generally avoid what it believes to be the highest-risk initial phase of an investment opportunity's lifecycle: when the risk of capital loss (and the potential reward) is greatest due to an unclear path to profitability, stakeholder behavior uncertainty, or market volatility. The Manager typically seeks to exit before growth becomes the only path to investment returns, which frequently requires more investment with less predictability. Instead, the Manager focuses its activities on the middle ground, where it believes its ability to implement its operational restructuring and performance improvement activities leads to less volatile, more predictable returns.

Each Fund's investments are made primarily through direct acquisition of assets or equity, as control positions are essential to creating and implementing new, and often counterintuitive, operational plans in a rapid timeframe. Although not a core strategy, Funds may occasionally make investments in debt or other claims, provided there is a clear and unobstructed path into control positions or as a complement to an accompanying control equity position (for example, a mezzanine investment). The Manager does not seek to maximize leverage, taking into consideration that the typical target is operationally underperforming, and designs the capital structure to facilitate flexibility with lenders who understand the Manager's approach and trust the Manager with lenient covenants.

B. Risk of Loss

An investment in any of the Funds involves a significant degree of risk, relating both to the types of investments contemplated by the Funds and the Funds' ability to achieve their respective investment objectives. There can be no assurance that the Funds' investment objectives will be achieved or that an investor will receive any return of capital. An investor should have the ability to sustain the loss of its entire investment in the Funds.

Examples of some of the risks associated with an investment in the Funds include:

Highly Illiquid, Long-Term Nature of Investment

An investment in a Fund requires a long-term commitment, with no certainty of return. Each Fund's investments will be highly illiquid, and there can be no assurance that a Fund will be able to realize its investments in a timely manner. The Funds typically will acquire securities that cannot be sold except pursuant to a registration statement filed under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or in a private placement or other transaction exempt from registration under the Securities Act and that complies with applicable non-U.S. securities laws.

Lack of Operating History

Although members of the Tenex Team have extensive experience investing in the private equity market, each Fund and its respective General Partner were, at the time of the Fund's launch, newly-formed entities with no operating history upon which to evaluate such Fund's likely performance. A Fund's past performance is no guarantee of the performance of any future Fund.

High Risk Investments

The securities in which a Fund will invest generally will be the most junior in what could be a complex capital structure, and thus be subject to the greatest risk of loss. A Fund's investments may include one or more investments in unprofitable businesses undergoing significant distress, which may suffer from poor management, high levels of debt, a high ratio of fixed charges to available income and/or other challenges. Since each Fund may only make a limited number of investments, and since each Fund's investments generally will involve a high degree of risk, poor performance by a few of a Fund's investments would likely severely affect the total returns to investors in that Fund. There can be no assurance that the Funds will be able to generate returns for the investors or that returns will be commensurate with the risks of the investments within the Funds' investment objectives.

Dependence on Key Personnel

The success of the Funds depends in substantial part on the skill and expertise of the Key Persons and other employees of the Manager. There can be no assurance that the Key Persons or other employees of the Manager will continue to be employed by the Manager throughout the life of the Fund. The loss of key personnel could have a material adverse effect on the Funds.

No Right to Control a Fund's Operations

Investors will have no opportunity to make decisions with respect to the management, disposition or other realization of any investment, the day-to-day operations of the Funds or any other decisions regarding the Funds' business and affairs, except for limited circumstances set forth in the Operating Documents.

General Economic Conditions; Market Downturn

Deterioration of the global credit markets could make it more difficult for the Manager, the Funds, and/or Fund portfolio investments to obtain necessary financing for their investments or operations. The Funds' ability to make investments and to generate attractive investment returns may be adversely affected to the extent the Funds are unable to obtain favorable financing terms for their portfolio investments. There can be no assurances that conditions in the U.S. economy and financial markets will not worsen. A worsening of general economic and market conditions would likely affect the level and volatility of securities or investments prices and the liquidity of the Funds' investments, which could impair their overall profitability, result in losses and negatively impact the investment returns of the Limited Partners in the Funds. A recession, slowdown or sustained downturn in the United States or the global economy or a weakening of credit markets (including a perceived increase in counterparty default risk) would have a pronounced impact on the Funds and their portfolio investments and could adversely affect the Funds' profitability and the Manager's ability to execute on its business plans, satisfy existing obligations, make and realize investments successfully, originate or refinance credit or draw on existing financings and commitments (including commitments from Partners). These factors together with the high levels of private and public debt that continue to persist within the global banking system lead the Manager to believe that the global economy remains fragile and susceptible to significant potential price dislocations caused by political and macroeconomic shocks, including those caused by the end of quantitative easing programs, the return of inflation and attendant rising interest rates (see below). Further changes in stock prices, interest rates, currency exchange rates, or commodity prices could result in changes in the broader marketplace that adversely affect the value of investments traded on relatively volatile exchanges.

Interest Rate Risk/Rate Hiking Cycle

Over the past year, the Board of Governors of the U.S. Federal Reserve System ("Federal Reserve") has voted to raise its benchmark interest rate on nine separate, consecutive occasions, and there can be no assurance that the Federal Reserve will not continue to raise its benchmark interest rate.

