

Form ADV Part 2A: FIRM BROCHURE



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March 29, 2023

This brochure ("Brochure") provides information about the qualifications and business practices of Beecken Petty O'Keefe & Company, LLC ("BPOC"). If you have any questions about the contents of this Brochure, please contact us at (312) 435-0300 or partners@bpoc.com. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the "SEC") or by any state securities authority.

BPOC is a registered investment adviser. Registration of an investment adviser with the SEC does not imply a certain level of skill or training.

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

Item 2 – Material Changes

Since BPOC's last annual Brochure filed on March 31, 2022, the Firm has closed on a new main fund, BPOC Fund VI, L.P. and BPOC Fund VI-A, L.P. and a continuation fund vehicle, BPOC Ventus Fund, L.P.

BPOC routinely makes changes throughout its Brochure to improve and clarify the descriptions of its business practices and compliance policies and procedures or in response to evolving industry and Firm practices. In this year's filing, the following Items have been updated, in addition to certain immaterial changes and/or conforming changes related to the following:

- Item 4: updated to reflect regulatory assets under management as of December 31, 2022;
- Item 5: updated to include additional expenses in connection with the new fund; and
- Item 8: updated to reflect additional risk factors and potential conflicts of interest, including in connection with new fund.

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Item 4 – Advisory Business

A. Describe your advisory firm, including how long you have been in business. Identify your principal owner(s).

Beecken Petty O’Keefe & Company, LLC d/b/a BPOC (together with its fund general partners, “BPOC” or the “Firm”), a Delaware limited liability company, is a healthcare focused private equity firm based in Chicago, Illinois. Founded in 1996 (as Beecken Petty & Company) to invest in middle-market buy-out transactions, recapitalizations and growth platforms in the healthcare industry, BPOC and its affiliates provide discretionary investment advisory services to their clients, which consist of private equity investment funds.

BPOC has significant operating and investment experience in the healthcare industry. The Firm is comprised of seasoned operating and financial executives with decades of experience in providing operating and financial support to growing companies. BPOC prides itself on maintaining a collaborative relationship among all of its partners and portfolio company executives, ensuring all portfolio companies access to the full range of the Firm’s experience and intellectual resources. BPOC has access to and leverages the investment expertise of a dedicated group of operating executives and functional experts, including its Operating Partners (“Operating Partners”). The Operating Partners have deep operating and management expertise in specific sectors of Firm interest and work with BPOC within the middle market healthcare industry to assist in executive mentoring, acquisition integration, human capital development and strategic planning while often serving as lead directors or executive chairs.

BPOC serves as the investment adviser for and provides discretionary investment advisory services to private funds exempt from registration under the Investment Company of 1940 (the “Investment Company Act”) (each a “Fund”, and collectively the “Funds”). In addition, in certain circumstances, as more fully described in Item 7 below, the Firm also permits certain limited partners and third parties to co-invest alongside a Fund directly into a portfolio company. Such direct co-invests are not considered Funds or clients of BPOC.

Each Fund is affiliated with a general partner with the authority to make investment decisions on behalf of the Fund (each a “General Partner”, and collectively the “General Partners”). These General Partners are deemed to be registered under the Investment Advisers Act of 1940 (the “Advisers Act”) pursuant to BPOC’s registration in accordance with SEC guidance. The applicable General Partner of each Fund retains investment discretion and limited partners in the Funds do not participate in the control or management of the Funds. While the General Partners maintain ultimate authority over the respective Funds, BPOC has been delegated the role of investment adviser. For more information about the BPOC Funds and General Partners, please see the Firm’s Form ADV Part 1, Schedule D, Section 7.A, Financial Industry Affiliations, and Section 7.B.(1), Private Fund Reporting.

BPOC is owned by Managing Partner Gregory A. Moerschel. For more information about BPOC’s owners and executive officers, see BPOC’s Form ADV Part 1, Schedule A.

B. Describe the types of advisory services you offer. If you hold yourself out as specializing in a particular type of advisory service, such as financial planning, quantitative analysis, or market timing, explain the nature of that service in greater detail. If you provide investment advice only with respect to limited types of investments, explain the type of investment advice you offer, and disclose that your advice is limited to those types of investments.

BPOC provides investment advisory services as a private equity fund manager to its Funds. The Funds invest through privately negotiated transactions in operating companies, generally referred to as “portfolio companies”, in the healthcare industry. Each portfolio company has its own independent management team responsible for managing its day-to-day operations, although the senior principals or other personnel of BPOC, including Operating Partners appointed by BPOC, will generally serve on such portfolio companies’ respective boards of directors or otherwise act to influence control over management of portfolio companies held by the Funds. In addition, in some cases, BPOC will more directly influence the day-to-day management of the company by recruiting and installing certain individuals in various leadership roles, such as chief executive officer, chief operating officer, chief financial officer or other roles. BPOC’s investment advisory services to the Funds consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions of such investments. Investments are made predominantly in non-public companies, although investments in public companies are permitted in certain instances.

C. Explain whether (and, if so, how) you tailor your advisory services to the individual needs of clients. Explain whether clients may impose restrictions on investing in certain securities or types of securities.

BPOC does not tailor its advisory services to the individual needs of limited partners in its Funds; BPOC’s investment advice and authority for each Fund are tailored to the investment objectives of that Fund. These objectives are described in the private placement memorandum, limited partnership agreement, subscription documents, constituent documents, investment advisory agreements, side letter agreements and other governing documents of the relevant Fund (collectively, “Governing Documents”) and limited partners determine the suitability of an investment in a Fund based on, among other things, the Governing Documents.

Limited partners cannot impose restrictions on investing in certain securities or types of securities (except those itemized in the Governing Documents). Limited partners in Funds participate in the overall investment program for the applicable Fund and generally cannot be excused from a particular investment except pursuant to the terms of the applicable Governing Documents. In accordance with industry common practice, BPOC has entered into side letters or similar agreements with certain limited partners including those who make substantial commitments of capital, were early limited partners in the Funds or for other reasons in the sole discretion of BPOC, in each case that have the effect of establishing rights under, or altering or supplementing, a Fund’s Governing Documents. Examples of side letter rights entered into include certain expense arrangements, notification provisions, advisory board and observer seats, reporting requirements and “most favored nations” provisions, among others. These rights, benefits or

privileges are not always made available to all limited partners nor in some cases are they required to be disclosed to all limited partners, consistent with general market practice. Side letters are negotiated at the time of the relevant limited partner's capital commitment and once invested in a Fund, limited partners generally cannot impose additional investment guidelines or restrictions on such Fund. There can be no assurance that the side letter rights granted to one or more limited partners will not in certain cases disadvantage other limited partners.

D. If you participate in wrap fee programs by providing portfolio management services, (1) describe the differences, if any, between how you manage wrap fee accounts and how you manage other accounts, and (2) explain that you receive a portion of the wrap fee for your services.

BPOC does not participate in wrap fee programs.

E. If you manage client assets, disclose the amount of client assets you manage on a discretionary basis and the amount of client assets you manage on a non-discretionary basis. Disclose the date "as of" which you calculated the amounts.

As of December 31, 2022, BPOC managed approximately \$1.348 billion in regulatory assets under management, all on a discretionary basis. BPOC does not manage any assets on a non-discretionary basis.

Item 5 – Fees and Compensation

A. Describe how you are compensated for your advisory services. Provide your fee schedule. Disclose whether the fees are negotiable.

BPOC and its affiliated General Partners receive fees and compensation in exchange for advisory services provide to the Funds, including management fees ("Management Fee"), a carried interest allocation ("Carried Interest"), additional compensation in connection with management services performed for the portfolio companies of the Funds and reimbursements from portfolio companies for certain expenses paid in advanced on their behalf. The Governing Documents of each Fund detail the fees, compensation and expenses in greater detail. The following is a summary of BPOC's active Funds; differences exist from Fund to Fund, and certain Funds do not charge certain fees, compensation or expenses that other Funds charge.

Management Fees

During the commitment period, a Fund will pay the General Partner an annual Management Fee, payable semi-annually and calculated partially in advance and partially in arrears, equal to 2% of non-affiliated limited partners' aggregate committed capital commitments. As of the earlier of the end of the commitment period or upon the occurrence of certain events as set forth in the applicable limited partnership agreement, the Management Fee will be reduced to 2% of the non-affiliated limited partners' percentage of (i) the aggregate investment contributions with respect to investments that have not been disposed of less (ii) the aggregate amount of investments that have been permanently written down. Investments in a portfolio company shall be treated as

having been disposed of or permanently written down only to the extent that, as of the date of any such disposition or write down, the aggregate fair market value of all remaining Fund investments in a portfolio company is less than the Fund's aggregate investment contributions made with respect to such portfolio company. Generally, limited partners participating in a subsequent closing after the initial closing of a Fund are responsible for paying the Management Fee as of the date of the initial closing of such Fund, plus interest, as applicable. In addition, Management Fees are payable during term extensions unless otherwise agreed to with limited partners.

As per the Governing Documents, the relevant Fund General Partner is permitted, in its sole discretion, to waive, reduce or defer all or a portion of the Management Fee. Specifically, Management Fees are generally waived for employees (including employees investing through a General Partner) or affiliates of BPOC, however in each case such limited partners generally pay their pro rata share of certain Fund expenses. Principals or other employees of BPOC receive a portion of the Management Fee, Carried Interest allocation or other compensation received by the General Partner.

As per the provisions of the Governing Documents, BPOC is permitted to waive, defer, or reduce all or a portion of the Management Fee payable by a Fund in full or partial satisfaction of any obligation of BPOC and certain employees and affiliates to invest in and alongside such Fund. Any waived portion of a Management Fee installment is permitted to be treated as a deemed capital contribution by the General Partner in respect of such General Partner's commitment, which is effectively invested in the relevant Fund on the General Partner's behalf and operates to reduce the amount of capital the applicable General Partner would otherwise be required to contribute to the Fund. Limited partner capital contributions are generally accelerated due to waived, deferred, or reduced Management Fees and/or the timing of receipt of fees subject to offsets, and limited partners could thus receive less than the full benefit of such reductions or offsets or be subject to recallable capital. Waived, deferred, or reduced Management Fees are not subject to the Management Fee offsets described below.

The Management Fee will be reduced by: (i) certain supplemental fees and compensation with respect to portfolio companies, including transaction or closing fees, investment banking fees, placement fees, breakup fees, litigation proceeds from transactions not consummated, monitoring fees, consulting fees, advisory fees, directors' fees and other similar fees (whether in the form of cash, securities or otherwise); (ii) the amount of fees paid by a Fund to entities or persons acting as a placement agent in connection with the offer and sale of interests in such Funds; (iii) costs incurred by BPOC in connection with the organization of a Fund that exceed a limit as specified in each Fund's Governing Documents; and (iv) for certain Funds, Management Fee waivers as described above. Supplemental fees received are offset against the Management Fee paid by a Fund in amounts ranging from 80% to 100%, depending on the Fund and as described in each Fund's Governing Documents, net of any expenses incurred in connection with such portfolio investment. Any supplemental fees with respect to an investment or potential investment (including a transaction not consummated) are allocated to a Fund (and offset against the Management Fee as described above) only to the extent of the Fund's relative ownership (or anticipated ownership) of such investment or potential investment, except as otherwise set forth in the Governing Documents. Accordingly, a Fund will, in most such cases, only benefit from the

Management Fee reduction described above with respect to its allocable portion of any such supplemental fees and not the portion allocable to any other investor in a portfolio company (which could include other Funds, co-investors, third parties, portfolio company management or employees and/or others) that holds an economic interest in (or, in the case of a transaction not consummated, would have held an economic interest in) the applicable investment. Further, any such reduction of a Fund's Management Fee is only applicable to the extent a Management Fee is payable by a Fund.

For clarity, the following fees or expenses do not offset Management Fees, in each case as applicable: (i) any fees or compensation received by or on behalf of Operating Partners and Third-Party Professionals (as defined below); (ii) reimbursements from a portfolio company; (iii) fees or expenses borne by a Fund; (iv) broken deal expenses; (v) portfolio company directors' or board fees paid by a portfolio company or former portfolio company to a BPOC employee or former employee who remains on the company's board of directors following the Fund's disposition of its investment in the company; and (vi) profits interests or compensation to an affiliate (such as an Operating Partner or Third-Party Professional) that was entered into prior to such person becoming an affiliate of BPOC, regardless of when the interests, compensation or amounts crystallize or vest.

To the extent that an offset credit would reduce a Fund's Management Fee for a given quarter below zero, the credit will be carried forward for future application against payable Management Fees, and if a credit remains after management fees are no longer charged or upon dissolution, the credit will first be used to pay Fund expenses and then a payment will be made to limited partners that have not elected to waive such amount for tax or other reasons.

Carried Interest

As described below in Item 6, each General Partner generally is entitled to receive a Carried Interest allocation with respect to the Funds equal to 20% of all realized profits, subject to an 8% annually compounded preferred return (or hurdle) and subject to reimbursement of all relevant Fund expenses, including Management Fees. Each Fund's Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund Governing Documents.

B. Describe whether you deduct fees from clients' assets or bill clients for fees incurred. If clients may select either method, disclose this fact. Explain how often you bill clients or deduct your fees.

Management Fees are paid as a result of a capital call notice to limited partners, which are generally billed on a semi-annual basis and are calculated partially in advance and partially in arrears. Management Fees are accrued on January 15th and July 15th of each year and typically drawn on the Fund's line of credit as allowed by each Fund's Governing Documents. The liability incurred is reflected as a reduction of value on the investors' quarterly account statement.

C. Describe any other types of fees or expenses clients may pay in connection with your advisory services, such as custodian fees or mutual fund expenses. Disclose that clients will incur brokerage and other transaction costs, and direct clients to the section(s) of your brochure that discuss brokerage.

Portfolio Company Remuneration

As mentioned above, BPOC and its affiliates perform management, advisory, transaction-related, financial advisory and other services for, and receive fees from (including any options, warrants or other equity securities), actual or prospective portfolio companies or other investment vehicles of the Funds. BPOC generally has discretion over whether to charge such portfolio management, advisory, transaction-related, financial advisory fees and other compensation to a portfolio company and, if so, the rate, timing, method and/or amount of such compensation, as well as to charge such amounts at varying levels in a portfolio company's holding or operating structure. The amount of such supplemental fees is paid by the Funds (directly, or indirectly by the portfolio companies) and are determined by BPOC on a transaction by transaction basis, subject to the terms set forth in each Fund's Governing Documents. In most circumstances, such compensation is not reviewed or approved by an independent third party. There can be no assurance that the amount of fees charged will be proportional to the amount of hours performed on behalf of a portfolio company.

On occasion, in certain circumstances (such as a portfolio company's liquidity needs or otherwise) BPOC determines in its discretion to waive, defer or renegotiate, in whole or in part, the amount of supplemental fees received from a portfolio company. BPOC endeavors to require the payment of such fees only to the extent permitted by the earnings or cash position of the applicable portfolio company and as permitted by the portfolio company's credit agreements, and BPOC will defer or forego the payment of such fees if too burdensome for the portfolio company or at such time a credit agreement prohibits the payment of such fees. In the case of amounts deferred, such payments will generally be payable in the future, which can result in a single payment or installments of repayment amounts. BPOC makes such determinations on a case-by-case basis and reserves the right to take different actions (or no action) with respect to similarly situated portfolio companies.

Fee Receipt Allocation

From time to time, BPOC, a Fund or a portfolio company, in their sole discretion, agrees to pay a transaction fee, portion of the Management Fee, Carried Interest, equity grant or other fee to a third party, such as an Operating Partners, consultant, adviser, finder, placement agent, and/or investment banker. Similarly, on occasion certain members of a portfolio company management team receive additional cash and equity compensation, including bonus payments based on the applicable portfolio company meeting certain success hurdles. Such compensation, whether in the form of a profits or equity interest in a portfolio company or immediate holding company, generally has a dilutive impact on a Fund's investment and indirectly reduces the proceeds available for distribution to the relevant Fund at the time of such portfolio company's sale. None of these fees or compensation offset Management Fees payable by a Fund.