Such interest rate increases may directly and/or indirectly have a negative impact on Tenex, its Funds and their portfolio companies in a variety of ways. As but a few examples, changes in the prevailing market interest rates can negatively affect the ability of Tenex to consummate investments on attractive terms as well as lower the value of some or all of the investments made by the Funds. The ability of companies and businesses in which Tenex and its Funds invest, and are expected to invest in the future, to refinance debt instruments or repay debt obligations may depend on their ability to obtain financing, which at certain points have been difficult to access at favorable rates.

Additional factors that may affect market interest rates include inflation, slow or stagnant economic growth or recession, unemployment, and instability in domestic and foreign financial markets. In a changing interest rate environment, the Funds and/or their portfolio companies may not be able to manage this risk effectively. If a Fund and/or its portfolio companies are unable to manage interest rate risk effectively, such Fund's performance could be adversely affected.

Inflation

Over the past year there has been a significant increase in the rate of inflation across the globe. Inflation affects the Funds and their portfolio investments adversely in a number of ways. During periods of rising inflation, interest rates of any credit lines or borrowing undertaken by a Fund or portfolio company increase, which would almost certainly reduce returns to investors in the Funds. Inflationary expectations or periods of rising inflation are generally also accompanied by the rising prices of commodities which are critical to the operation of certain portfolio companies. During periods of high inflation, capital could flee to other asset classes, which could adversely affect the prices at which a Fund is able to sell its investments. Portfolio companies in certain industries have fixed income streams and, therefore, could become unable to pay the interest associated with its borrowings. The market value of such portfolio investments can decline in value in times of higher inflation rates.

Pandemic and Public Health Emergencies

The global COVID-19 pandemic and the responses thereto led, and may in the future again lead, to disruptions in global financial markets, significant increases in unemployment, significant reductions in consumer demand and downturns in the economies of many nations, including the United States, and the global economy in general. While vaccines have been developed and distributed, new variants of COVID-19 have shown to be resistant to vaccines and future variants could exacerbate or prolong the pandemic and its effects. Additionally, the effectiveness of unprecedented financial support and relief measures (such as the Coronavirus Aid, Relief and Economic Security Act) implemented by the United States government and other governments is not yet fully clear, nor is it known what (if any) new stimulus or relief efforts will be implemented in response to future variants or outbreaks, and the effectiveness and impact of these measures, if implemented, cannot be predicted. As a result, the long-term effects of the social, economic and financial disruptions caused by the COVID-19 pandemic remain unknown.

Any public health emergency, including any outbreak of COVID-19, SARS, H1N1/09 flu, avian flu, other coronavirus, Ebola or other existing or new epidemic diseases, or the threat thereof, could have a significant adverse impact on the Funds and their portfolio investments.

Russian/Ukrainian Conflict/Risk of Escalation

Beginning in February 2022, Russia mobilized and commenced military operations in Ukraine resulting in a large-scale conflict within the country and the surrounding border regions. The worldwide effects, scale and impact of this conflict is highly uncertain and cannot be predicted, and in several respects the conflict appears to be escalating rather than abating. The United States, in conjunction with the leaders of the European Union and other global leaders have implemented a series of severe and increasingly broad economic sanctions against Russia and business and political figures within Russia, and it is unclear whether further sanctions and/or military responses will be implemented. The effects on the global economy and trading markets resulting from potentially escalating military operations and continuing economic sanctions connected to this conflict are uncertain and impossible to predict. Presently, none of the Funds have portfolio investments in companies or securities located in Russia, Ukraine or any of the surrounding regions. However, it is difficult to predict the outcome of these rapidly unfolding events. A prolonged conflict and/or military escalation of the conflict may negatively affect the Funds and their investments due to the highly interconnected nature of the global economy and capital markets.

Follow-On Investments

Each Fund may be called upon to provide follow-on funding for its portfolio companies or have the opportunity to increase its investment in such portfolio companies (including in connection with an inorganic add-on acquisition strategy). There can be no assurance a Fund will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by a Fund not to make follow-on investments or its inability to make them may have a substantial negative impact on a portfolio company in need of such an investment or may diminish such Fund's ability to influence the portfolio company's future development, which could have a negative impact on such Fund's economic performance.

Recycling; Reinvestment

Subject to certain limitations, a Fund's General Partner has the right to recall (or retain and reinvest) any capital invested in a realized portfolio company and any amounts distributed to the investors to the extent of funded commitments used to pay Fund expenses or Organizational Expenses. Accordingly, in such circumstances, an investor may be required to make aggregate contributions in excess of its capital commitment, and to the extent such recalled or retained amounts are reinvested, an investor will remain subject to investment and other risks.

Distributions in Kind

Although, under normal circumstances, the Funds intend to make distributions in cash, it is possible that under certain circumstances (including the liquidation of a Fund), distributions may be made in kind and could consist of securities for which there is no readily available public market or securities of entities unable to meet required interest or sinking fund payments. Any securities distributed on liquidation may be illiquid. The risk of loss and delay in liquidating securities will be borne by the investors. There can be no assurance that any investor will be able to dispose of distributed securities at the value determined by a Fund's General Partner. In addition, the direct holding of certain investments may subject the holder to taxes in jurisdictions in which such investments are located.