Fund Expenses

Each Fund is governed by its own Governing Documents, which details a description of expenses for such Fund. While differences exist among Funds, the following is a description of expenses generally charged to each Fund. The Funds generally bear all costs, expenses, liabilities and obligations relating to such Fund's and/or its subsidiaries' activities, business, portfolio companies or actual or potential investments and/or actual or potential investments of any alternative investment vehicle, including with respect to any entity formed to effect the acquisition and/or holding of a portfolio company (to the extent not borne or reimbursed by a portfolio company or potential portfolio company), including all fees, costs, expenses, liabilities and obligations relating or attributable to: (i) activities with respect to the pursuing, structuring, organizing, negotiating, consummating, financing, refinancing, diligencing (including any subscriptions to any periodicals, databases and/or research services), acquiring, bidding on, owning, managing, monitoring, operating, holding, hedging, restructuring, trading, taking public or private, selling, valuing, winding up, liquidating, dissolving, or otherwise disposing of, as applicable, portfolio companies and a Fund's actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including reimbursement of expenses and costs of any Operating Partners, any associated legal, financing, commitment, transaction or other fees and expenses payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party diligence and deal sourcing software and service providers, consultants and similar professionals in connection therewith and any fees and expenses related to transactions offered to co-investors), whether or not any contemplated transaction or project is consummated and whether or not such activities are successful; (ii) activities with respect to the origination, identification and sourcing of investment opportunities for a Fund, including attending and sponsoring industry conferences and events, meeting with consultants, finders, broker-dealers, investment banks and other sources of investments and developing and maintaining an investment pipeline; (iii) indebtedness of, or guarantees made by, the Funds, BPOC, the General Partners or any Affiliated Partner (as defined in each Fund's Governing Documents) on behalf of the Funds (including any credit facility, letter of credit or similar credit support), including the repayment of principal and interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iv) financing, commitment, origination and similar fees and expenses; (v) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banker, finder and similar services; (vi) brokerage, sale, custodial, depository, local paying agent, trustee, record keeping, account, registered office and similar services (including a depository appointed pursuant to the AIFMD or any law, rule or regulation relating to the implementation thereof in any relevant jurisdiction), Swiss representative or paying agent (pursuant to the Swiss Collective Investment Schemes Act (as amended) including any law, rule or regulation related to the implementation thereof), trustee, record keeping, account and similar services; (vii) reporting, filings and other ongoing compliance requirements contemplated by the AIFMD or any similar law, rule or regulation (excluding, for the avoidance of doubt, the initial and/or preliminary registrations, filings and compliance obligations related thereto), including secondary legislation, regulations, rules, and/or associated guidance, and any related requirements, the EU Sustainable Finance Disclosure Regulation and/or the EU Taxonomy Regulation (as required); (viii) legal,

accounting, research, auditing, technology, administration (including costs associated with compliance with any anti-money laundering laws and regulations and a Fund's third-party administrator and administration, tracking or reporting software, if any), information, appraisal, advisory, valuation (including third-party valuations, fairness opinions, appraisals or pricing services as well as costs related to the establishment or maintenance of such other services), consulting (including consulting and retainer fees, salary and other compensation paid and benefits or personnel costs provided to Operating Partners, consultants performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies, and other similar consultants), tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (ix) reverse breakup, termination and other similar fees; (x) insurance, including directors and officers liability, fidelity bond, portfolio company management liability, cybersecurity, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance and regulatory expenses, including any costs and expenses related to any retention or deductibles, broker fees, costs and commissions and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance; (xi) filing, title, transfer, survey, registration and other similar fees and expenses; (xii) printing, communications, mailing, courier, marketing and publicity; (xiii) the preparation, distribution or filing of Fund-related or investment-related financial statements or other reports, tax returns, tax estimates, Schedule K-1s, other communications with limited partners or any other administrative, compliance or regulatory filings or reports (including Form PF), and any administrative, regulatory, reporting, filing or other compliance requirements (other than the initial registrations, filings and compliance) contemplated by the AIFMD, including fees and costs of any third-party service providers and professionals related to the foregoing; (xiv) compliance with any tax or financial account reporting regime, including FATCA, the OECD Standard for Automatic Exchange of Financial Account Information - Common Reporting Standard and any similar laws, rules or regulations, including any costs of any third-party service providers and professionals related to the foregoing; (xv) developing, licensing, implementing, maintaining or upgrading any web portal, extranet tools, computer software (including accounting, investor reporting, ledger systems, financial management and cybersecurity) or other administrative or reporting tools (including subscription-based services) for the benefit of a Fund or the limited partners; (xvi) any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information (including any costs incurred in connection with the EU Data Protection Law or U.S. Freedom of Information Act, 5 U.S.C. § 552); (xvii) activities or proceedings of the advisory boards (including any reasonable out-of-pocket costs and expenses incurred by advisory board members, representatives of the General Partners and permitted observers and other persons in attending or otherwise participating in meetings of an advisory board); (xviii) indemnification (including legal and any other fees, costs and expenses incurred in connection with indemnifying any limited partner or other person or entity or otherwise and advancing fees, costs and expenses incurred by any such person or entity in defense or settlement of any claim that is subject to a right of indemnification); (xix) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs and expenses of any discovery related thereto and any judgment, other award or settlement entered into in connection therewith; (xx) any annual limited partner meeting or other periodic or special, if any, meetings of the limited

partners and any other conference, meeting or webcast or other video conference with any limited partner(s) and any periodic executive forum of portfolio company management and other persons (in each case, including any costs associated with venue, set-up, room and board, dining, entertainment, gifts and mementos, honorarium, events or speakers and other meeting or conference-related costs), in each case to the extent incurred by a Fund, a General Partner or any other affiliate of a General Partner; (xxi) the Management Fee; (xxii) except as otherwise determined by a General Partner in its sole discretion, any fee, cost, expense, liability or obligation relating to any alternative investment vehicle or its activities, business, portfolio companies or actual or potential investments (to the extent not borne or reimbursed by a portfolio company of such alternative investment vehicle) that would be a Fund expense if it were incurred in connection with a Fund, any expenses incurred in connection with the formation, management, operation, termination, winding up and dissolution of any alternative investment vehicle or feeder vehicles related to the Funds to the extent not paid by the investors investing in such entities and any other costs or expenses related to any structuring or restructuring of the Fund entities; (xxiii) the termination, liquidation, winding up or dissolution of a Fund and any persons owned directly or indirectly by the Fund (including portfolio companies) and related entities; (xxiv) defaults by limited partners in the payment of any capital contributions; (xxv) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Fund, its related entities and any alternative investment vehicle and, to the extent relating to any of the foregoing persons or entities and/or their respective activities, the constituent documents of a General Partner, its related entities, BPOC and any entities owned directly or indirectly by a Fund (including portfolio companies), including the preparation, distribution and implementation thereof; (xxvi) (A) compliance with any law, rule, regulation, policy, directive or special measure (including in relation to privacy, data protection, know-your-customer, anti-money laundering, sanctions or anti-terrorism considerations), including any legal, administrator, consulting or other third-party service provider costs related thereto, any regulatory costs of a General Partner and/or any of its affiliates incurred in connection with the operation of a Fund and any costs related to compliance with any environmental, social and governance or other investment considerations and policies applicable to a Fund or a General Partner or any of their respective affiliates and/or (B) the validation or other confirmation of any payments made to a Fund or a General Partner (including as a result of any anti-money laundering laws, rules or regulations); (xxvii) any litigation or governmental inquiry, investigation or proceeding involving a Fund, including any costs and expenses of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith; (xxviii) any third-party experts or advisors engaged, including independent appraisers, engaged by a General Partner in connection with a Fund considering, making, holding or disposing of, directly or indirectly, an investment in the same entity as one or more other affiliates of a Fund or its General Partner or any of its affiliates; (xxix) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer by a limited partner or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian and the most-favored-nations process; (xxx) any taxes, fees and other governmental charges levied against a Fund and all expenses incurred in connection with any tax audit, inquiry, investigation settlement or review of a Fund (except to the extent that a Fund is reimbursed therefor by a reimbursing partner or such tax, fee or charge is treated as having been distributed to the limited partners); (xxxi) distributions to the limited partners and other expenses associated

with the acquisition, holding and disposition of a Fund's investments, including extraordinary expenses; (xxxii) unreimbursed expenses and unpaid fees of the Operating Partners, employees or other persons or entities engaged by an Operating Partner; (xxxiii) compliance or regulatory matters related to a Fund, except as otherwise set forth in the relevant Governing Documents; (xxxiv) attendance of any member, manager, shareholder, partner, director, officer, employee or affiliate of a General Partner, BPOC or any of their respective affiliates at any trade conference, including any applicable registration costs and exhibition, sponsorship or other presentation costs; (xxxv) any travel (including, where appropriate in a General Partner's reasonable discretion, the cost of chartering a private aircraft in an amount as specified in the relevant Fund's Governing Documents, air travel, car or ride sharing services, other modes of transportation, meals, lodging and entertainment) and other meals or entertainment relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxvi) any of the items listed in clauses (i) through (xxxv) above relating to any investment, restructuring, taking public or private, disposition, transaction, project or other opportunity not consummated or otherwise not successful and/or that may have been offered to co-investors (including co-investors' proportionate share of any expenses related to an investment or other opportunity not consummated); (xxxvii) any Organizational Expenses (as defined below); (xxxiii) any placement fees; and (xxxix) any other fees, costs, expenses, liabilities or obligations approved by an advisory board.

Out-of-pocket expenses associated with completed transactions are either billed directly to a Fund, reimbursed by a portfolio company or capitalized as part of the acquisition price of a consummated transaction. Out-of-pocket expenses associated with unconsummated transactions ("broken deal expenses") are paid by the relevant Fund(s) selected as proposed investors in such transaction.

BPOC, and not the Funds, are responsible for ordinary overhead and administrative expenses.

Expense Reimbursement

Certain expenses related to BPOC's oversight of portfolio companies incurred on behalf of the Funds are reimbursed by a portfolio company pursuant to a management services agreement with the portfolio company. These expenses are paid by BPOC and reimbursed by a portfolio company or paid directly by a portfolio company. Such expenses can include, without limitation: (i) travel expenses, which can include expenses for first-class travel and meals and entertainment expenses (such expenses including, as applicable, those relating to (a) use of premium black car and other car services, which from time to time include waiting time and (b) social and entertainment events, including closing dinners and mementos with portfolio company management, customers, clients, borrowers, brokers and service providers); (ii) expenses relating to training programs, meetings, conferences or other events (to the extent such programs, meetings or events are attended by portfolio company personnel); (iii) meals (including outside normal business hours); (iv) expenses relating to hiring portfolio company personnel (including background checks, recruiting and relocation expenses); (v) indemnification expenses; (vi) insurance; (vii) corporate filings; (viii) certain legal expenses; (ix) similar out-of-pocket expenses; (xi) consulting fees; and (xi) other consideration and expenses.

In addition, to the extent a Fund or BPOC initially bears the cost of certain fees or expenses but the benefit of the related services or expense is also received by another Fund, portfolio company or future fund or portfolio company, BPOC will determine, subject to its ultimate discretion, whether to cause such other Fund or portfolio company to reimburse the initial Fund or BPOC for such fees or expenses. Reimbursement by a portfolio company of out-of-pocket expenses incurred by BPOC, a General Partner or their respective affiliates will not be offset against the Management Fee payable by the Funds.

Organizational Expenses

Each limited partner will bear its pro rata share of a Fund's organizational expenses incurred in connection with the raising of the Fund (the "Organizational Expenses"). The amount and type of Organizational Expenses varies by Fund and is further detailed in the Governing Documents of such Fund. Each Fund bears Organizational Expenses up to an amount not to exceed an amount as specified in its Governing Documents, and Organizational Expenses in excess of such amount are paid by the relevant General Partner though an offset against the Management Fee.

Third-Party Professional Expenses

BPOC and its affiliates engage and retain Operating Partners, consultants and other similar professionals ("Third-Party Professionals") who are independent of and not employees or affiliates of BPOC (nor members of the General Partners), to assist with managing portfolio companies. The nature of the relationship with each Third-Party Professional and the amount of time devoted or required to be devoted by him or her varies. In certain cases, Third-Party Professionals provide the Funds and/or BPOC with industry-specific insights and feedback on investment themes, assist in transaction due diligence, make introductions to and provide reference checks on management teams. In other cases, Third-Party Professionals take on more extensive roles and serve as executives or directors on the boards of portfolio companies or contribute to the origination of new investment opportunities. In certain instances, BPOC has formal arrangements with Third-Party Professionals (which are often terminable upon notice by any party) and such Third-Party Professionals are denominated Operating Partners of BPOC. In other cases, the relationship is more informal. There can be no assurance that any of the Third-Party Professionals will continue to serve in such role and/or continue their arrangement with BPOC and/or any portfolio company throughout the terms of the Funds.

From time to time, Third-Party Professionals receive compensation, which can include, without limitation, retainers, salary, benefits, a finder's fee, transaction fees, a discretionary bonus or a success fee (in the form of cash or equity) based on pre-determined targets or milestones, directors' fees, board fees (which in the case of Operating Partners, is netted against such Operating Partner's retainer arrangement with BPOC), co-investment rights (including in investments in which they are not involved), or equity compensation (including stock) in a portfolio company. Certain fees payable to Third-Party Professionals are associated with a particular transaction and will typically be included in the closing costs payable by the applicable portfolio company. Other fees, such as board fees, are paid directly by a portfolio company to the Operating Partner or Third-Party Professional. In the event a Third-Party Professional

provides work directly to a portfolio company in addition to board service, any such fees are paid by the portfolio company directly to the Third-Party Professional. Work performed by Third-Party Professionals for unconsummated transactions is borne by the Fund(s) that was to have participated in such transaction as part of broken deal expenses.

On occasion, certain existing and former Operating Partners are expected to transition to a full-time executive role at a portfolio company, which would shift the burden of compensating such persons from BPOC to the portfolio company. Such individuals could return to their role as Operating Partners at the conclusion of their role for such portfolio company.

Third-Party Professionals typically incur expenses while working with BPOC portfolio companies or potential portfolio companies, including but not limited to, the cost of travel to portfolio companies and other out-of-pocket costs, and such expenses are paid or reimbursed by either BPOC (generally in the case of work performed for the management company), the relevant portfolio company (generally in the case of consummated transactions) or the relevant Fund (generally in the case of unconsummated transactions)

The determination of the appropriate form and amount of compensation for such services takes into account a variety of factors but will ultimately be at the discretion of BPOC and/or the portfolio company, as applicable. Some Third-Party Professionals are also limited partners in the BPOC Funds and participate as direct investors and/or receive equity grants in portfolio companies in which they are involved.

None of these payments, other compensation, retainer fees, board fees, options or reimbursements received by Third-Party Professionals are offset against Management Fees.

Co-Investment Expenses

As described above, in certain circumstances, BPOC permits certain investors to co-invest alongside a Fund directly into a portfolio company, subject to BPOC's related policies and procedures, the relevant Governing Documents and/or side letter(s) or similar arrangements. By virtue of the co-investors being direct investors in a portfolio company, such co-investors are responsible for their pro rata share of ongoing operational expenses, deal fees and monitoring fees from such portfolio company.

In the event a proposed transaction is not consummated, the full amount of any fees and expenses generated in the course of evaluating such investments, including any broken deal expenses, are generally borne by the Fund(s) selected as proposed investors for such proposed transaction and not by any prospective co-investors that were to have participated in such transaction. Co-investors who commit to a transaction after a Fund signs a definitive purchase agreement will lower the risk of broken deal or similar expenses incurred by such Fund (and indirectly, by such Fund's investors) in connection with such transaction based on the timing of when a co-investor becomes contractually obligated to invest. Broken deal expenses incurred in connection with a follow-on investment for an existing portfolio company for which the co-investment was originally created are generally capitalized at such portfolio company and

therefore borne indirectly by any Fund and co-investors on a pro rata basis according to their respective investment in the portfolio company.

Allocation of Fees and Expenses

In good faith and in its fair and reasonable discretion, BPOC determines on a case-by-case basis whether an expense should be borne by the Firm, a Fund, multiple Funds or a portfolio company. To the extent that the Governing Documents do not expressly provide for a method of allocation or to the extent that an invoice does not relate to a specific Fund, BPOC will typically allocate common expenses among multiple Funds on a pro rata basis and in accordance with its policies and procedures on expense allocation, unless another method is more equitable. Where one or more Funds to which an expense would otherwise be allocable are not permitted to receive an allocation based on the applicable Governing Documents, the portion of the expense attributable to such Fund(s) will be borne by BPOC.