Exculpation; Indemnification; Return of Distributions

Each Fund's Operating Documents include exculpation provisions that limit the circumstances under which each such Fund's General Partner, the Manager and others can be held liable to the relative Fund. Each Fund will be required to indemnify their respective General Partner, the Manager and each other covered person for liabilities incurred in connection with the Operating Documents and the relative Fund's activities, except under certain circumstances. Such liabilities may be material and may have an adverse effect on the returns to a Fund's investors. Such indemnification obligations would be payable from the assets of the Funds, including the unfunded commitments of the investors. In addition, each General Partner may recall certain distributions previously made to the investors to fund indemnification expenses and other obligations and liabilities of the relative Fund. This obligation will extend beyond the term of the Funds.

Significant Penalties for Defaulting Partners

If any investor in a Fund fails to fund required contributions, such investor may be treated as a defaulting partner and will become subject to a host of very significant penalties. The amount of the investor's default will accrue interest. In addition, the relevant General Partner may exercise a number of remedies, including but not limited to (a) seeking specific performance of such investor's payment obligations or other damages, (b) causing the defaulting investor to forfeit up to 50% of future distributions made by the relevant Fund, (c) causing the defaulting investor to be excluded from voting or participating in future investments or (d) causing a forced sale of the defaulting investor's Interest. Unless a Fund's General Partner elects to terminate a defaulting investor's unfunded commitment, the defaulting investor will continue to remain obligated to make capital contributions to such Fund up to the full amount of its unfunded commitment (which obligations may be offset by amounts otherwise distributable to such investor).

Amendments

The terms of a Fund's partnership agreement may generally be amended with the approval of the General Partner and a majority in interest of the investors (excluding Tenex). Such amendments may include changes to such Fund's investment objectives, investment restrictions or other limitations. In addition, certain terms, including investment restrictions, may be waived with the approval of a majority of the members of the Advisory Committee present at such vote. Amendments may be adopted despite the objection of a large minority in interest of the investors and Advisory Committee approvals may be granted despite the objection of members of the Advisory Committee or a majority in interest of the investors. Any such amendment or waiver may be disadvantageous to the non-approving investors.

Side Letters

The General Partners and/or the Funds typically enter into written agreements ("**Side Letters**") with one or more investors. These Side Letters will generally entitle an investor to make an investment in the relevant Fund on terms other than those described in Such Fund's Operating Documents. Any such terms are likely to be more favorable than those terms offered to any other investors. In certain instances, a Side Letter entered into with an investor may have an adverse effect on a Fund.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes

The growth of the private equity industry, and the increasing size and reach of transactions, has prompted additional governmental and public attention to the industry and its practices. Additionally, there continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on the Funds' activities, including the ability of the Funds to effectively and timely address these regulations, implement operating improvements or otherwise execute its investment strategy or achieve its investment objectives.

Moreover, the Funds expect to make investments in a number of different industries, some of which are or may become subject to regulation by one or more U.S. federal agencies and by various agencies of the states, localities and countries in which they operate. New and existing regulations, changing regulatory schemes and the burdens of regulatory compliance all may have a material negative impact on the performance of portfolio companies that operate in these industries. Regulatory and legal risks that currently exist with respect to certain of the regulated industries in which the Funds may invest are described in greater detail below. This does not purport to be an exhaustive list of the regulated industries in which the Funds may invest.

AIFMD

The European Union Directive on Alternative Investment Fund Managers (the “**Directive**”) regulates alternative investment fund managers (each an “**AIFM**”) based in the European Economic Area (the “**EEA**”) and generally will prohibit such AIFMs from managing any EEA alternative investment fund (“**AIF**”) unless authorization is granted to the AIFM. The Directive imposes new regulatory obligations on authorized AIFMs in respect of their activities and the AIFs that they manage.

Many of the provisions of the Directive require the adoption of delegated acts and regulatory technical standards, as well as the establishment of guidelines. Some, but not all, EEA Member States have published the relevant acts, standards and guidelines. Where these acts, standards and guidelines have been implemented, their practical application is still uncertain. As such, it is difficult to predict the precise impact of the Directive on the Funds and Tenex. Any regulatory changes arising from the transposition of the Directive into national law that impair the ability of Tenex to manage the Funds or the investments of the Funds, or limit Tenex’s ability to market Interests in the future, may materially adversely affect the Funds’ ability to carry out their investment approach and achieve their investment objectives. It should be noted that the final scope and requirements of the Directive as it is applied in each EEA Member State remain uncertain.

Use of Indebtedness/Loans to Portfolio Companies

The Manager expects to employ leverage in connection with most if not all Fund portfolio investments. Use of leverage will subject the Funds and their portfolio investments to a number of risks, including the risk that cash flow will be insufficient to meet required payments of principal and interest, the risk that indebtedness will not be able to be refinanced and the risk that the terms of such refinancing will not be as favorable as the terms of the existing indebtedness. In addition, the Funds may incur indebtedness that may bear interest at variable rates. Variable rate debt creates higher debt service requirements if market interest rates increase, which would adversely affect the Funds. Moreover, there can be no guaranty that the Manager, the Funds or their respective portfolio investments will be able to obtain the amount of leverage requested in connection with a given investment, nor that such leverage, if available, will be available at prices that are consistent with the manager’s investment thesis for a particular investment opportunity. Any failure to obtain sufficient leverage, or leverage on market-rate terms or terms that the Manager has projected will have a negative impact on the investment performance of a Fund and reduce the investment returns to Limited Partners. See also, “Interest Rate Risk/Rate Hiking Cycle” above.