D. If your clients either may or must pay your fees in advance, disclose this fact. Explain how a client may obtain a refund of a pre-paid fee if the advisory contract is terminated before the end of the billing period. Explain how you will determine the amount of the refund.

The Funds pay BPOC non-refundable Management Fees, which are due no less than ten business days after being called but in no event are due prior to January 15th and July 15th of each fiscal year. Withdrawals of capital from Funds are not permitted. The Funds generally invest on a long-term basis. Accordingly, Management Fees are expected to be paid, except as otherwise described in the Governing Documents, over the term of the Funds and limited partners generally are not permitted to withdraw or redeem interests in the Funds.

E. If you or any of your supervised persons accepts compensation for the sale of securities or other investment products, including asset-based sales charges or service fees from the sale of mutual funds, disclose this fact and respond to Items 5.E.1, 5.E.2, 5.E.3 and 5.E.4

Neither BPOC nor any supervised person accepts compensation for the sale of securities or other products, other than as described in this Item 5 and in Item 6 below.

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

If you or any of your supervised persons accepts performance-based fees – that is, fees based on a share of capital gains on or capital appreciation of the assets of a client (such as a Client that is a hedge fund or other pooled investment vehicle) – disclose this fact. If you or any of your supervised persons manage both accounts that are charged a performance-based fee and accounts that are charged another type of fee, such as an hourly or flat fee or an asset-based fee, disclose this fact. Explain the conflicts of interest that you or your supervised persons face by managing these accounts at the same time, including that you or your supervised persons have an incentive to favor accounts for

which you or your supervised persons receive a performance-based fee, and describe generally how you address these conflicts.

A carried interest allocation represents an adviser's compensation based on a percentage of net profits of the Funds it manages. As described above in Item 5, each General Partner receives a Carried Interest allocation on certain realized profits in the Funds equal to 20% of all realized profits subject to an 8% annually compounded preferred return (or hurdle) and subject to reimbursement of all relevant Fund partnerships expenses, including Management Fees. Each Fund's Carried Interest calculation, as well as the clawback provisions of each Fund, is further described in the relevant Fund Governing Documents received by each limited partner prior to investment in such Fund. Calculated based on cumulative realized gains and income only, Carried Interest is allocable to a General Partner as portfolio holdings are liquidated or otherwise monetized and is subject to a potential after-tax giveback if the respective General Partner has received excess cumulative distributions.

BPOC's Carried Interest allocations have been structured subject to Section 205(a)(1) of the Advisers Act in accordance with the available exemptions thereunder, including the exemption set forth in Rule 205-3. The General Partner of each Fund is permitted, in its sole discretion, waive or reduce the amount of Carried Interest for a Fund or for limited partner in a Fund. Specifically, if principals and employees and their respective family members or Operating Partners are limited partners in a Fund, they will generally pay reduced Carried Interest or none at all.

The fact that each General Partner's Carried Interest allocations are based on the performance of each Fund can create an incentive for a General Partner to make investments that are more speculative than would be the case in the absence of such distributions or to allocate an investment to a Fund that earns a higher Carried Interest, if applicable. BPOC believes this incentive is sufficiently mitigated, however, due to the fact that (i) all Funds pay the same Carried Interest; (ii) any losses a Fund sustains will reduce each General Partner's Carried Interest distribution, (iii) Carried Interest is generally calculated only after limited partners have received as distributions 100% of their capital contributions plus an 8% preferred return, (iv) the applicable Governing Documents create limitations on the ability of BPOC to establish new investment funds, (v) the Funds are subject to certain contractual provisions requiring certain parallel funds to purchase and sell investments contemporaneously if they share an investment through a contemporaneous initial investment, (vi) a General Partner often makes a substantial commitment to a Fund to invest its own capital alongside the limited partners and (vi) BPOC's ability to attract future limited partners is tied to the performance of its investments.

BPOC manages multiple Funds with similar investment strategies on a side-by-side basis. Management of Funds on a side-by-side basis has the potential to create conflicts of interest with regard to BPOC's allocation of investment opportunities, expenses, time and attention of advisory personnel and consideration for certain transactions. Although BPOC generally makes new investments for one Fund only after a predecessor Fund is substantially invested or committed as more fully described in the applicable Fund's Governing Documents, management of side-by-side Funds can create an incentive for the Firm or its personnel to favor a Fund in which BPOC or an affiliate have a greater financial interest. To the extent that BPOC has Funds with varying

Carried Interest terms (including amount, timing waterfall conditions or other terms) and/or BPOC personnel are assigned varying percentages of Carried Interest from a Fund, BPOC and such personnel are subject to potential conflicts of interest to the extent they are involved in identifying investment opportunities as appropriate for a Fund from which they are entitled to receive a higher Carried Interest percentage.

To help minimize such conflicts of interest, BPOC allocates investment opportunities which satisfy the investment parameters of more than one Fund in accordance with BPOC's policies and procedures regarding investment allocation and applicable Governing Documents and taking into consideration certain factors, as determined in the Firm's sole discretion, which include, but are not limited to: the amount of available capital commitments of the applicable Fund(s); anticipated future capital requirements of an investment opportunity; life-cycle of the applicable Fund(s); expected time to obtain liquidity; legal, tax and regulatory considerations; and any other factors deemed relevant by BPOC. BPOC's procedures are designed to ensure that all investment decisions are made in accordance with BPOC's fiduciary duties to its Funds and without consideration of BPOC's (or its affiliates' or employees') pecuniary interest. BPOC will not allocate investment opportunities based in whole or in part on the relative fee structure or amount of fees paid by any Fund or the profitability of any Fund. Investment allocation decisions are determined by the investment committee.

Item 7 – Types of Clients

Describe the types of clients to whom you generally provide investment advice, such as individuals, trusts, investment companies, or pension plans. If you have any requirements for opening or maintaining an account, such as a minimum account size, disclose the requirements.

BPOC provides investment advice to the Funds. The limited partners participating in the Funds include individuals, banks or thrift institutions, other investment entities, pension and profit-sharing plans, endowments, trusts, estates or charitable organizations or other corporations or business entities and include, directly or indirectly, principals or other employees of BPOC and its affiliates, including Operating Partners. The Funds generally have minimum investment amounts varying from \$1.0 million to \$5.0 million for third-party limited partners, although commitments of less than \$1.0 million have been accepted in the sole discretion of the applicable Fund's General Partner. Limited partners in the Funds must meet certain suitability and net worth qualifications prior to making an investment in the Funds. Limited partners must generally be (i) "accredited investors" as defined under Regulation D of the Securities Act of 1933, and either (ii) "qualified clients" as defined in the Advisers Act, or (iii) "qualified purchasers" or "knowledgeable employees," each as defined under the Investment Company Act. The Funds are not registered or required to be registered under the Investment Company Act; their securities are not made available to the general public; their securities are not registered or required to be registered under the Securities Act of 1933; and Fund interests are privately placed to qualified investors. Qualified investors include individuals or entities to which Fund interests are permitted to be sold, which generally includes (i) in the United States, people or organizations who meet certain net worth, income and/or financial sophistication requirements as described above or (ii) in other countries, as

permitted by the relevant securities laws in such jurisdiction and in compliance with any foreign offering provisions applicable to BPOC and/or the Funds.

BPOC will generally pursue all appropriate investment opportunities through its Fund vehicles, subject to certain limited exceptions. However, from time to time, when an investment requires additional capital, for portfolio diversification reasons or in order to complete a portfolio company transaction, BPOC reaches out to select limited partners and other third parties for additional capital. These co-investments are not managed by BPOC, are not subject to custody by BPOC and are not deemed to be clients of BPOC. Nevertheless, BPOC will perform management, advisory and other services for the portfolio companies in which these co-investment vehicles invest alongside the Funds, generally at no cost to such vehicles except portfolio company fees and expenses (which such fees and expenses are recorded at the portfolio company).

Determinations on selecting co-investors are based on the provisions of the applicable Governing Documents and such other factors as BPOC will consider in its sole discretion, including those specified in its policies on investment allocation and co-investments. Subject to any restrictions contained in the Governing Documents of the relevant Fund or any side letter or other terms negotiated with respect to such Fund, in general no investor has a right to participate in any co-investment opportunity. Opportunities to invest in a portfolio company are made available to select persons or entities, including limited partners and third parties who are not currently Fund limited partners, such as, without limitation, management or founders of the applicable portfolio company, strategic investors, lenders, deal sources (including finders and consultants), other sponsors (including other private equity or venture capital firms), service providers, Operating Partners other persons or entities affiliated, associated or otherwise known to BPOC or its personnel. Additionally, on occasion certain individuals who source transactions or provide financing for a transaction will negotiate co-investment rights or co-investment priority rights as a component of their compensation or other arrangements with the relevant Fund. In such circumstances, the size of the investment opportunity otherwise available to the Fund will be less than it would otherwise have been without the inclusion of such co-investors. BPOC's exercise of discretion in allocating co-investment opportunities often will not result in proportional allocations among such co-investors and such allocations can be more or less advantageous to some co-investors relative to other co-investors.

Co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as a Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or Co-Investment Fund purchases a portion of an investment from a Fund after such Fund has consummated its investment in the portfolio company (also known as a post-closing sell-down or transfer). Any such purchase from a Fund by a co-investor or Co-Investment Fund generally occurs shortly after the Fund's completion of the investment to avoid any changes in valuation of the investment. When co-investors purchase their interest from a Fund after the Fund has consummated the investment, the price paid by co-investors is typically determined by the Fund's General Partner in its sole discretion. The price may not reflect the full cost incurred by the Fund in connection with the investment, any interest charge on the co-investment amount, the cost of establishing the credit

facility utilized to acquire the portfolio company (if applicable) or the risk borne by the Fund in connection with purchasing and warehousing the investment. In either case, potential co-investors typically do not bear any transaction costs of investments that are not consummated and are not subject generally to the same risks to which a Fund is throughout the investment process. The Funds will bear the risk that any co-investors acquiring an interest in an investment after the closing of such investment will acquire such interest on terms that do not reflect the then-current value of such investment. In addition, to the extent that BPOC engages in a secondary liquidity transaction in connection with an investment, co-investors will not necessarily receive the same liquidity options as investors in a Fund and may therefore be compelled to receive cash or continue to hold an interest in the investment, depending on the particular facts of the transaction.

In the event BPOC is not successful in offering a co-investment opportunity to potential co-investors, in whole or in part, a Fund may consequently hold a greater concentration and have greater exposure in the related investment opportunity than was originally intended, which could make the Fund more susceptible to fluctuations in value resulting from adverse economic and/or business conditions with respect thereto and would result in a greater concentration of risk as a result. To mitigate such risk, each investment is subject to concentration limits as described in the relevant Fund Governing Documents. Despite these concentration limits, it is possible an investment that is not syndicated to co-investors as originally anticipated could result in a significant impact to a Fund's overall investment returns. As fees paid by or on behalf of co-investors in portfolio companies are not subject to a Management Fee offset and are thus retained by BPOC, the opportunity to receive such fees could present a conflict of interest. Further, as Management Fees are offset based on each Fund's invested capital in an investment, the inclusion of co-investors presents a conflict of interest in that BPOC could be incentivized to allocate a greater portion of an investment to a co-investor than it would have otherwise allocated absent such an arrangement. BPOC seeks to address any such potential conflict of interest by investing in accordance with its policies and procedures governing investment allocation and co-investments.

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

A. Describe the methods of analysis and investment strategies you use in formulating investment advice or managing assets. Explain that investing in securities involves risk of loss that clients should be prepared to bear.

BPOC focuses on completing private equity investments in companies operating in targeted healthcare verticals. The Funds invest primarily in buyout and recapitalization transactions in middle market healthcare companies in acquisitions of subsidiaries from corporations, recapitalizations of founder-managed entities and management-led purchases of, and investments in, independent businesses. In completing buyout and recapitalization transactions, BPOC partners with experienced management teams and seeks to create value through the involvement of dedicated Operating Partners and hands-on involvement from the investment partners. BPOC seeks to implement value creation plans that focus on human capital development, organic growth, acquisitions and operational improvements. BPOC intends to act as lead or co-lead in the due diligence and investment structuring and to acquire majority board

representation in each of the Fund's portfolio companies. Investment amounts will typically range from \$25 million to \$100 million, including limited partner co-investments. The Funds are also permitted to make substantial minority investments in certain companies.

To identify attractive investment target sectors within the healthcare industry, BPOC rigorously monitors trends in reimbursement, regulation, capital markets, competition and industry consolidation. Based upon the Firm's experience and analysis of current trends, the Funds emphasize the following healthcare sectors: (i) pharmacy and pharma services; (ii) medical products and distribution; (iii) outsourced services; and (iv) providers. BPOC also explores other sectors as trends in healthcare technology, delivery and payment options continue to evolve.

B. For each significant investment strategy or method of analysis you use, explain the material risks involved. If the method of analysis or strategy involves significant or unusual risks, discuss these risks in detail. If your primary strategy involves frequent trading of securities, explain how frequent trading can affect investment performance, particularly through increased brokerage and other transaction costs and taxes.

The Funds and their limited partners bear the risk of loss that BPOC's investment strategy entails. Although the following risk factors generally apply to all BPOC Funds, limited partners should also refer to a Fund's Governing Documents for a description of the risk factors specific to their Fund. Prospective limited partners are cautioned that investments in securities involve risk of loss, including the possibility of a complete loss of the amount invested, and that they should be prepared to bear these risks. Different or new risks not addressed below can arise in the future and, therefore, the following list is not intended to be exhaustive. All limited partners should be aware of certain risk factors, which include, but are not limited to, the following:

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

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

Concentration of Investments; Lack of Diversification. The Funds generally are permitted to invest a significant portion of their aggregate capital commitments in any single portfolio company (including its direct or indirect subsidiaries and guarantees or other credit support), likely will participate in a limited number of investments and intend to make most of their investments in one industry or one industry segment. As a result, the Funds' investment portfolios are expected to become highly concentrated, and the performance of a few holdings or of a particular industry can substantially affect a Fund's aggregate return. If a Fund co-invests with another private equity fund, a limited partner invested in such other Fund likely will have exposure to a single portfolio company through more than one fund, potentially multiplying such limited partner's losses.

In addition, because the Funds only make a limited number of investments and such investments generally will involve a high degree of risk, poor performance by even a single investment could severely affect total returns. If certain investments perform unfavorably, then in order for the Funds to achieve above-average returns, one or a few of its investments must perform very well, and there can be no assurances that this will be the case.

Investments in Public Companies. The Funds are permitted to invest in public companies (subject to restrictions set forth in each Fund's Governing Documents) or take private formerly public portfolio companies or hold public securities following an initial public offering of a Fund portfolio company. Investments in public companies subject the Funds to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include movements in the relevant stock market and trends in the economy, greater volatility in the valuation of such companies, increased obligation to disclose information regarding such companies, limitations on the ability of the Funds to dispose of such securities at certain times (including due to the possession by the Funds of material non-public information), increased likelihood of shareholder litigation and insider trading allegations against such companies' executives and board members, which likely would include BPOC personnel, regulatory action and increased costs associated with each of the aforementioned risks.

Unspecified Investments. Limited partners will be relying on the ability of BPOC to locate and evaluate the investments to be made by the Funds. The activity of identifying, completing and realizing private equity investments involves a high degree of uncertainty and is subject in some cases to the prevailing capital market, regulatory or political environment. There can be no assurance that BPOC will be able to locate or a Fund will be able to complete portfolio investments that satisfy such Fund's rate of return objectives or, if completed, realize such investments for fair or attractive values or that a Fund will be able fully to invest its committed capital.

Lack of Sufficient Investment Opportunities. The business of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. The Funds will encounter competition from other entities having similar investment objectives. Potential competitors include other investment partnerships and corporations, strategic industry acquirers and other financial investors, including hedge funds and other private equity funds, investing directly or through affiliates. Over the past several years, an ever-increasing number of investment funds have been or are being formed, and many existing sponsors have increased the size of successor funds as compared to their corresponding prior funds. Other investment funds with similar investment objectives to the Funds likely will be formed in the future by other unrelated parties. It is possible that some of these competitors will have more relevant experience, greater financial resources, a greater willingness to take on risk, and/or more personnel than BPOC.

In this highly competitive environment, the valuations of many potential target companies have recently risen to historically high levels as measured by multiples of EBITDA. BPOC expects that competition for appropriate investment opportunities likely will, in some cases, increase, which could require the Funds to participate in auctions, the outcome of which cannot be guaranteed, thus reducing the number of investment opportunities available to the Funds and/or adversely

affecting the terms upon which portfolio investments can be made. Additionally, it is possible that the Funds will incur bid, due diligence or other costs on investments that are not successful. As a result, it is possible that the Funds will not recover all of such costs, which would adversely affect returns.

To the extent that the Funds encounter competition for investments, it is possible that returns to limited partners, if any, would decrease. In addition, it is possible that the Funds will never be fully invested if enough sufficiently attractive investments are not identified. Moreover, regardless of the extent to which commitments of the limited partners are invested (or drawn down to be invested), limited partners will be required to bear Management Fees through the Funds during the commitment period based on the entire amount of the limited partners' commitments and other expenses as set forth in the Governing Documents of each Fund.

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. The Funds' ability to dispose of investments can be limited for several reasons. Illiquidity can result from the absence of an established market for the investment, as well as legal, contractual or other restrictions on their resale by a Fund. Dispositions of investments can be subject to contractual and other limitations on transfer or other restrictions that would interfere with subsequent sales of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In addition, the ability to exit an investment through the public markets will depend upon favorable market conditions, including receptiveness to initial or secondary public offerings for the companies in which the Funds invest and an active mergers and acquisitions (or recapitalizations and reorganizations) market. Public offering, merger and acquisition and recapitalization and reorganization opportunities can be limited or non-existent for extended periods of time, whether due to economic, regulatory or other factors. In view of these limitations on liquidity, the Funds generally will not be able to return capital or realize gains, if any, on an investment in a privately-held entity until the partial or complete disposition of such entity. While an investment can be disposed of at any time, it is generally expected that this will not occur for a number of years after the initial investment. Before such time, it is possible that there will be no current return on the investment. Furthermore, there can be no guarantee that the expenses of operating the Funds (including the Management Fee) will not exceed its income, thereby requiring that the difference be paid from a Fund's capital, including unfunded commitments. In view of the fact that the Funds are only obligated to make distributions to the extent of distributable cash, if any, after taking into account reserves for future obligations and can, subject to certain limitations set forth in the Governing Documents, reinvest, rather than distribute, or otherwise recall certain proceeds from investments, if any, an investment in the Funds is not suitable for prospective limited partners seeking current income for financial or tax planning purposes.

Leveraged Investments; Borrowing. The Funds are permitted to make use of leverage by incurring or having a portfolio company incur debt to finance a portion of its investment in a given portfolio company, including in respect of companies not rated by credit agencies. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment, and the magnification of the risk of loss can be substantial. The cost and availability of leverage is highly dependent on the state of the broader credit markets, which can be impacted

by regulatory restrictions and guidelines and which state is difficult to accurately forecast, and at times it can be difficult to obtain or maintain the desired degree of leverage. The availability of leverage also is subject to governmental and regulatory oversight, and certain governmental bodies (including the U.S. Federal Reserve System (the "Federal Reserve"), the U.S. Office of the Comptroller of the Currency and the U.S. Federal Deposit Insurance Corporation) can restrict or otherwise discourage lending that results in companies carrying large amounts of debt. The use of leverage by a Fund will also result in interest expense and other costs to a Fund that will not necessarily be covered by distributions made to the Fund or appreciation of its investments. The use of leverage also imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and can impair its ability to operate its business 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 such Fund's investments in the leveraged portfolio companies in a down market. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Fund has the potential to suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of the Fund. Additionally, lenders would typically have a claim that has priority over any claim by a Fund to the assets of such portfolio company in an insolvency event or proceeding. 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, there can be no guarantee that such Fund will be able to achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which the Funds invest generally will not be rated by a credit rating agency. If a portfolio company is unable to obtain favorable financing terms for its investments, refinance its indebtedness or maintain a desired or optimal amount of financial leverage, it is possible that a Fund will hold a larger than expected equity investment in such portfolio company, the result of which could be to realize lower than expected returns, if any, with respect to the portfolio company that were expected when the investment was underwritten, which would also adversely affect a Fund's ability to generate attractive investment returns for a Fund as a whole. Any failure by lenders to provide previously committed financing could also expose a Fund to potential claims by sellers of businesses which a Fund has been contracted to purchase.

A Fund is permitted to borrow money or guarantee indebtedness (such as a guarantee 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 the Fund would be compensated for providing such guarantee or exposure to such liability. BPOC has borrowed money or guaranteed indebtedness in the past. Although use of such borrowing facilities generally enhances BPOC's ability to close transactions quickly, such activity also increases risk and raises the possibility that BPOC will need to call additional capital to pay off such debt. Any use of leverage by a Fund generally also will result in fees, interest expense and other costs to the Funds that will exceed or otherwise not necessarily be covered by distributions made to the Funds 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 limitation regarding the amount of time such leverage can remain outstanding. The Funds are permitted to incur leverage on a joint

and several basis with one or more other investment funds and entities managed by or otherwise affiliated with BPOC or any of its affiliates and, in connection with incurring such indebtedness, BPOC is permitted, in its sole discretion, to cause a Fund to enter into one or more agreements to obtain a right of contribution, subrogation or reimbursement from or against such entities. However, it is possible that, if and when a Fund were to seek to enforce any such right, any such entity could default on its obligation and/or such right could otherwise be unenforceable. In addition, to the extent a Fund incurs leverage or provides any guarantee, such amounts are permitted to be secured by the commitments of a Fund's limited partners and other Fund assets. The inability of a Fund to repay any leverage secured by the capital commitments of the Fund's limited partners could enable a lender to issue a capital call on behalf of a Fund.

Although borrowings by a Fund has the potential to enhance overall returns that exceed the Fund's cost of capital, such borrowings increase the potential exposure of a Fund to a particular investment above the level the Fund would have typically made had an investment been limited to equity. Any such borrowings would further diminish returns (or increase losses on capital) to the extent overall returns are less than the Fund's cost of funds. To the extent a Fund uses borrowed funds in advance or in lieu of capital contributions or a portfolio company borrows funds directly through the Fund facility, the Fund's limited partners generally make later capital contributions, but the Fund will bear the expense of interest on such borrowed funds. Calling a large amount of capital at once to repay the then-current amount outstanding under the credit facility could cause liquidity concerns for limited partners that would not arise had the Firm called smaller amounts of capital incrementally over time as needed. 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. In addition, a Fund's use of borrowed funds will impact the calculation of net performance metrics (to the extent that they measure limited partner cash flows) and has the potential to make net IRR calculations higher than they otherwise would be without Fund-level borrowing (especially where financing remains outstanding for longer durations) as these calculations generally depend on the amount and timing of capital contributions, which timing is shortened by virtue of the use of the line of credit either (i) by purchasing an investment prior to a capital call or (ii) by facilitating a distribution in advance of the settlement of a transaction or in advance of when funds would otherwise have been available. The Funds typically pay interest on amounts borrowed under the credit facility and also pay a fee on the undrawn portion of the credit facility. Funds customarily pay a one-time fee for establishing the credit facility as well as certain other one-time and recurring fees and expenses. While a Fund will bear the expense of borrowed funds, such borrowings can also increase the Carried Interest received by the Fund's General Partner by decreasing the amount of distributions from the Fund that are required to be made to limited partners in satisfaction of any preferred return. The General Partners therefore have a conflict of interest in deciding whether to borrow funds because a General Partner has the potential to receive disproportionate benefits from such borrowings and can be deemed to benefit during fundraising from the enhanced IRR. However, the higher interest rates currently in effect minimize the J-curve effect of the use of the line of credit on a Fund's IRR and minimizes such conflict of

interest. Moreover, tax-exempt limited partners should note that the use of borrowings by a Fund has the potential to cause the realization of UBTI.

Bridge Financings. Although BPOC generally structures Funds to avoid cross-guarantees and other circumstances in which one Fund bears liability for all or part of the obligations of another Fund, in certain circumstances (i) a cross-guarantee would be more efficient and convenient for administrative purposes and/or (ii) lenders and other market parties negotiate for the right to face only select Fund entities, which would result in a single Fund being solely liable for other Funds' share of the relevant obligation and/or joint and several liability among Funds. In each such case, BPOC intends to cause the relevant other Funds to enter into a back-to-back guarantee, indemnification or other similar reimbursement arrangement; provided, however, that the Fund undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements.

A Fund has in the past drawn on its line of credit to provide bridge financing to a portfolio company. In such circumstances, the portfolio company is not a guarantor on the line of credit although it does receive the benefit of the loan. The portfolio company repays the loan and all interest and fees on the loan and the Fund generally does not incur any expenses associated with use of the Fund's line of credit.

In the event BPOC or a General Partner to a Fund lends the Fund capital through a short-term loan facility to bridge an investment pending the receipt of capital contributions from the Fund limited partners, subject to such Fund's Governing Documents, the General Partner is authorized to charge (or decide not to charge) such Fund (including the Fund limited partners) interest costs incurred in connection with such loan for the time period between the receipt of capital from such loan to the date on which the loan is paid off by such Fund.

Limited Partner Participation in Portfolio Company Financing. On occasion, BPOC enters into transactions (such as co-investment opportunities or directed debt purchases) with certain Fund limited partners such as, for example, limited partners who are also business partners, such as insurance agents, investment banks, broker-dealers, legal counsel or others who provide services (including mezzanine and/or other lending arrangements) to the Firm, Funds and portfolio companies. BPOC pursues debt financing on terms it believes are advantageous for a Fund when weighing all the factors relevant to the transaction, including the prevailing financing rates and any original issue discount, scope of positive and negative debt financing covenants, prior experience with the applicable counterparty, and such counterparty's execution capability, reputation and expertise within the industry. On such occasions, the Firm receives competitive bids from other debt providers and ensures that the transaction is in the portfolio company's best interest. Notwithstanding the foregoing, BPOC is subject to potential conflicts of interest when determining such terms because it is possible that the Firm will benefit from retaining such limited partners' investment in the Funds.

Loans in Lieu of Distributions. Pursuant to the Governing Documents, certain distributions to the General Partners is permitted to be deferred to the extent the amount distributable exceeds a General Partner's tax basis in the Fund. In such case, the deferred distribution amount is

permitted to be loaned by a Fund to its General Partner. Any interest accruing with respect to such a loan will be allocated and distributed solely to the relevant General Partner.

Uncertainty of Projections. The Funds use financial projections to help analyze a current or future financing for portfolio companies, limited partner reporting or other transactions. 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 BPOC 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. Also, general economic factors, which are not predictable, can have a material effect on the reliability of projections. The inaccuracy of certain assumptions, the failure to satisfy certain financial requirements and the occurrence of other unforeseen events could impair the ability of a portfolio company to realize projected values. There can be no assurance that the results set forth in any projections will be attained, and actual results can be significantly different from projections.

Risks in Effecting Operating Improvements. In some cases, the success of a Fund's investment strategy will depend, in part, on the ability of the Fund to effect improvements in the operations of a portfolio company. The activity of identifying and implementing operating improvements at portfolio companies entails a high degree of uncertainty. In addition, executing operational improvements likely will divert the attention of key personnel and disrupt normal business. There can be no assurance that the Funds will be able to successfully identify and implement such improvements or that any such successfully implemented improvements will result in a return on invested capital with respect to such portfolio company.

Risks Relating to Due Diligence of and Conduct at Portfolio Companies; Expedited Transactions. Before making investments, BPOC typically will conduct such due diligence as it deems reasonable and appropriate based on the facts and circumstances applicable to each investment. Due diligence generally will entail evaluation of important and complex business, financial, tax, accounting, technical, environmental, regulatory and legal issues. Outside consultants, legal advisors, accountants, investment banks and other third parties, including Operating Partners and other Third-Party Professionals, are expected to be involved in the due diligence process to varying degrees depending on the type of investment and the facts and circumstances related thereto and BPOC expects to rely on the advice received from such third parties. Investment analyses and decisions by BPOC will often be undertaken on an expedited basis in order for the Funds to take advantage of investment opportunities and/or consummate investments. In such cases, the information available to BPOC at the time of an investment decision can be limited, and the Firm will not necessarily have access to the detailed information necessary for a full evaluation of the investment opportunity. The due diligence investigation carried out with respect to any investment opportunity will not reveal or highlight all relevant facts necessary or helpful in evaluating such investment opportunity. Moreover, such an investigation will not necessarily result in an investment being successful or even ensure a return on invested capital.

Uncertain Economic, Social and Political Environment. Consumer, corporate and financial confidence can be adversely affected by current or future tensions around the world, fear of

terrorist activity and/or military conflicts, localized or global financial crises, virus or disease epidemics or other sources of political, social or economic unrest. Such erosion of confidence can lead to or extend a localized or global economic downturn. A climate of uncertainty can reduce the availability of potential investment opportunities, and can increase 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 can have an adverse effect on the economy generally and on the ability of the Funds and their portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This has the potential to slow the rate of future investments by the Funds and result in longer holding periods for investments. Furthermore, such uncertainty or general economic downturn can have an adverse effect upon the Funds' portfolio companies.

General Economic and Market Conditions: The private equity industry generally and the success of the Funds investment activities specifically will be affected by general economic and market conditions, as well as by changes in laws, currency exchange controls, and national and international political and socioeconomic circumstances. Such factors are unpredictable and cannot be controlled by BPOC. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) can have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally can reduce the availability of attractive investment opportunities for the Funds and can affect the Funds' ability to make investments. Instability in the securities markets and economic conditions generally (including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates) can also increase the risks inherent in the Funds' investments and could have a negative impact on the performance and/or valuation of the Funds' portfolio companies. The Funds' performance can be affected by deterioration in the capital markets and by market events, including events similar to the credit crisis in the summer of 2007 or the downgrading of the credit rating of the United States in 2011 or recent events, which, among other things, can impact the public market comparable earnings multiples used to value privately held portfolio companies and investors' risk-free rate of return. Movements in foreign exchange rates can adversely affect the value of investments in portfolio companies and the Funds' performance. Volatility and illiquidity in the financial sector can have an adverse effect on the ability of the Funds to sell and/or partially dispose of their portfolio company investments. Such adverse effects can include the requirement of a Fund to pay breakup, termination or other fees and expenses in the event the Fund is not able to close a transaction (whether due to the lenders' unwillingness to provide previously committed financing or otherwise) and/or the inability of the Fund to dispose of investments at prices that BPOC believes reflect the fair value of such investments. The impact of market and other economic events can also affect the Funds' ability to obtain funding to support their investment objective. Any of the foregoing events could result in substantial or total losses to the Funds in respect of certain portfolio investments, which losses will likely be exacerbated by the presence of leverage in a portfolio company's capital structure and can be magnified by the expected limited geographic diversity of the Funds' investments.

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the Fund's banks, brokers, hedging counterparties, lenders or other custodians of some or all

of the Fund's assets (each, a "Financial Institution") fails to perform its obligations or experiences insolvency, closure, 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 or accounting irregularities. In the event a Financial Institution experiences a Distress Event, BPOC, 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 ("FDIC"), in the case of banks, or the Securities Investor Protection Corporation ("SIPC"), in the case of certain broker-dealers, amounts in excess of the relevant insurance 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 BPOC to manage the Funds and their investments, and on the ability of BPOC, any Fund and/or portfolio companies to maintain operations, which in each case could result in significant losses and unconsummated investment acquisitions and dispositions. Such losses have the potential to include a Fund to pay fees and expenses in the event the Fund is not able 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 investors to make capital contributions or otherwise), as well the inability of a Fund to acquire or dispose of investments at prices that the relevant General Partner believes reflect the fair value of such investments and/or the inability of BPOC and/or the portfolio companies to make payroll, fulfill obligations and maintain operations. Although BPOC expects to exercise contractual remedies under the agreements with Financial Institutions in the event of a Distress Event, there can be no assurance that such remedies will be successful or avoid losses or delays. In addition, in the event BPOC determines to change Financial Institutions, there is a risk that the transfer of cash or other assets, especially if done in an expedited manner, will result in a technical violation of Advisers Act Rule 206(4)-2 (the "Custody Rule"), even if performed in the Firm's best judgment of its efforts to fulfill its obligations and maintain operations, including its ability to close transactions, make payroll or otherwise.