Line of Credit

Tenex has the ability, and intends, to use the Funds' line of credit to bridge capital calls from limited partners and to facilitate deals on terms and timing believed necessary in order to consummate such transactions, both in a manner consistent with each Fund's Operational Documents. For example, under the Fund III Organizational Documents, the Fund III's line of credit can be employed for up to six (6) months without the consent of the Advisory Committee.

Typically, the Fund (and therefore ultimately investors) will bear all financing costs related to the use of such line of credit.

Investments in Distressed Securities and Assets

The Funds are likely to invest at least a portion of their assets in unprofitable and otherwise distressed issuers, assets and businesses, or businesses experiencing operational challenges. These targeted investments, by their nature, relate to companies in unstable financial condition and entail substantial inherent risks. Target investments may suffer from poor management, inefficient operations, insufficient revenues to cover operating expenses, and other problems that pose significant risks to the enterprise. Although the Manager will attempt to manage these risks, there can be no assurance that the Manager will be successful in these efforts, that the Funds' investments will increase in value or that the Funds will not incur significant losses. Tenex anticipates that several of the Funds' investments will incur losses.

Financial Institution Risk; Distress Events

An investment in a Fund is subject to the risk that one or more of the Funds' banks, brokers, hedging counterparties, lenders, or other custodians of some or all of the Funds' assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, receivership or other financial distress or difficulty (each, a "Distress Event"). Distress Events can be caused by various factors, including eroding market sentiment, significant withdrawals (e.g., a bank run in which depositors collectively withdraw their balances within a short period of time), fraud, malfeasance, poor performance or accounting irregularities. In the event a Financial Institution experiences a Distress Event, Adviser, the Funds and/or their portfolio companies may not be able to access deposits, borrowing facilities or other services for an extended period of time or ever. 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, or the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance (including Fund assets maintained with qualified custodians pursuant to Rule 206(4)-2 under the Advisers Act) are subject to risk of loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose increased risk of loss. Although in recent years governmental intervention has resulted in additional protections for depositors, there can be no assurance that governmental intervention will be successful or avoid the risk 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 the Adviser to manage the Funds and their investments, and on the ability of Adviser, any Fund and/or portfolio companies to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Although Adviser seeks to do business with Financial Institutions it believes are creditworthy and capable of fulfilling their respective obligations to the Funds, Adviser 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. Furthermore, such balances maintained by Adviser and the Funds are generally expected to fluctuate, including with respect to the Funds in connection with capital calls to limited partners and dispositions of investments, and certain balances from time to time will substantially exceed applicable deposit insurance.

General Risks Associated with Non-U.S. Investments

The Funds may invest in businesses organized outside of the United States and Canada and in businesses in which less than a majority of their principal operations are outside of the United States and Canada. Such investments will involve risks not typically associated with investments in the securities of U.S. or Canadian companies. Such risks, including those described below, may increase transaction costs and adversely impact the value of the Funds' investments in non-U.S. and non-Canadian portfolio companies.

Cybersecurity

The information technology systems of Tenex, the Funds, the Funds' portfolio companies and/or their respective service providers may be vulnerable to damage or interruption from computer viruses, network failures, computer and telecommunication failures, infiltration by unauthorized persons and security breaches, usage errors by their respective professionals, power outages and catastrophic events (including fires, tornadoes, floods, hurricanes and earthquakes). If such a system is compromised, becomes inoperable for an extended period of time or ceases to function properly, Tenex, the Funds and/or a portfolio company may be required to spend material time and/or incur material expenses seeking to fix or replace such system or otherwise remedy the effects of such issues. The failure of such a system and/or disaster recovery plan may cause significant interruptions in Tenex's, the Funds' and/or a portfolio company's operations and may result in a failure to maintain the security, confidentiality or privacy of sensitive data (including information relating to investors and/or the beneficial owners of investors). Such a failure could harm Tenex's, the Funds', a portfolio company's, an investor's or a beneficial owner of an investor's reputation, subject such persons to legal claims, or otherwise affect the business and financial performance of such persons.

Please see the relevant Fund's Offering Documents for a detailed discussion of the primary risks associated with an investment in that Fund.

Conflicts of Interest

Potential Conflicts of Interest

Tenex has long-term relationships with a significant number of companies and their respective senior management. Tenex also has relationships with numerous investors, including institutional investors and their senior management. The existence and development of these relationships may influence whether or not the Manager undertakes a particular investment on behalf of the Funds and, if so, the form and level of such investment, and may affect decisions regarding the management, strategy or exit of such investment.

On any issue involving actual conflicts of interest, the General Partners will be guided by their good faith judgment as to the Funds' best interests. In the event that any matter arises that a General Partner determines in its good faith judgment to constitute an actual conflict of interest between the relevant Fund and the General Partner or its affiliates, the General Partner may take such actions as may be necessary or appropriate to ameliorate the conflict, including potentially bringing such matter before such Fund's Advisory Committee (and upon taking such actions the General Partner will be relieved of any responsibility for the conflict of interests).