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

Use of Expert Networks and Data Analytics. In connection with the evaluation of potential investment opportunities, BPOC on occasion engages expert networks and/or makes use of data analytics, including data provided by third-party vendors. BPOC seeks to avoid inadvertently obtaining confidential information from such sources and has therefore implemented policies and procedures to mitigate the risk that the use of expert networks or data analytics could result in the receipt of confidential information by investment professionals.

Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. The recent deterioration of the global credit markets has made it more difficult for investment funds such as the Funds to obtain favorable financing for investments. A widening of credit spreads, coupled with the deterioration of the sub-prime and global debt markets and a rise in interest rates, has dramatically reduced investor demand for high yield debt and senior bank debt, which in turn has led some investment banks and other lenders to be unwilling to finance new private equity investments or to only offer committed financing for these investments on unattractive terms. A Fund's ability to generate attractive investment returns may be adversely affected to the extent the Fund is unable to obtain favorable financing terms for its investments. Moreover, to the extent that such marketplace events are not temporary and continue, they may have an adverse impact on the availability of credit to businesses generally and could lead to an overall weakening of the U.S. and global economies. Such marketplace events also may restrict the ability of a Fund to realize its investments at favorable times or for favorable prices.

Adequacy and Availability of Insurance. While a Fund may seek to make investments where insurance and other risk management products (to the extent available on commercially reasonable terms) are utilized to mitigate the potential loss resulting from catastrophic events and other risks customarily covered by insurance, this may not always be practicable or feasible. Moreover, it will not be possible to insure against all such risks, and such insurance proceeds as may be derived in a timely manner from covered risks may be inadequate to completely or even partially cover a loss of revenues (e.g., it is possible a business interruption insurance will not provide any or adequate coverage relating to shutdowns caused by pandemic health emergencies), an increase in operating and maintenance expenses and/or a replacement or rehabilitation. Certain losses of a catastrophic nature, such as those caused by wars, earthquakes, terrorist attacks or other similar events, can be either uninsurable or insurable at such high rates as to adversely impact a Fund's profitability. In addition, the availability of adequate insurance (including general partner liability and directors and officers policies) are subject to market factors and recent trends have increased both the cost of (in some cases substantially) and the difficulty of obtaining such policies, which trend can continue depending upon various market conditions. The Funds may also invest in jurisdictions in which insurance is unavailable. There can be no assurance that any particular risks that are currently insurable will continue to be insurable on an economically affordable basis.

Non-U.S. Investments. A Fund is permitted to invest a portion of its aggregate commitments in portfolio companies that are organized or headquartered or have substantial sales or operations outside of the United States, its territories and possessions. Investments in non-U.S. securities or instruments involve certain factors not typically associated with investing in U.S. securities and instruments, including risks relating to: (i) currency exchange matters, including fluctuations in

the rate of exchange between the U.S. dollar and the various non-U.S. currencies in which the Fund's non-U.S. investments can be denominated (including risks associated with potentially rapid inflation), and costs associated with conversion of investment principal and income from one currency into another; (ii) exposure to fluctuations in interest rates payable with respect to the instruments in which the Funds invests; (iii) differences in conventions relating to documentation, settlement, corporate actions, stakeholder rights and other matters; (iv) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets; (v) the absence of uniform accounting, auditing, and financial reporting standards, practices and disclosure requirements, and less (or more) government supervision and regulation; (vi) certain economic, social and political risks, including potential exchange control regulations and restrictions on non-U.S. investment and repatriation of capital, the risks of political, economic, governmental or social instability, including the risk of sovereign defaults, regulatory change and the possibility of expropriation or confiscatory taxation; (vii) the possible imposition of non-U.S. taxes on income, gains and gross sales or other proceeds recognized with respect to such securities or instruments; (viii) the application of complex U.S. and non-U.S. tax rules to cross-border investments; (ix) possible non-U.S. tax return filing requirements for the Funds; (x) differing and potentially less well-developed or well-tested corporate laws regarding stakeholder rights, creditors' rights (including the rights of secured parties), fiduciary duties and the protection of investors; (xi) differences in the legal and regulatory environment or enhanced legal and regulatory compliance; (xii) political hostility to investments by foreign or private equity investors; (xiii) less publicly available information; (xiv) economic dislocations in the host country; (xv) less well-developed regulatory institutions; (xvi) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (xvii) civil disturbances; and (xviii) nationalization and expropriation of private assets.

Control Person Liability. The Funds typically have controlling interests in a number of its portfolio companies. The exercise of control over a company imposes additional risks of liability for environmental damage, product defects, pension and other fringe benefits, failure to supervise management, violation of laws and governmental regulations (including securities laws) and other types of liability, for which the limited liability generally afforded to limited partners will potentially be ignored. In particular, if determined to be a direct owner or operator of any of the portfolio company's facilities or operations, a Fund could face strict, joint and several liability under environmental laws for hazardous substance or contamination-related liabilities. If any such liabilities were to arise, a Fund might suffer significant losses. While BPOC intends to manage the Funds in a manner that will minimize the exposure of these risks, the possibility of successful claims against a Fund and/or its affiliates cannot be precluded.

Director Liability. The Funds will often seek to obtain the right to appoint one or more representatives to the board of directors (or similar governing body) of the companies in which it invests (each, a "Board Representative"). In those instances where a Fund is not the sole shareholder of the applicable portfolio company, it is possible that a Board Representative will have duties to persons other than the Fund. Serving on the board of directors (or similar governing body) of a portfolio company exposes the Board Representative, and ultimately the Fund, to potential liability. Not all portfolio companies will obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain could ultimately be insufficient to

adequately protect against 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.

Litigation. The transactional nature of the business of the Funds exposes the Funds, BPOC and their respective affiliates generally to the risk of third-party litigation. As such, in the ordinary course of its business, it is possible that a Fund will be subject to litigation from time to time. Under the Governing Documents, the Funds generally will be responsible for indemnifying BPOC and certain of its affiliates for costs they incur with respect to such litigation not covered by insurance. The outcome of litigation proceedings has the potential to materially adversely affect the value of the Funds and can continue without resolution for long periods of time. Additional regulation could also increase the risks of third-party litigation. Any litigation can consume substantial amounts of BPOC's and the principals' time and attention, and that time and the devotion of these resources to litigation can, at times, be disproportionate to the amounts at stake in the litigation.

Lack of Unilateral Control. The Funds are permitted to hold minority stakes in privately held or public companies and as a result can have limited minority protection rights. In such instances, the Funds can have limited liquidity rights and management and/or control rights with respect to the operation of such companies and can be entirely dependent on the decisions of the portfolio company and/or third-party investors. As is the case with minority holdings in general, such minority stakes that a Fund holds will have neither the control characteristics of majority stakes nor the valuation premiums accorded majority or controlling stakes. Where a Fund holds a minority stake, it is possible that it will be more difficult for such Fund to liquidate its interests than it would be had the Fund owned a controlling interest in such company. Even if a Fund has contractual rights to seek liquidity of its minority interests in such companies, it can be very difficult to sell such interests or seek a sale of such company upon terms acceptable to the Fund, especially in cases where the other investors in such company have different business and investment objectives and goals. In addition, the Funds are permitted to co-invest with third parties through partnerships, joint ventures or other entities or arrangements as a co-venturer or partner. Such investments can involve risks not present in investments where a third party is not involved, including the possibility that: (i) the Funds and such co-venturer can reach an impasse on a major decision that requires the approval of both parties; (ii) a co-venturer or partner of the Funds can at any time have economic or business interests or goals that are inconsistent with those of the Funds; (iii) the co-venturer or partner can encounter liquidity or insolvency issues or can become bankrupt; (iv) the co-venturer or partner can be in a position to take action contrary to the Funds' investment objective; (v) the co-venturer or partner can take actions that subject the investment to liabilities in excess of, or other than, those contemplated; or (vi) in certain circumstances the Funds can be liable for actions of its co-venturers or partners. The co-venturer or partner can be a joint venture partner or interest holder in another joint venture or other vehicle in which BPOC or its affiliates has an interest or otherwise controls. The co-venturer or partner can also be entitled to receive payments from, or allocations or performance-based compensation (e.g., Carried Interest) in respect of, such investments, and in such circumstances, any such amounts will not be for the benefit of the Funds (and will not reduce the Management Fee). In addition, the Funds can co-invest with third-party co-investors or partners whose ability to

influence the affairs of the companies in which the Funds invest can be significant, and even greater than that of the Funds and as such, the Funds can be required to rely upon the abilities and management expertise of such co-venturer or partner. It can also be more difficult for the Funds to sell their interests in any joint venture, co-investment, partnership or entity with other owners than to sell their interests in other types of investments (and any such investment can be subject to a buy-sell right). The Funds can grant co-venturers or partners approval rights with respect to major decisions concerning the management and disposition of the investment, which would increase the risk of deadlocks or unanticipated exits from an investment. A deadlock could delay the execution of the business plan for the investment or require a Fund to engage in a buy-sell of the venture with the co-venturer or partner or conduct the forced sale of such investment or require alternative dispute resolution in order to resolve such deadlock. As a result of these risks, a Fund can be unable to fully realize its expected return on any such investment. Further, to the extent that a Fund offers any co-investment opportunity to any limited partners, some or all of the risks described above can also apply to such co-investments.

Contingent Liabilities Upon Disposition. In connection with the disposition of an investment, a Fund and its General Partner may be required to make (and/or be responsible for another person's or entity's breach of) representations and warranties, e.g., about the business and financial affairs of the applicable portfolio company, the condition of its assets and the extent of its liabilities, in each case generally in the nature of representations and warranties typically made in connection with the sale of similar businesses, and may be responsible for the content of disclosure documents under applicable securities laws. They may also be required to indemnify the purchasers of such investment or underwriters to the extent that any such representations or disclosure documents are inaccurate. These arrangements have the potential to result in contingent liabilities, which would be borne by a Fund and, ultimately, its investors. In such a situation, BPOC reserves the right to require limited partners to return distributions received by them to pay such indemnification obligations, subject to certain limitations provided in the Governing Documents. Furthermore, under the Delaware Revised Uniform Limited Partnership Act, each limited partner that receives a distribution in violation of such Act will, under certain circumstances, be obligated to recontribute such distribution to the Fund.

General Risks of Investments in Healthcare Companies. Investments in healthcare companies involve a high degree of business and financial risk and can result in substantial or total losses. Healthcare companies can face intense competition, including competition from companies with greater financial resources, more extensive research and development, sales and marketing, customer services and support and other capabilities and a larger number of qualified managerial and technical personnel. Companies in which the Funds invest could deteriorate for a variety of reasons, including an adverse development in their business, a change in the competitive environment or an economic downturn. The Funds' portfolio companies can 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.

Healthcare Regulation and Reimbursement. Various segments of the healthcare industry are (or can become) (i) highly regulated at both the federal and state levels in the U.S. and internationally, (ii) subject to frequent regulatory change and (iii) dependent upon various government or private insurance reimbursement programs. While the Funds intend to make investments in companies that comply with relevant laws and regulations, certain aspects of their operations will potentially not have been subject to judicial or regulatory interpretation. An adverse review or determination by any one of such authorities, or an adverse change in the regulatory requirements or reimbursement programs, could have a material adverse effect on the operations and/or financial performance of healthcare-related companies. In recent years, both local and national governmental budgets have come under pressure to reduce spending and control healthcare costs, which could both adversely affect regulatory processes and public funding available for healthcare products, services and facilities. In March 2010, comprehensive healthcare reform legislation was enacted in the United States through the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or PPACA (collectively, the “Health Care Reform Act”). These laws are intended to increase health insurance coverage through individual and employer mandates, subsidies offered to lower income individuals, tax credits available to smaller employers and broadening of Medicaid eligibility. While one intent of healthcare reform is to expand health insurance coverage to more individuals, it can also involve additional regulatory mandates and other measures designed to constrain medical costs, including coverage and reimbursement for healthcare services. The Health Care Reform Act has had a significant impact on the healthcare sector in the U.S. and consequently has the ability to affect the companies within the healthcare industry. There currently is uncertainty surrounding the future of the Health Care Reform Act and whether it will be repealed and replaced or otherwise modified, and any decisions with respect to the Healthcare Reform Act likely will have a significant impact on the healthcare industry and the companies in which the Funds invest. The ultimate effects of federal healthcare reform or any future legislation or regulation, or healthcare initiatives, if any, on the healthcare sector, including the modification or repeal of the Healthcare Reform Act (whether in whole or in part), whether implemented at the federal, state or local level, or internationally, cannot be predicted with certainty and such reform, legislation, regulation or initiatives, including the Health Care Reform Act, can adversely affect the performance of the Fund’s investments.

Governmental and Third-Party Payors. In both the U.S. and foreign markets, sales of a healthcare company’s products and its success will depend in part on the availability of reimbursement from third-party payors such as government health administration authorities, private health insurers, and other organizations. The levels of revenues and profitability of healthcare companies can be affected by the continuing efforts of governmental and third-party payors to contain or reduce the costs of healthcare. Significant uncertainty exists as to the reimbursement status of newly approved healthcare products. There can be no assurance that a company’s proposed products will be considered cost-effective or that adequate third-party reimbursement will be available to enable a company to maintain price levels sufficient to realize an appropriate return on its investment in product development.

Healthcare Research and Innovation. Changes in governmental policies has the potential to have a material effect on the demand for or costs of certain products and services. A healthcare or

healthcare-related company must receive government approval before introducing new drugs and medical devices or procedures. This process can delay the introduction of these products and services to the marketplace, resulting in increased development costs, delayed cost recovery and loss of competitive advantage to the extent that rival companies have developed competing products or procedures, adversely affecting the company's revenues and profitability. Failure to obtain governmental approval of a key drug or device or other regulatory action could have a material adverse effect on the business of a portfolio company. Additionally, expansion of facilities by healthcare related providers is subject to "determinations of need" by the appropriate government authorities. This process not only increases the time and cost involved in these expansions, but also makes expansion plans uncertain, limiting the revenue and profitability growth potential of healthcare related facilities operators.

Certain companies in which the Funds expect to invest will potentially only have one product under development. There can be no assurance that the product will be approved for marketing by the U.S. Food and Drug Administration or any foreign regulatory agency. Further, competition to the product can develop from other new and existing products. In either case, if a company is dependent on that one product, the consequences of such failure could be devastating to the prospects of such company, which in turn could negatively affect the performance of a Fund.

The healthcare industry spends heavily on research and development. Research findings (e.g., regarding side effects or comparative benefits of one or more particular treatments, services or products) and technological innovation (together with patent expirations) can make any particular treatment, service or product less attractive if previously unknown or underappreciated risks are revealed, or if a more effective, less costly or less risky solution is or becomes available. Any such development could have a material adverse effect on the companies in which the Funds invest.

Patents. Certain healthcare and healthcare-related companies depend on the exclusive rights or patents for the products they develop and distribute. Patents have a limited duration and, upon expiration, other companies are able to market substantially similar "generic" products that are typically sold at a lower price than the patented product, causing the original developer of the product to lose market share and/or reduce the price charged for the product, resulting in lower profits for the original developer. As a result, the expiration of patents can adversely affect the profitability of these companies.

Products Liability. The testing, manufacturing, marketing and sale of many of the products and technologies developed by healthcare companies inherently expose these companies to potential product liability risks. Many healthcare companies obtain limited product liability insurance and, furthermore, there can be no assurance that a health care company will be able to maintain its product liability insurance on reasonable terms or that any product liability insurance obtained will provide adequate coverage against potential liabilities.