Operating Advisors

In addition to the full-time investment professionals of Tenex, the Funds and portfolio companies of the Funds engage the services of certain consultants to work actively with Tenex on sourcing or evaluating (from an operations standpoint) new transactions, providing strategic insights related to portfolio company matters, providing industry expertise, joining the management team or boards of portfolio companies, and providing manufacturing, sales, marketing, financial, cybersecurity, technology, human resources, acquisition integration/rationalization or other operations services to the Funds, any portfolio company or prospective portfolio company of the Funds (the "**Operating Advisors**"). While these advisors have from time to time been referred to as "Operating Partners," "Tenex Operating Partners," "Operating Executives," or "Operating Advisors," they are neither partners nor employees of Tenex, but rather third-party consultants engaged by or on behalf of the Funds and/or the Funds' portfolio companies.

Operating Advisors will receive compensation and expense reimbursements for such services, including fees, success fees, equity grants, incentive equity options, the opportunity to purchase management-allocated and other equity and other non-cash compensation (such compensation and expenses, "**Operating Advisor Compensation**"). Operating Advisor Compensation is generally borne by the relevant Fund(s) or portfolio company with respect to which such Operating Advisor provides services. However, beginning January 1, 2021, Tenex implemented an additional cash-based compensation program (the "**Success Fee Program**") under which substantially all Operating Advisors are eligible to receive a shared participation in cash compensation awards ("**Success Fees**") issued by portfolio companies typically upon successful sale or disposition, which could be based upon certain pre-determined exit metrics.

Tenex intends for and believes the Success Fee Program further aligns the interests of the Operating Advisors with those of a Fund and provides value across its collective portfolio by promoting knowledge-sharing for best practices, collective resource allocation and general operational management. Tenex further believes the Success Fee Program and provides administrative benefits when compared to awarding other non-compensation equity and performance-based instruments. However, under the Success Fee Program one or more Operating Advisors may be entitled to share in what could be a substantial Success Fee issued by a portfolio company with respect to which such Operating Advisor did not provide a direct commensurate level of services. Also, conflicts of interests among Tenex, the Operating Advisors, and one or more portfolio companies and/or the Fund may still arise. Operating Advisors may be subject to conflicts of interest resulting from a number of situations, including conflicts resulting from affiliations with entities unaffiliated with Tenex, familial relationships, multiple assignments involving Tenex portfolio companies, and/or the ownership of interests in portfolio companies and other issuers, including, potentially, borrowers. Certain Operating Advisors may be exclusive to Tenex or a Fund but are not employees of Tenex.

Save for in connection with the Success Fee Program, Operating Advisor Compensation is generally borne by the relevant Fund(s) or portfolio company(ies) with respect to which such Operating Advisor provides services.

All Operating Advisor Compensation (including any Success Fees) and expense reimbursements received will not offset or reduce Management Fees payable by a Fund.

All costs and expenses paid by a Fund or a Fund's portfolio companies in connection with Operating Advisors are disclosed to such Fund's investors annually.

Dedicated Operations Company

Tenex plans to establish a dedicated affiliate to employ or engage one or more Operating Advisors (a “**Dedicated Operations Company**”). Any such Dedicated Operations Company would be engaged by the Funds or their portfolio companies to retain the services of Operating Advisors for a fee that would be borne by the relevant Fund(s) or portfolio company(ies) and would not offset the Management Fees payable by the applicable Funds. It is anticipated that the Dedicated Operations Company, once created, would charge fees to the Funds and portfolio companies at rates such that the Dedicated Operations Company is formed and operated on a cost basis, as assessed annually by Tenex. Such costs of forming and operating the Dedicated Operations Company (the “**Dedicated Operations Expenses**”) would cover the Operating Advisor Compensation payable by it to the Operating Advisors and an allocable share of the operating overhead of Tenex and/or such Dedicated Operations Company attributable to supporting the Dedicated Operations Company, as determined by Tenex in good faith. For the avoidance of doubt, such operating overhead may include salaries and benefits of non-Operating Advisor employees of the Dedicated Operations Company or Tenex providing accounting, payroll and other administrative support to the Dedicated Operations Company, as well as rents, information technology and similar customary and reasonable operating expenses.

While Tenex has made adjustments to the Operating Advisor program, including but not limited to implementation of the Success Fee Program described above, Tenex has not yet formed the Dedicated Operations Company as of date hereof, but intends to do so in 2023.

Performance Allocations and Management Fees

The fact that the General Partners' compensation is based on the performance of the Funds may create an incentive for a General Partner to cause a respective Fund to make investments that are more speculative than would be the case in the absence of performance-based compensation. However, this incentive may be tempered somewhat by the fact that any losses incurred will reduce such Fund's performance and, thus, such General Partner's compensation. In addition, to take advantage of long-term capital gains treatment a General Partner may be incentivized to hold investments for at least three years, which, if sold prior to the three-year mark, might have yielded a greater profit for such Fund's investors, or take other actions that could adversely affect the amount and timing of distributions to the investors.

The manner in which Management Fees are charged may create an incentive for the Manager to favor holding investments for long periods of time in order to increase the amount of Management Fees it is entitled to receive.

Co-Investments

A Fund's General Partner may generally offer co-investment opportunities pursuant to the terms of its Operating Documents in its sole discretion, including, for example, on the basis of the size of investor commitments to such Fund, as well as a broad range of other considerations, including commercial considerations for the applicable investment, an investor's stated desire to participate in co-investments, such General Partner's determination of the appropriateness of offering a co-investment opportunity, an investor's ability to execute such offer and the approval of transaction counterparties. In exercising its sole discretion in connection with such co-investment opportunities, a General Partner may also consider factors that benefit the General Partner, such as the likelihood that an investor may invest in a future fund sponsored by the General Partner or its affiliates. The General Partners may or may not charge management fees, one time funding fees and/or carried interest in respect of co-investments, subject to the terms of any applicable agreements with investors. The allocation of any co-investment opportunities may directly or indirectly benefit the Manager or a General Partner as a result of, among other things, the receipt of any such fees or carried interest of commitments to a Fund.

Co-investors in one or more specific investments will not necessarily be required to share in broken-deal expenses that are paid by a Fund, either with respect to a co-investment opportunity that is not consummated or with respect to other potential investments that may be offered to a Fund. In the event that a transaction in which a co-investment was planned ultimately is not consummated, and co-investors are not contractually committed to participate in such proposed co-investment, all broken-deal expenses (including formation costs of any unused co-invest vehicle) relating to such proposed transaction will be borne by a Fund, and not by any potential co-investors that were to have participated in such transaction or that were to have made funding commitments with respect to such proposed transaction.

Conflicts Amongst the Funds

Certain conflicts of interest exist amongst the various Funds. These conflicts of interest include, but are not limited to, how members of the Tenex Team and Operating Advisors spend their business time and attention, the allocation of investment opportunities and co-investments, and the apportionment of fees and expenses amongst the multiple Funds.

For example, certain investments may be allocated between or among a Fund and any successor or predecessor Fund, or solely to one such Fund and not another Fund in a manner that Tenex determines in good faith to be appropriate (and taking into account such factors as Tenex determines in good faith to be appropriate, including, but not limited to: each Fund's investment restrictions and objectives, principles of diversification, risk profile, existing portfolio composition, available capital, applicable contractual and regulatory restrictions, expected holding period, target return profile, proximity of the relevant funds to the end of their investment periods or terms, and tax structure). Such allocations are not expected to be proportional. Therefore, such allocations may be more advantageous to one Fund relative to other Funds. While Tenex will allocate investment opportunities in a way that it believes in good faith is fair and equitable to the Funds, there can be no assurance that a Fund's actual allocation of an investment opportunity, if any, or terms on which the allocation is made, will be as favorable as they would be if the conflicts of interest to which Tenex may be subject did not exist.

Tenex may be faced with a variety of potential conflicts of interest when it determines allocations of various fees and expenses to a Fund that are not specific to an investment in which more than one Fund is participating. Tenex, in its sole discretion, will allocate such fees and expenses in accordance with the Funds' respective Operating Documents and the policies and procedures Tenex has adopted to address such conflicts in a manner it believes in good faith is fair and equitable to the respective Funds under the circumstances and considering such factors as it deems relevant.

The Funds' portfolio companies may from time to time be counterparties or participants in agreements or transactions with, or provide goods or services to, other Tenex portfolio companies. Although Tenex does not direct such transactions, all such transactions shall be consistent with the requirements of such Funds' governing agreements. Such transactions may not have otherwise been entered into but for the affiliation with Tenex. Tenex believes that all such transactions have been and will continue to be on an arm's-length basis. However, there can be no guarantee that the terms of all such transactions will be no less favorable to a portfolio company than would be obtained in a transaction with an unaffiliated party.

These conflicts are addressed in the Funds' Operating Documents, as well as through various policies and procedures that Tenex has adopted.

Other Obligations of the Principals

The Principals, the Tenex Team and the Operating Advisors will need to allocate their business time and attention between the various Funds and their respective portfolio companies. Time and attention requirements for certain members of the Tenex Team are provided in the Funds' respective Operating Documents.

As a result of their involvement with the investment activities of the Funds and other existing activities, members of the Tenex Team may from time to time acquire confidential information that they will not be able to use for the benefit of the Funds.

Item IX. Disciplinary Information

Not applicable. The Manager does not have any legal or disciplinary events to disclose.

Item X. Other Financial Industry Activities and Affiliations

Not applicable. The Manager does not have any applicable financial industry activities and affiliations to disclose.

Item XI. Code of Ethics, Participation or Interest in Client Transactions and Personal Trading

A. General

In compliance with Rule 204A-1 of the Advisers Act, the Manager has adopted a Code of Ethics in order to establish the standard of conduct expected of all "supervised persons" in light of the Manager's duties to its clients. It has established reporting and other requirements for personal securities transactions.

B. Standard of Conduct

Supervised persons must act at all times in accordance with Tenex's fiduciary duty to the Funds. Each supervised person should (i) at all times place the interests of the Funds before his or her own interests except as expressly provided for in the limited partnership agreement, (ii) act with honesty and integrity with respect to the Funds and the Funds' investors, (iii) never take inappropriate advantage of his or her position for his or her personal benefit, (iv) make full and fair disclosure of all material facts, particularly where the Company's or supervised person's interests may conflict with the Funds, and (v) have a reasonable, independent basis for his or her investment advice.

All supervised persons are expected to be familiar with and comply with the laws and regulations applicable to their day-to-day responsibilities, including U.S. federal securities laws and regulations.

C. Reporting Violations

Supervised persons must report any violations of the Code of Ethics promptly to the Chief Compliance Officer.