Reliance on the General Partner. Each Fund will be dependent on its General Partner. Limited partners generally have no right or power to take part in the management of a Fund, or control over the operation of a Fund, including decisions with respect to structuring, negotiating and

purchasing, financing and eventually divesting investments on behalf of a Fund, as control over these decisions will be vested with the relevant General Partner. Consequently, a Fund's future profitability and investment performance will depend largely upon the business and investment acumen of the principals and other investment professionals of the General Partners. The loss or reduction of service of one or more such persons could have an adverse effect on a Fund's ability to realize its investment objectives. In addition, the principals currently manage, and expect in the future, to manage multiple Funds and the principals expect to devote substantial amounts of their time to the investment activities of such other Funds, which will pose potential conflicts of interest in the allocation of the time of the principals. In addition, certain changes in a General Partner or circumstances relating to a General Partner can have an adverse effect on the Funds or one or more of its portfolio companies, including potential acceleration of debt facilities. The composition of the professionals can change over time, and there can be no guarantee that the professionals who have contributed to the past performance of any prior BPOC Funds continue to be members of the particular team or serve in the same or similar roles thereon (and in some cases, are no longer with BPOC, or will leave such team or BPOC during the life of the Fund).

Reliance on Portfolio Company Management. The success of many of the Funds' portfolio companies is heavily dependent on the management of such companies. Each portfolio company's day-to-day operations will be the responsibility of such company's management team. Additionally, BPOC generally will establish the capital structure of companies in which the Funds invest on the basis of financial projections for such companies, which will contain significant judgment and input from the portfolio company management team. Although BPOC will be responsible for monitoring the performance of each portfolio investment, it will primarily be the responsibility of each portfolio company's management team to operate such portfolio company on a day-to-day basis. Although the Funds generally intend to invest in companies with strong management or recruit strong management to such companies, there can be no assurance that the existing management team, or any successor, will be able or willing to successfully operate a company in accordance with each Fund's objectives. Portfolio companies often need to attract, retain and develop executives and members of their management teams. The market for executive talent can be extremely competitive. Further, the business and operations of certain companies in which the Funds invest often experience rapid organizational change that have the potential to strain the performance of the portfolio companies' management teams. There can be no assurance that the management team of a portfolio company on the date a portfolio investment is made will remain the same or continue to be affiliated with the company throughout the period the portfolio company is held by a Fund. There can be no assurance that portfolio companies will be able to attract, develop, integrate and retain suitable members of its management team and, as a result, a Fund can be adversely affected thereby.

Limited Access to Information. Limited partners' rights to information regarding the Funds or BPOC generally will be specified, and in many cases strictly limited, by the Governing Documents. In particular, it is anticipated that BPOC and its affiliates will obtain certain types of material information from or relating to the Funds' 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 BPOC's control. Decisions by BPOC or its affiliates to withhold information

can 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 can have difficulty in determining an appropriate price for such interest. Decisions to withhold information can also make it difficult for a limited partner to monitor BPOC and its performance. Additionally, it is anticipated that limited partners that designate representatives to participate on an advisory board generally can, 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 a Fund succeeds in asserting confidentiality for requested documents and other materials, and BPOC reserves the right to withhold certain information from investors subject to such laws for reasons relating to BPOC's public reputation, business strategy or other reasons.

Possibility of Fraud or Other Misconduct of Employees and Service Providers. Misconduct by (i) BPOC employees, (ii) portfolio company directors, officers or employees, and (iii) service providers to the foregoing and/or their respective affiliates could undermine the due diligence efforts of the Funds and/or BPOC and cause significant losses to the Funds. Misconduct can include entering into transactions without authorization, the failure to comply with operational and risk procedures, including due diligence procedures, misrepresentations as to investments being considered by a Fund, the improper use or disclosure of confidential or material non-public information, which could result in litigation or serious financial harm, including limiting a Fund's business prospects or future marketing activities, and non-compliance with applicable laws or regulations (and the concealing of any of the foregoing). Such activities can result in reputational damage, litigation, business disruption, market or industry segment volatility and/or financial losses to a Fund. BPOC has controls and procedures through which it seeks to minimize the risk of such misconduct occurring; however, no assurances can be given that such misconduct will be able to be identified or prevented.

No Market for Interests; Restrictions on Transfer; No Right of Withdrawal. Limited partner interests in the Funds generally are not permitted to be transferred, sold, assigned, pledged or otherwise encumbered without the prior written consent of the relevant General Partner, which generally will be withheld in the General Partner's sole discretion, and it is possible that the volume of transfers permitted in any calendar year will be restricted in order to comply with certain safe harbors under the tax regulations promulgated under the U.S. Internal Revenue Code of 1986. Voluntary withdrawals from the Funds will not be permitted except in very limited circumstances generally involving situations where retaining an interest in the Funds would violate certain laws or regulations. In addition, interests in the Funds are not redeemable. There will be no public market for interests in a Fund, and none is expected to develop. Interests in the Funds 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 unless an exemption from registration is available. It is not contemplated that registration of the interests in the Funds will ever be effected. Limited partners are not permitted to liquidate their investments prior to the end

of a Fund's term and must be prepared to bear the risks of an investment in the Funds for an extended period of time.

Restricted Nature of Investment Positions. Generally, there will be no readily available market for Fund investments, and hence, most of the Fund's investments will be difficult to value. Certain investments are permitted to be distributed in kind to the limited partners and it can be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such limited partners. After a distribution of securities is made to the limited partners, many limited partners will 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 are sold by limited partners can be lower than the value of such securities determined pursuant to the relevant Governing Documents, including the value used to determine the amount of Carried Interest available to the relevant General Partner with respect to such investment.

Recycling; Reinvestment. During the commitment period, BPOC generally has the right to recall certain capital returned or distributed to limited partners. Accordingly, during the term of a Fund, a limited partner can be required to make capital contributions in excess of its commitment (with certain limitations), and to the extent such recalled or retained amounts are reinvested in investments, a limited partner will remain subject to investment and other risks associated with such investments. Delays in realizing investments due to market or other conditions can result in the lack of available capital for recycling, including for consummation of follow-on investments. This can occur in situations where other BPOC funds have sufficient capital remaining.

Fees and Expenses. The Funds will pay and bear all expenses related to their operations, including Management Fees and the costs of holding, monitoring, maintaining and disposing of portfolio companies, including supplemental fees as described above in Item 5, whether or not a Fund makes any profits. While it is difficult to predict the future expenses of a Fund, such expenses can be substantial and surpass a Fund's operating income. The amount of these partnership expenses will reduce the actual returns realized by limited partners on their investment in a Fund (and can, in certain circumstances, reduce the amount of capital available to be deployed by a Fund for investments). Fund expenses include recurring and regular items, as well as extraordinary expenses for which it can be hard to budget or forecast. As a result, the amount of each Fund's expenses ultimately called or called at any one time can exceed expectations.

Need for Follow-On Investments. Following its initial investment in a given portfolio company, the Funds will typically decide to provide additional funds to such portfolio company or have the opportunity to increase their 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 can be no assurance that the Funds will make follow-on investments or that the Funds will have sufficient funds to make all or any of such investments. Any decision by a Fund not to make follow-on investments or its inability to make such investments can have a substantial negative effect on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made). Additionally, a failure to make such investments can result in a lost opportunity for a Fund to increase its

participation in a successful portfolio company or the dilution of a Fund's ownership in a portfolio company if a third party invests in such portfolio company.

Agreements with Certain Limited Partners. BPOC and/or its affiliates reserve the right to enter into side letters or other similar agreements with particular limited partners in connection with their admission to certain Funds without the approval of any other limited partner, which has the effect of establishing different or preferential rights under, altering or supplementing the terms of, or confirming the interpretation of an applicable Fund Governing Documents with respect to such limited partner in a manner more favorable to such limited partner than those applicable to other limited partners, and such rights can be significant. As a general matter, the other limited partners have no recourse against the Funds or BPOC in the event that certain limited partners have received additional and/or different rights and/or terms as a result of such side letters or other similar agreements.

Risk Management; Operational Controls. The operational controls and risk management techniques used by the Funds involve third parties over whom BPOC does not exercise control, including outsourced providers of legal, information technology and custody services. The proper operation of a Fund and safekeeping of its assets depend on the performance and financial wherewithal of these third parties, as well as the continued operation and security of their systems. The operational controls and risk management techniques BPOC uses also necessarily include subjective elements, making the judgment and discretion of the Firm's professionals fundamental to the risk management process. The greater the importance of subjective factors, the more challenging it becomes for the Firm to control for risk, which in turn increases the likelihood of unpredictable results with respect to a portfolio company and a Fund's overall performance.

Additional operational risks arise from such factors as processing errors, human errors, inadequate or failed internal or external processes, failures in systems and technology (including those highlighted below under "Cyber Security Breaches and Identity Theft"), changes in personnel, errors caused by third parties or other disruptive events. While BPOC has adopted a business continuity program designed to minimize the disruption these events could otherwise cause to normal business operations, business continuity programs are inherently limited. For example, the Firm could experience unanticipated contingencies, or the planned controls and oversight can possibly not function as intended. In addition, certain circumstances, including natural disasters, war, terrorism, public health crises, power or utility shortages and other system failures and malfunctions could prevent the Firm and its service providers from performing certain tasks, potentially for extended periods of time, including funding an investment, finalizing valuations, making a distribution or reporting to limited partners. Any such failure could cause losses to a Fund.

Cyber Security Breaches and Identity Theft. Cybersecurity incidents, and cyber-attacks, denial of service attacks and social engineering attempts (including business email compromise attacks), both generally and within the financial services industry, have been occurring globally at a more frequent and secure level and will likely continue to increase in frequency in the future. The Funds and their portfolio companies' information and technology systems can 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 such as fires, tornadoes, floods, hurricanes and earthquakes. Although BPOC has implemented various measures to manage risks relating to these types of events, if these systems are compromised, become inoperable for extended periods of time or cease to function properly, BPOC, the Funds and/or a portfolio company will potentially incur specific 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 of BPOC's, the Funds' and/or a portfolio company's operations and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to limited partners (and the beneficial owners of limited partners) and patient health information held by a portfolio company. Such a failure could harm BPOC's, the Funds' and/or a portfolio company's reputation, subject any such entity and its respective affiliates to legal claims or otherwise affect their business and financial performance. To the extent that a portfolio company is subject to cyber-attack or other unauthorized access is gained to a portfolio company's systems, such portfolio company can be subject to substantial losses in the form of stolen, lost or corrupted (i) customer data or payment information; (ii) customer or portfolio company financial information; (iii) portfolio company software, contact lists or other databases; (iv) portfolio company proprietary information or trade secrets; or (v) other items. In certain events, a portfolio company's failure or deemed failure to address and mitigate cybersecurity risks can be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks. Any of such circumstances could subject a portfolio company, or a 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, can 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 BPOC or one of its affiliates or service providers holding its financial or investor data, BPOC, its affiliates or the Funds can also be at risk of loss.

Enhanced Scrutiny and Certain Effects of Potential Regulatory Changes. There continue to be discussions regarding enhanced governmental scrutiny and/or increased regulation of the private equity industry. 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. Any such changes are expected to materially impact BPOC, the Funds and/or the investments, as well as increasing their expenses. Significant time and resources may be required to comply with new regulations. There can be no assurance that any such scrutiny or regulation will not have an adverse impact on a Fund and its investments' activities, including the ability of the Funds to effectively and timely address such regulations, implement operating improvements or otherwise execute their investment strategy or achieve their investment objectives.

Environmental, Social and Governance Matters. BPOC recognizes that, for many investors, environmental, social or governance (“ESG”) concerns and the societal impact of their portfolios is an important consideration which cannot be viewed in isolation from overall investment performance. Therefore, the Firm will endeavor to take certain ESG considerations into account in its investment decision process (including the decision to buy, sell or hold an investment) and will, in appropriate circumstances, incorporate similar considerations into the Firm’s ongoing management decisions with respect to certain portfolio companies. However, ESG is only one of the many factors BPOC will consider in making investment decisions, and unless otherwise required pursuant to a Fund’s Governing Documents, the weight placed on any such ESG considerations will be in BPOC’s sole and absolute discretion. Further, applying ESG standards to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by BPOC or any judgment exercised by BPOC will reflect the beliefs or values of any particular investor or group of investors. Finally, an assessment of ESG factors is not necessarily determinative and BPOC’s investment decisions will always be subject to being made in a manner that is consistent with the Firm’s fiduciary duty to act in the best interests of the Fund’s investors.

In evaluating an investment and executing its ownership strategy, BPOC expects to depend upon information and data provided by a number of sources, including the relevant investments and/or various reporting sources which could be incomplete, inaccurate or unavailable, and which could cause BPOC to incorrectly assess a company’s ESG practices and/or related risks and opportunities.

To the extent that BPOC engages with companies on ESG-related practices and potential enhancements thereto, there can be no guarantee that (i) such engagements will achieve either or both of the desired financial and social impact or results and/or (ii) the market or other stakeholders (community members, portfolio company employees, customers, etc.) will view any such changes as desirable (either socially or to a Fund’s financial health).

There is a risk that the Funds will underperform other funds that do not take ESG-related factors into account or conversely, could underperform specialized funds that are largely or exclusively focused on sustainable investing principles.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and BPOC’s adoption and adherence to various such principles, frameworks, methodologies and tools is expected to vary over time. There is also a growing regulatory interest across jurisdictions in improving transparency regarding the definition, measurement and disclosure of ESG factors. BPOC’s ESG policy and ESG practices could become subject to additional regulation in the future, and the Firm cannot guarantee that its current approach will meet future regulatory requirements or predict the manner in which any such future requirements (including any enforcement with respect thereto) could affect a Fund or its investments, including with respect to future administrative burdens and costs.

Public Health Emergencies: COVID-19. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and the current outbreak of COVID-19, have and are resulting in market volatility and 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 can result in significant losses to the Fund.

Additional Risks with Regard to Continuation Vehicles

Continuation Funds or Transactions. BPOC has established other accounts for the purpose of purchasing one or more investments from a Fund and/or making one or more investments alongside a Fund or a seller in a transaction or a series of transactions (such transactions, “Continuation Transactions”). The affiliated nature of these transactions and BPOC’s involvement with both the selling and purchasing entities give rise to conflicts of interests for which the relevant General Partner expects to seek the guidance and/or approval of the limited partner advisory committee as necessary or appropriate.

As part of a Continuation Transaction, the selling Fund is typically approaching the end of its term and as a result, BPOC has an incentive to maximize the purchase price for the investments on behalf of the selling Fund which would benefit BPOC by potentially making it more likely that BPOC will earn Carried Interest (or will earn more Carried Interest) with respect to the selling Fund to the detriment of a purchasing Fund. Furthermore, following a Continuation Transaction, BPOC will likely be entitled to receive Management Fees and Carried Interest with respect to the purchasing Fund, which it would not receive if the investments were sold to an unrelated third-party. Accordingly, Continuation Transactions benefit BPOC because BPOC has the potential to receive an aggregate amount of fees and Carried Interest greater than it otherwise would have received in a sale transaction to an unrelated third-party.

A Continuation Transaction also gives rise to conflicts relating to the initial allocation of the transferred investments. The selling Fund’s investment can be subject to allocations elected by rollover investors in the selling Fund, as well as certain minimum allocation requirements, each of which will reduce the portion of an investment available to a purchasing Fund. As a result, a purchasing Fund can be allocated a smaller or larger amount of an investment than BPOC originally anticipated. Further, in some cases there will be no other third-party market check or bidding process involved in a Continuation Transaction. Accordingly, the consideration paid by a purchasing Fund has the potential to be more or less than what the transferred investments are ultimately worth had they been sold to one or more other buyers in one or more separate transactions, including an outright sale to a third-party.

Subject to applicable legal, tax, regulatory, accounting, political, national security or similar reasons, the General Partner expects to offer investors the right to participate in any such Continuation Fund related to a Fund investment pro rata based on their investment percentages with respect to the assets being sold or otherwise transferred to such Continuation Fund. It is possible that new investors will be subscribing for interests in the Continuation Fund (“New Investors”) alongside investors that will be rolling their interests in the underlying investment(s)

(“Rolling Limited Partners”) and that New Investors may participate in any such Continuation Fund on terms that are more or less favorable than the terms offered to Rolling Limited Partners, resulting in additional conflicts of interest between the interests of New Investors and Rolling Limited Partners. In addition, New Investors may participate on terms that could result in dilution of Rolling Limited Partners’ indirect interests in the relevant underlying investments and could adversely affect returns to such Rolling Limited Partners. The amount and timing of returns to a Rolling Limited Partner from a Continuation Fund may not be the same as those for the New Investors, which may have preferred economics and may be paid in priority to returns to the Rolling Limited Partners.