D. Personal Securities Transactions

In order to avoid actual and perceived conflicts of interests with the Funds as well as the laws relating to insider trading, the Manager has adopted a strict personal securities transactions policy. As a general rule, the Manager, our staff and related persons may not buy or sell their personal securities to a Fund. With the pre-approval of the Chief Compliance Officer, Individual Principals and/or related persons may from time to time invest in securities of issuers in which a Fund has invested or is seeking to invest. The Manager and its related persons are not permitted to “front-run” or self-deal to the disadvantage of a Fund. As a general practice, if a Fund and a related person (i.e. Manager or employee) of the Manager is seeking to invest in the same issuer at the same time, an investment of a related person will only be allowed if disclosures concerning any conflict of interest is made, in advance, to the Chief Compliance Officer of the applicable Fund(s) and the investments of the related person are executed after, or simultaneously with, the Fund transactions.

The Manager’s Code of Ethics will be provided to any client or prospective client upon request.

Item XII. Brokerage Practices

Not applicable. The Manager does not select or recommend broker-dealers for client transactions. Broker-dealers, to the extent required for an individual Fund transaction, are selected by a specific Fund’s General Partner.

The Manager does not believe that the value of any research products it may receive related to the selection of broker-dealers for the Funds is significant, and in any case such products and services largely consist of unsolicited newsletters and reports.

Item XIII. Review of Accounts

On a frequent basis the Manager analyzes new investment opportunities and exit strategies, in particular at times of market stress.

The investors of each Fund are provided with annual audited financial statements for the Fund(s) in which they have invested as well as with quarterly unaudited financial statements for the applicable Fund(s) and their investment. The investors of each Fund are additionally provided with quarterly progress reports concerning each portfolio company in which their Fund(s) have invested.

Annually or as often as deemed needed by the Manager or the General Partners, the Manager meets with the Funds’ Advisory Committees to discuss the Funds and their performance. The Advisory Committees are composed of representatives from several investors in one or more Funds who

meet with the Manager periodically to resolve any conflicts that may arise or discuss other matter, as appropriate.

Item XIV. Client Referrals and Other Compensation

Not applicable. The Manager does not receive compensation for client referrals. In addition, from time to time, Tenex will utilize duly licensed placement agents.

Item XV. Custody

Tenex maintains the Funds' cash with independent qualified custodians and maintains the Funds' certificated securities in accordance with the Advisers Act rules. Any qualified custodians will generally send statements to Tenex, and these statements will be reviewed by Tenex to reconcile to internal Fund records.

Tenex has its Funds annually audited by a PCAOB registered independent accountant and in accordance with GAAP, and the audited statements delivered to investors within 120 days after the end of each Fund's fiscal year. The Funds urge their investors to review their Fund reports diligently to ensure accuracy and consistency.

Item XVI. Investment Discretion

The Manager has accepted discretionary authority (as delegated by the General Partner) to manage securities accounts on behalf of the investors in the Funds. The Manager adheres to the standards specified in the Funds' Operating Documents.

Subject to the above, the management, control and operation of, and the determination of policy with respect to a Fund and its investment and other activities is vested exclusively in the Manager and the General Partner of such Funds.

The Operating Documents of the Funds provide the Manager with discretionary authority with respect to investments of the Fund and permit and/or direct the Manager to investigate, analyze, structure and negotiate potential investments, exercise voting rights, advise as to disposition opportunities and take other appropriate action with respect to investments on behalf of the Funds.

Item XVII. Voting Client Securities

The Manager has been delegated authority by the General Partners to vote client on securities as necessary to execute the objectives of Funds.

The Manager will vote proxies on behalf of the Funds (its clients) with respect to securities held by the Funds as necessary to execute the objectives of the Funds. If any matter raises a material conflict of interest and the Manager's proxy voting policy is unclear as to the matter then at hand, the Manager will either: (a) disclose the conflict of interest to the Advisory Committee and seek their advice on how best to vote, or (b) abstain from voting.

A copy of our proxy-voting policies and procedures are available to clients upon request.

Item XVIII. Financial Information

Not applicable. The Manager does not require or solicit prepayment of more than \$1,200.00 in fees per client, six months or more in advance.

Item XIX. Requirements for State-Registered Advisers

Not applicable. The Manager is not and will not be registering with one or more state securities authorities. However, the Manager will make “notice filings” with state security authorities if and to the extent required.

Item XX. Part 2B-Managing Directors’ Biographical Information

Michael Green, CEO and Principal, 64

Mr. Green is a highly experienced investor with a diverse background in private equity investing, distressed and turnaround investing and business operations leadership. Prior to the re-establishment of Tenex Capital Management, he was a Managing Director, senior member of the Investment Team and a member of the Investment Committee at Cerberus Capital Management from 2004 to 2009. From 2004 to 2006, in addition to his responsibilities as an investment professional, Mr. Green also served as President of Cerberus Operations, where he led the establishment and growth of a multi-industry, multi-functional investment support entity of more than 100 professionals.

From 1999 to 2004, Mr. Green was the General Partner of TenX Capital Partners, and joined Cerberus in 2004 when Cerberus acquired certain portfolio investments from TenX Capital Partners. From 1993 to 1999, he financed and actively participated in acquisitions of underperforming companies. In two cases, Mr. Green assumed the role of Chief Executive Officer (Trispan Solutions and Naviant Information Systems). Earlier in his career, Mr. Green spent 12 years at General Electric (GE), where he worked in several operating departments and held positions in engineering, manufacturing, sales, marketing and general management. During his tenure at GE, his industry experience included aerospace, transportation, telecommunications, manufacturing and software systems. Mr. Green currently serves, or has previously served, on numerous public and private boards including ACE Aviation, Air Canada, Fila, AerCap, SSA Global, Tandem Staffing and Teleglobe International.

He received a MSEE from Villanova University and BSEE from the State University of New York at Buffalo and is a graduate of the GE Management Training Institute.

Varun Bedi, Managing Director and Principal, 52

Prior to Tenex, Mr. Bedi was Senior Vice President at Cerberus Capital Management from 2004 until 2009, where he played a wide-ranging role, piloting the restructuring of several high profit portfolio companies from both an operational and financial perspective. Mr. Bedi also led large-scale diligence teams on new investment opportunities.

Mr. Bedi joined Cerberus in 2004 from Time Warner where his roles included senior business development and financial positions in the publishing division. These included CFO of Time Canada and of Life Magazine. Mr. Bedi was previously founder and co-CEO of Parlo Inc., a 70-person language learning company backed by Rho, Sevin Rosen, and Goldman Sachs (acquired in 2002). Before founding Parlo, he was a senior consultant at McKinsey & Co, specializing in media, technology, and healthcare. He started his career as a M&A banker and commodity derivatives analyst for JP Morgan. Mr. Bedi also served on the board of ChrysCapital, a leading India-focused private equity fund with \$2 billion under management.

He is a graduate of Harvard Business School and Haverford College (magna cum laude, Phi Beta Kappa) and speaks five languages.

Joe Cottone, Managing Director and Principal, 51

From 2004 through 2009, Mr. Cottone was a Senior Operations Leader within Cerberus Capital Management. He served as the Vice President of Strategy, Supply Chain, Information Technology, and Integration of a Cerberus portfolio company from 2005 until 2009.

Mr. Cottone joined Cerberus from General Electric (GE), where he held various positions in Sales, Finance, and Operations. Mr. Cottone was a Director of Business Development within NBC taking responsibility for revenue generation and inventory management for the NBC-owned stations through the Eastern United States and for the NBC-owned station in Miami, Florida. Prior to that, he was the Vice President of Interactive and helped transform the NBC owned stations on-line departments from a cost center into a profit center. Before that, Mr. Cottone served as Finance Director of NBC's Washington DC television station. Preceding that, he was a member of GE's Corporate Audit Staff, where he audited numerous GE industrial and financial services businesses and received his Six Sigma Black Belt certification. Mr. Cottone commenced his career in engineering and sourcing in GE's Edison Engineering Leadership Management Program, where he successfully managed assignments.

Mr. Cottone holds a B.S. in Computer Science from the University of Maryland.

Ron Lejman, Managing Director, Operations, 54

Mr. Lejman joined Tenex as a Managing Director in 2016 after serving as an Operating Advisor from 2013-2015 and previously having worked with the current Tenex leadership team at Cerberus and TenX dating back to the early 2000's.

Prior to these roles, Ron was the Chief Financial Officer of UniTek Global Services Inc., a provider of permanently outsourced infrastructure services to the telecommunications industry. Prior to that, Mr. Lejman worked with the current Tenex leadership team at Cerberus in operations, as well as worked with Mr. Green at TenX. Mr. Lejman has also served as Chief Financial Officer for various organizations over the last 15 years, including: The Stanley Works (Europe/Middle East/Africa), Stanley Bostitch, and General Fiber Communications. He has also held senior finance leadership positions at General Electric and Amoco.

Mr. Lejman holds a BS in Mechanical Engineering from the University of Illinois and Masters of Management degree from Northwestern University's J.L. Kellogg Graduate School of Management in Finance, Marketing and Decision Sciences.

Gabe Wood, Managing Director, Investments, 39

Mr. Wood is responsible for transaction execution, structuring, and monitoring activities for Tenex. His focus at Tenex is on evaluating and underwriting investments.

Prior to joining Tenex in 2012, Mr. Wood was an Associate at Clayton Dubilier & Rice (CD&R). While at CD&R, he focused on the evaluation of investment opportunities and subsequent capital markets transactions across a broad range of industries including Healthcare, Industrials and Business. Prior to CD&R, Mr. Wood began his career in the Financial Sponsors Investment Banking Group at Morgan Stanley, where he helped execute numerous debt and equity transactions for the firm's Private Equity clients in the Healthcare, Industrials and Consumer sectors, including the Tenex Team while at Cerberus as a client of Morgan Stanley's.

Mr. Wood has an MBA with honors and distinction from Columbia Business School and graduated Phi Beta Kappa, summa cum laude from Middlebury College with a BA in Economics.

Perrin Monroe, Managing Director, Investments, 39

Mr. Monroe is responsible for transaction execution, structuring, and monitoring activities for Tenex. His focus at Tenex is on evaluating and underwriting investments.

Prior to joining Tenex in 2013, Mr. Monroe was an Associate at Clayton Dubilier & Rice (CD&R), where he evaluated and executed investments in businesses across a wide range of industries. Prior to CD&R, Mr. Monroe worked in the Financial Sponsors and M&A investment banking groups at Morgan Stanley where he helped execute numerous debt financings, equity offerings, and strategic transactions for the firm's private equity and corporate clients.

Mr. Monroe holds an MBA from the Wharton School at the University of Pennsylvania where he was a Palmer Scholar, and a BA in Economics from Washington & Lee University where he graduated magna cum laude.