Following a Continuation Fund, a Fund will often be invested in the same portfolio company as another Fund. Investments in the same, or overlapping of different levels, of a portfolio company capital structure following a Continuation Fund gives rise to the conflicts of interest discussed below in “*Transactions Among BPOC Funds.*”

Limited Access to Data. Except as otherwise disclosed to limited partners in the transaction, the information provided in the confidential offering memorandum and in any subsequent communication relating to the Continuation Fund, including any performance data, valuations, cash flow projections, descriptions of the portfolio companies or other information regarding the Continuation Fund or the portfolio companies participating in the Continuation Fund, is based solely on matters as they exist as of the date presented in the memorandum, and such information will not be updated or otherwise revised to reflect information that subsequently becomes available, or circumstances existing or changes occurring after the date on which such information was prepared.

Other Parties May Exist, Now Or In The Future, That Would Be Willing to Offer A Greater Purchase Price. There is no guarantee that other parties do not exist now or in the future that would be willing to offer a higher price for the portfolio companies, and circumstances could arise such that disposing of the portfolio companies on a later date in one or more separate transactions would yield better returns for the limited partners. The consideration received by the selling Fund limited partners in the transaction could be less than what the portfolio companies are ultimately worth had the selling Fund’s indirect interest in the portfolio companies been sold to one or more other buyers in one or more separate transactions, including an outright sale or public offering, also considering the impact on the aggregate contribution value of the Management Fees payable to the Continuation Fund General Partner.

By Electing To Receive Cash As Of Closing Date, Selling Limited Partners Are Expected To Receive Their Pro Rata Share Of The Redemption Consideration Which Could Be Lower Or Even Significantly Lower Compared To Their Actual Value. By electing to receive cash as of closing date, selling limited partners will receive their portion of the aggregate contribution value held by the selling Fund, subject to various reductions. The value of the contributed securities are exposed to upward and downward variations based on extraneous factors which can have an impact on the differential between the value of the contributed securities pre- and post-closing date. Selling limited partners will receive the net redemption consideration in connection with the transaction,

which will result in a net payment to each selling partner that is lower, potentially materially lower, than the pricing as of the reference date.

Conflicts of Interest

Limited partners should be aware that various actual and potential conflicts can arise from the overall investment activities of the Funds, the General Partners, BPOC and their respective affiliates. The following discussion identifies certain potential conflicts of interest that should be carefully considered before making an investment in the Funds. In addition, limited partners should be aware that it is possible that BPOC, its personnel, and its affiliates will in the future engage in further activities that can result in additional conflicts of interest not addressed below. In particular, BPOC expects in the future to identify additional conflicts of interest that currently are not apparent to the Firm or to the broader alternative investments industry, as well as conflicts of interest that arise or increase in materiality as the Firm develops new investment platforms or business lines and otherwise adapts to dynamic markets and an evolving regulatory environment. There can be no assurance that BPOC will identify or resolve all conflicts of interest and, if resolved, that such conflicts will be resolved in a manner that is favorable to the Funds. If any matter arises that BPOC determines in its good faith judgment constitutes an actual or potential conflict of interest, the Firm will take such actions as are necessary or appropriate to ameliorate such conflict. The following summary is not intended to be an exhaustive list of all conflicts or their potential consequences. Identifying potential conflicts of interest is complex and fact intensive and it is not possible to foresee every conflict of interest that will arise during a Fund's life. To the extent that BPOC identifies conflicts of interest in the future, the Firm intends, but is under no obligation, to disclose these conflicts and their implications to limited partners and other limited partners through a variety of channels, including in subsequent Brochures or in other written or oral communications to the advisory board(s) or to limited partners more generally.

Allocation of Investment Opportunities. BPOC, in the future, expects to sponsor and manage a variety of investment funds, some of which could have objectives, strategies, scope and investment criteria that differ from the current Funds. The Firm generally will not commence the operation of a new pooled investment fund with objectives substantially similar to those of the Funds until the end of the commitment period of the most recent Fund or such earlier time as described in such Fund's Governing Documents. However, subject to any other applicable limitations in the relevant Governing Documents, BPOC and its affiliates are permitted to form, market and organize another fund and act as general partner, manager or in a similar capacity of a future BPOC fund.

Limited Partner Transfer of Interest. In certain cases, BPOC will have an opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interest in a Fund. In the case of ordinary transfers, BPOC will not receive compensation for identifying such transferees and will use its discretion to select such transferees based on eligibility and other factors, and unless required by the relevant Governing Documents, will determine in its sole discretion whether the opportunity to receive a transfer of Fund interests should be offered to one or more existing Fund limited partners. On occasion, a General Partner has purchased the interest of a limited partner.

Time and Attention of the Principals. The principals expect to spend a portion of their business time and attention pursuing investment opportunities that do not fall within the objectives, strategy, scope and investment criteria of the Funds. For example, the principals and other BPOC personnel and their friends and family participate in a BPOC proprietary investment vehicle that makes investments in early stage venture capital companies typically in the healthcare space but in all instances that are outside of the mandate of the Funds. BPOC discloses such investments to the Funds' advisory boards annually. The principals and BPOC's investment personnel also manage and monitor investments in several BPOC Funds. BPOC believes that the investment of the principals in the Funds, as well as the principals' interest in the Carried Interest, operate to align, to some extent, the interest of the principals with the interest of the limited partners, although the principals have or expect to have economic interests in other BPOC Funds as well and receive Management Fees and Carried Interests relating to those interests. At such time as BPOC is permitted to raise a successor investment fund, the principals will continue to manage a Fund's investments, but also expect to focus investment activities on other opportunities and areas unrelated to such Fund's investments.

Transactions Among BPOC Funds. It is possible that a portion of a Fund's investments will be made in or with a portfolio company of another Fund. For example, BPOC can determine that a Fund should invest in an existing portfolio company of another Fund. Any investment by a Fund in an entity in which another Fund has a pre-existing investment (or vice versa) could be viewed, especially in hindsight, to have been made based on a non-arms-length valuation. Similarly, it is possible that a Fund will later invest in entities in which another Fund has invested, which can have an effect (either positive or negative) on the market value of such Fund's investments.

BPOC reserves the right to make independent decisions regarding recommendations of when a Fund should purchase and sell investments. As a result, a Fund expects to be purchasing an investment at a time when another Fund is selling the same or a similar investment, or vice versa. For example, BPOC will, from time to time, consider and reject an investment opportunity on behalf of one Fund despite the fact that BPOC or an affiliate can potentially subsequently determine to make an investment in the same company on behalf of another Fund. A conflict of interest arises because the latter Fund will, in such circumstances, benefit from the initial evaluation, investigation and due diligence undertaken by BPOC on behalf of the Fund that originally considered the investment. In such circumstances, the benefitting Fund(s) would generally not be required to reimburse the original Fund for some or all of the expenses incurred in connection with considering such investment, and any such allocation that is made will be done in good faith by BPOC. Such allocation is likely to be highly subjective. There can be no assurance that the return on a Fund's investments will not be less than the returns obtained by other Funds participating in the investment.

Employees and Service Providers. BPOC reserves the right, from time to time, to employ personnel with pre-existing ownership interests in, or who were employed by portfolio companies owned by, BPOC Funds; conversely, former personnel or executives of BPOC are expected, from time to time, to serve in significant management roles or board of director positions at portfolio companies or service providers recommended by BPOC. Similarly, BPOC and/or its personnel maintain relationships with (or in some cases invest in) financial institutions, service providers and

other market participants, and their respective affiliates and personnel, including, but not limited to, managers of private funds, investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), banks, brokers, advisors, finders (including executive finders and portfolio company finders), institutional investors, family offices, lenders, executives, co-investors, current and former directors, officers and employees of current and former portfolio companies and former employees and members of BPOC Funds, as well as certain family members or close contacts of these persons. Certain of these persons or entities are expected to invest (or expected to be affiliated with a limited partner) in, engage in transactions with and/or provide services (including services at reduced rates) to, BPOC and/or the Funds. 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 BPOC entities) to BPOC personnel and their estate planning vehicles. BPOC expects to be subject to a potential conflict of interest with the Funds in recommending the retention or continuation of a third-party service provider to the Funds or a portfolio company owned by the Funds if such recommendation, for example, is motivated by a belief that such service provider or its affiliate(s) will continue to invest in one or more Funds BPOC advises, will provide BPOC information about markets and industries in which BPOC operates (or is contemplating operations) or will provide other services that are beneficial to BPOC. BPOC expects to be subject to a potential conflict of interest in making such recommendations in that it has an incentive to maintain goodwill between itself and the existing and prospective portfolio companies for the Funds, while there is no guarantee that the products or services recommended will necessarily be the best available to the Funds or their portfolio companies.

Over the life of a Fund, BPOC generally expects to exercise its discretion to recommend to a Fund or to a portfolio company thereof that it contracts for services with various service providers, and from time to time such service providers are expected to include, among others: (i) BPOC (or an affiliate thereof, which is permitted to include other portfolio companies of the Funds) and at rates determined or substantively influenced by BPOC; (ii) an entity with which BPOC or its affiliates or current or former members of their personnel has a relationship or from which such person derives a financial or other benefit, including relationships with joint ventures or co-venturers, or relationships where BPOC personnel are seconded, or from which BPOC receives secondees; or (iii) a limited partner or its affiliates. For example, BPOC expects to be presented with opportunities to receive financing and/or other services in connection with the Fund's investments from certain limited partners or their affiliates that are engaged in lending or a related business. This discretion subjects BPOC to potential conflicts of interest because although it intends to select service providers that it believes are aligned with its operational strategies and that will enhance portfolio company performance and, relatedly, returns of the Funds, BPOC has a potential incentive to recommend the related or other person (including a limited partner) because of its financial or business interest. Additionally, there is a possibility that BPOC, because of such incentive or for other reasons (including whether the use of such persons could establish, recognize, strengthen or cultivate relationships that have the potential to provide longer-term benefits to BPOC or the Funds), would favor such retention or continuation even if a better price and/or quality of service provider could be obtained from another person. BPOC will not necessarily seek out the lowest cost options when incurring (or causing the Funds or their portfolio

companies to incur) such expenses. Although BPOC generally seeks appropriate rates for services, it reserves the right to prioritize prior usage, perceived sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Whether or not BPOC has a relationship with 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.

Additionally, a portfolio company typically will reimburse BPOC or service providers retained at BPOC's discretion for expenses (including, without limitation, travel expenses) incurred by BPOC or such service providers in connection with the performance of services for such portfolio company. This subjects BPOC to conflicts of interest because a Fund generally does not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Subject to the Governing Documents and its internal reimbursement policies and practices, BPOC determines the amount of these reimbursements for such services in its own discretion.

Products or Services Received by Funds From Portfolio Companies. From time to time, certain portfolio companies of the Funds are permitted to provide BPOC and its affiliates, Operating Partners, Third-Party Professionals, Special Consultants (as defined below) or board members of such portfolio companies appointed by BPOC with products or services that such portfolio companies regularly produce or provide as part of their business operations at reduced rates or without charge.

Tangible and Intangible Benefits. In connection with its services to the Funds and its investments, BPOC, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of BPOC's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, BPOC and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to the Funds or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "BPOC Information"). In many cases, BPOC Information will include tools, procedures and resources developed by BPOC to organize or systematize BPOC Information for ongoing or future use. Although BPOC expects the Funds and their portfolio companies generally to benefit from BPOC's possession of BPOC Information, it is possible that any benefits will be experienced solely by other or future BPOC Funds or portfolio companies and not by the Fund or portfolio company from which BPOC Information was originally received or derived. BPOC Information will be the sole intellectual property of BPOC and solely for the use of BPOC. BPOC reserves the right to use, share, license, sell or monetize BPOC Information, without offsetting or otherwise reducing the Management Fees, and the Fund or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization.

BPOC and its employees receive certain intangible and/or other benefits or perquisites arising or resulting from their activities on behalf of a Fund, including benefits and other discounts provided from service providers. For example, airline travel or hotel stays incurred as Fund expenses often

result in “miles” or “points” or credit in loyalty/status programs to BPOC and/or its employees, and such rewards or amounts will exclusively benefit BPOC and/or such employees and will not be subject to the offset arrangements or otherwise shared with such Fund, its limited partners or the portfolio companies.

Co-Investments. BPOC reserves the right, in its sole discretion, to provide or commit to provide co-investment opportunities to one or more limited partners and/or other persons (including Operating Partners), in each case on terms to be determined by BPOC in its sole discretion. Potential conflicts of interest are expected to arise in the allocation of such co-investment opportunities. The allocation of co-investment opportunities, which are permitted to be made to one or more persons for any number of reasons as determined by BPOC in its sole discretion, will not necessarily be in the best interests of the Funds or any individual limited partner. In exercising its discretion to allocate co-investment opportunities with respect to a particular investment to and among potential co-investors and the terms thereof, the Firm reserves the right to consider some or all of a wide range of factors, which can include: (i) expressed interest in co-investment opportunities; (ii) expertise of the prospective co-investor in the industry to which the investment opportunity relates; (iii) perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status); (iv) confidentiality concerns that can arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; (v) perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; (vi) BPOC’s perception of whether the investment opportunity can subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair BPOC’s ability to execute the relevant transaction in the desired time or on the desired terms; (vii) size of the investment allocation and practicality of dividing it up among multiple co-investors; (viii) lender requirements; (ix) perceived public relations and reputational benefits or costs; (x) existence of a formal or informal strategic relationship with the prospective co-investor; (xi) whether BPOC believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio company, other portfolio companies, or the Funds; and/or (xii) the likelihood that a person will invest in a future fund sponsored by BPOC. The Firm also reserves the right, in its sole discretion, to charge a Management Fee and obtain a Carried Interest in respect of any such co-investment. Since co-investments will not be made through a Fund, any compensation received in connection with a co-investment does not arise out of the investment activities of a Fund or actions taken directly or indirectly by BPOC on behalf of a Fund and, therefore, none of such fees and other co-investor-related compensation reduces the Management Fee paid by the Fund. If a co-investment vehicle is formed, such entity will bear expenses related to its formation and operation, many of which are similar in nature to those borne by a Fund. In the event that a transaction in which a co-investment was to be sought ultimately is not consummated, all obligations, liabilities and out-of-pocket and/or breakup fees, costs and expenses relating to such unconsummated transaction are expected to be borne by the applicable Fund, and not by any

prospective or expected co-investors that were to have participated in such transaction, subject to any restrictions set forth in the relevant Governing Documents.

The Funds are permitted to co-invest with third parties through partnerships, joint ventures or other entities or arrangements. BPOC reserves 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 a priority in co-investment opportunities. Such investments involve risks not present in investments where a third-party is not involved, including the possibility that a third-party co-venturer or partner can at any time have economic or business interests or goals that are inconsistent with those of a Fund, can have financial difficulties (which can increase the possibility of default), or can be in a position to take (or block) action contrary to the investment objectives of a Fund. In addition, a Fund can, upon the occurrence of certain circumstances, be liable for actions of its third-party co-venturer or partner. In those circumstances where such third parties involve a management group, such third parties likely will receive compensation arrangements relating to such co-investments, including incentive compensation arrangements. There can be no assurance that a Fund's return from a transaction would be equal to, and not less than, the return of another party that was allocated a co-investment opportunity and that is participating in the same transaction.

BPOC reserves the right, from time to time, to form a co-investment vehicle in connection with the consummation of a transaction and such entity generally will bear expenses related to its formation and operation. In the event that a transaction in which a co-investment was planned, including a transaction for which a co-investment was believed necessary in order to consummate such transaction or would otherwise be beneficial to the transaction, ultimately is not consummated, the full amount of any fees and expenses generated in the course of evaluating any such proposed transaction generally would be borne by a Fund and not by any potential co-investors that were to have participated in such transaction. However, to the extent that such co-investors have already invested in a co-investment or other vehicle in connection with such transaction, such vehicle is expected to bear its share of such expenses.

Furthermore, decisions regarding whether and to whom to offer co-investment opportunities are permitted to be made by BPOC or its related persons in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other limited partners, and the consideration of the factors set forth above likely will result in certain limited partners receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. When and to the extent that employees and related persons of the Firm make capital investments in or alongside a Fund, BPOC is subject to conflicting interests in connection with these investments. The Firm's allocation of co-investment opportunities among the parties often will not result in proportional allocations among such parties, and such allocations likely will be more or less advantageous to some such parties relative to others.

Allocation of Expenses. BPOC and its affiliates will from time to time incur fees, costs and expenses, including in connection with transactions not consummated, on behalf of the Funds. To the extent practicable, any fees, costs and expenses that are incurred in connection with a

consummated investment will be charged to the applicable portfolio company. To the extent such fees, costs and expenses are not charged to a portfolio company, they will be paid by each Fund that participated or was expected to participate in such investment. The Funds typically will bear a portion of any such fees, costs, and expenses in proportion to the size of the investment made or proposed investment, or in such other manner as BPOC considers, in good faith, to be fair and equitable under the circumstances. Although BPOC will endeavor to allocate such fees, costs and expenses on a fair and equitable basis, there can be no assurance that such fees, costs and expenses will in all cases be allocated appropriately. Any such determinations can involve inherent matters of discretion and conflicts of interest.

In addition, the Funds, through portfolio companies or directly, bear the cost, including compensation, of directors, executives or consultants to portfolio companies, which can include Operating Partners, former senior principals or employees of BPOC, in connection with management or consulting services provided by such persons. Any such cost generally will not offset Management Fees paid to BPOC. Because such persons are former senior principals or employees of BPOC, BPOC expects to have a potential conflict of interest in approving such arrangement, although it generally seeks to do so at market rates for the services provided. There can be no assurance, however, that such rates are the lowest cost available.

There are occasions when one Fund (the "Payor Fund") pays an expense common to multiple Funds (the "Allocated Funds"). On such occasions, each Allocated Fund will reimburse the Payor Fund for its share of such expense, without interest, promptly after the payment is made by the Payor Fund. There are also occasions where the Firm or a Payor Fund pays an expense on behalf of a portfolio company. On such occasions, the portfolio company will reimburse the Firm or Payor Fund for the expense, without interest, and such reimbursement will not be subject to the fee offset provision.

Some expenses are incurred on behalf of one Fund which have the potential to benefit other Funds. For example, information BPOC obtains in connection with a Fund's research, due diligence and investment activities will be valuable to other Funds. Additionally, tools and resources developed at BPOC's expense will be the intellectual property of BPOC and not the Fund.

A conflict of interest could arise in BPOC's determination of whether certain costs or expenses that are incurred in connection with the operation of the Funds meet the definition of Fund operational expenses for which the Funds are responsible, whether such expenses should be borne by BPOC or the manner in which BPOC allocates expenses. The Funds will be reliant on the determinations of BPOC in this regard. From time to time, it is possible that subsequent review of allocations could result in an identification of expenses that should have been allocated in a different manner, in which case measures will be undertaken to correct such circumstance, which might include a reversal of the original expense allocation, if possible, or such other equitable adjustment believed by BPOC to be the most appropriate corrective measure.

Certain Consultants. BPOC expects from time to time to use, employ or retain on behalf of the Funds and/or the portfolio companies, as applicable, other companies and individuals ("Special

Consultants”), which are permitted to be affiliates of BPOC, former employees of BPOC, portfolio companies of the Funds or its affiliates, third-party consultants (including Operating Partners, consultants and external executives), “operating partners,” Third-Party Professionals, “strategic partners,” “executive partners” or “senior advisors.” The Special Consultants are expected to be primarily engaged to provide manufacturing, sales, marketing, technology, human resources, acquisition integration/rationalization and/or other operations services, acquisition or other due diligence, holding, improvement and/or disposition of portfolio companies or similar services (“Services”) to the Funds and any current or prospective portfolio company. One of BPOC’s Operating Partners was previously a member of the Firm prior to becoming an Operating Partner.

Fees, compensation and expenses, including certain travel and other costs, associated with the Services (collectively, “Consulting Fees and Expenses”), are authorized to be paid and/or reimbursed by the applicable portfolio companies or prospective portfolio companies and/or the Funds. Consulting Fees and Expenses neither reduce nor offset the Management Fee. Consulting Fees and Expenses are expected to include cash fees and are permitted, at the discretion of BPOC taking into account the particular Services, to include a profits or equity interest in a portfolio company, shares of proceeds upon the sale of portfolio companies and/or other incentive-based compensation to the Special Consultants, which can 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 Special Consultants, 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 on occasion provide opportunities for Special Consultants to invest in such portfolio company and reimburse costs and expenses incurred by Special Consultants. Special Consultants also generally receive remuneration from BPOC and/or the Funds or affiliates and/or are entitled to other forms of compensation, including a salary, guaranteed payments, office space, business cards, health insurance and/or 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 will in some cases have a limited partnership interest (or other similar interest) or profit interest in a Fund, a General Partner, or an affiliate of the General Partner, and certain Special Consultants often do not bear Management Fees or Carried Interest with respect to such interest. Although BPOC intends to retain Special Consultants with a view to reducing costs to portfolio companies (and, ultimately, the Funds) and/or otherwise improving portfolio company performance, due to a variety of factors, any such retention can result in limited or no cost savings or an increase in costs, in which case portfolio company performance can be only marginally improved or can be negatively affected, as applicable, from such retention. There can be no assurance that a more qualified and/or lower cost alternative could not be obtained.

In addition, portfolio companies are authorized to pay Special Consultants to perform Services that, directly or indirectly, benefit BPOC, its affiliates and/or other portfolio companies. Consequently, BPOC, its affiliates and/or portfolio companies can receive Services without being charged or at below market rates. Conversely, portfolio companies of the Funds can also benefit from Services that are paid for by BPOC, its affiliates and/or other portfolio companies. In addition, because the fees payable by BPOC to certain Special Consultants are reduced in whole

or in part by fees paid by portfolio companies to such Special Consultants, BPOC has an incentive to cause portfolio companies to pay for Services at rates that were not determined in arm's-length transactions.

Industry Relationships. As with many other private equity fund sponsors, as part of BPOC's business, the principals, BPOC and its employees have developed relationships with third parties which are expected to raise potential conflicts of interest. Such third parties include investment bankers, lenders, consultants, professional advisors (such as attorneys and accountants), co-investors, current and former directors, officers and employees of current and former portfolio companies and former employees and members of BPOC. Certain of these third parties can: (i) introduce investment opportunities to BPOC; (ii) arrange for, or facilitate the financing of, the purchase or recapitalization of current and potential portfolio companies; (iii) introduce portfolio companies to potential acquisition or merger candidates; (iv) facilitate the disposition of portfolio companies; or (v) provide investment banking, consulting, legal or advisory services to BPOC, its employees, the Funds or portfolio companies. Such third parties can also provide goods or services to or have business, personal, familial, political, financial or other relationships with the principals. In addition, such third parties are permitted to invest in one or more Funds; co-invest in one or more portfolio companies; or provide other significant business or investment services to BPOC, the Funds and/or their portfolio companies. Such third parties can be entitled to receive a portion of a Fund's proceeds in connection with the sale of a particular portfolio company. Such third parties can also on occasion receive discretionary bonuses, transaction-based fees and/or directors' fees from, participation and/or profits or equity interests in a portfolio company or holding company in exchange for providing their services and such discretionary bonuses, fees, participation and/or profits or equity interests are not subject to the Management Fee offsets described in Item 5 above. These relationships are expected to influence BPOC in deciding whether to select or recommend any such third-party to perform services for the Funds or a portfolio company. The cost of any services provided by such third parties generally will be borne directly or indirectly by the Funds or its portfolio companies, as applicable.

Valuation of Assets. There is not expected to be an actively traded market for most of the securities owned by the Funds. When estimating fair market value, BPOC will apply a methodology it determines to be appropriate based on accounting guidelines and the applicable nature, facts and circumstances of the respective investments. However, the process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values can differ from values that would have been determined had an active market existed for such securities and can differ from the prices at which such securities will ultimately be sold. The Firm has established a valuation policy, which it will follow when performing portfolio company valuations. The valuation of the Funds' assets is performed internally by BPOC and while such valuations are not reviewed by an independent third party valuation consultant, all valuations are subject to an annual review as part of each Fund's annual financial statement audit. The exercise of discretion in respect of valuation by BPOC is expected to give rise to potential conflicts of interest, including in connection with determining the amount and timing of distributions of Carried Interest and the calculation of Management Fees. Generally, there will be no retroactive adjustment in the valuation of any investment or the fees and/or

performance-based compensation paid to the Firm to the extent any valuation proves to not accurately reflect the realizable value of an investment.

In addition, the Firm regularly reports to Funds, prospective limited partners and the broader investor community more generally, metrics of each Fund's performance, such as rates of return and multiples-of-money, whose calculation depends on the value of the Funds' investments, including unrealized investments. These reports are an indication of the overall performance of a Fund and are important to the Firm's efforts to attract limited partners to the Firm and any current or future Fund. An objective of BPOC's valuation methodologies and procedures is to eliminate any influence these incentives have on fair value determinations.

Material Non-Public Information. From time to time, BPOC and its affiliates expect to come into possession of confidential or material, non-public information ("MNPI") concerning specific companies, including as a result of certain BPOC personnel serving on the boards of directors of portfolio companies. Therefore, it is possible that BPOC will have access to MNPI that is relevant to an investment decision to be made by a Fund. Under applicable securities laws, this has the potential to limit the Firm's flexibility to buy or sell securities issued by such companies. The Funds' investment flexibility can be constrained as a consequence of BPOC's inability to use such MNPI for investment purposes, and the Funds can be restricted from initiating a transaction or selling an investment which, if such MNPI had not been known to it, otherwise would have been undertaken on account of applicable securities laws or BPOC's internal policies. Due to these restrictions, it is possible that a Fund will not be able to make an investment that it otherwise might have made or sell an investment that it otherwise might have sold. BPOC anticipates that, to minimize the impact of such restrictions, it will generally elect not to receive such MNPI in certain situations in which such an election is available. In situations where a Fund decides to receive such information, the Fund can seek to discontinue receiving MNPI concerning the borrower under a loan when it is disclosed by such borrower that the borrower will issue high-yield bonds in the near future. As a result, the Funds, at times, will receive less information regarding such a borrower than is available to the other investors in such borrower's loan, which can result in the Funds taking actions or refusing to take actions in a manner different than had it received such MNPI.

Advisory Board. Each Fund's General Partner will appoint one or more limited partner representatives to an advisory board, which has the ability to review certain provisions of the relevant Governing Documents, including resolving potential conflicts of interest situations, and whose approval is required or can be requested upon the occurrence of certain circumstances, including certain approvals or consents required by the Advisers Act. All limited partners are bound by the determinations of the relevant advisory board, regardless of whether a limited partner is represented by a member of such advisory board. The Governing Documents provide that to the fullest extent not prohibited by applicable law, none of the advisory board members shall owe any fiduciary duties to the Funds or any other limited partner. Members of the advisory board are expected to have potential conflicts of interest that do not disqualify such members from voting or consenting to matters submitted to the advisory board for consideration or review. Members of the advisory board are permitted to have various business and other relationships with BPOC and its members, partners, managers, directors, officers, employees and affiliates.

These relationships have the potential to influence their decisions as members of the advisory board. To the extent that a limited partner is not represented by a member of the advisory board, such limited partner will have no influence over matters submitted to the advisory board for review or approval. On any issue involving actual conflicts of interest, BPOC will be guided by its good faith discretion.

In addition, it is possible that members of one Fund's advisory board will also be members of another Fund's advisory board. A potential conflict of interest is expected to arise in the event the advisory board of either fund on which such members serve is requested to provide consent with respect to transactions which involve a conflict of interest between two or more Funds. Advisory board members are not required, nor are they likely, to recuse themselves from any such vote.

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

Portfolio Company Board Service. BPOC generally has the right to appoint portfolio company board members (including current or former BPOC personnel, Special Consultants or persons serving at their request), or to influence their appointment, and to determine or influence the determination of their compensation. Additionally, from time to time, portfolio company board members approve compensation and other amounts payable to BPOC in connection with services provided by the Firm and its affiliates to such portfolio company, and, except to the extent such amounts are subject to the relevant offset provisions, this compensation and other amounts payable are in addition to the Management Fee or Carried Interest discussed herein. BPOC's authority to appoint or influence the appointment of portfolio company board members involved in approving compensation payable to BPOC subjects the Firm and any such portfolio company board appointees to potential conflicts of interest. Serving in such capacity can give rise to conflicts to the extent that an employee's fiduciary duties to a portfolio company as a director conflict with the interests of a Fund in general; however, as the Funds will generally be significant shareholders of such companies, it is expected that such interests will generally be aligned. Any fees earned for sitting on such portfolio company boards by employees are offset against Management Fees; such fees earned by third parties appointed by BPOC (such as Operating Partners and Third-Party Professionals) are not offset against Management Fees.

Conflicts Related to the Interpretation of Governing Documents and Other Legal Requirements. The Governing Documents of each Fund and related documents are detailed agreements that establish complex arrangements among BPOC, the limited partners, the Fund, the General Partner and other entities and individuals. Questions can arise under these agreements regarding the parties' rights and obligations in certain situations, some of which will not have been

contemplated at the time of the agreements' drafting and execution. In these instances, the operative provisions of the agreements, if any, can be broad, general, ambiguous or conflicting, and permit more than one reasonable interpretation. At times there will not be a provision directly applicable to the situation. While BPOC will construe the relevant agreements in good faith and in a manner consistent with its legal obligations (and, when appropriate, in consultation with external legal counsel), the interpretations BPOC adopts will not necessarily be, and need not be, the interpretations that are the most favorable to the Funds or their limited partners.

Cross Fund Transactions. In infrequent circumstances, BPOC effects a cross transaction between Funds. Such cross fund transactions create conflicts of interest because by not exposing such buy and sell transactions to market forces, it is possible that a Fund will not receive the best price possible or BPOC will have an incentive to improve the performance of one Fund by selling underperforming assets to another Fund in order, for example, to earn fees. In effecting a cross transaction, the Firm will seek to ensure that the purchase or sale is effected at a price that is comparable to what price could be obtained through an arm's-length transaction with a third party and that is otherwise fair to both parties, which in some cases can include receiving a fairness opinion, receiving a legal opinion, engaging a placement agent and/or investment banker, each as appropriate. The Firm will maintain documentation to memorialize the basis for determining fairness in pricing.

Employee Limited Partners. Certain of BPOC's employees and personnel invest in a Fund directly or as part of a General Partner's commitment to a Fund. Subject to applicable law, the terms of an investment by an employee differ from, and are more favorable than, those of an investment by an external Fund limited partner. For example, employee limited partners generally will not be subject to a Management Fee and/or Carried Interest with respect to their investment, receive information regarding investments at different times than other limited partners and can benefit from different credit facility arrangements than a Fund.

C. If you recommend primarily a particular type of security, explain the material risks involved. If the type of security involves significant or unusual risks, discuss these risks in detail.

For information regarding the types of securities and portfolio companies in which Funds invest, please see Item 4.B and Item 8.A, above.

Item 9 – Disciplinary Information

If there are legal or disciplinary events that are material to a client's or prospective client's evaluation of your advisory business or the integrity of your management, disclose all material facts regarding those events.

Like other registered investment advisers, BPOC is required to disclose all material facts regarding any legal or disciplinary events that would materially impact a limited partner's evaluation of BPOC or the integrity of BPOC's management. BPOC and its management persons have not been subject to any material legal or disciplinary events applicable to this Item.

Item 10 – Other Financial Industry Activities and Affiliations

A. If you or any of your management persons are registered, or have an application pending to register, as a broker-dealer or a registered representative of a broker-dealer, disclose this fact.

Neither BPOC nor any of its management persons are registered or have an application pending to register as a broker-dealer or a registered representative of a broker-dealer.

B. If you or any of your management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing entities, disclose this fact.

Neither BPOC nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, a commodity trading advisor, or an associated person of the foregoing.

C. Describe any relationship or arrangement that is material to your advisory business or to your clients that you or any of your management persons have with any related person listed below. Identify the related person and if the relationship or arrangement creates a material conflict of interest with clients, describe the nature of the conflict and how you address it.

- 1. Broker-dealer, municipal securities dealer, or government securities dealer or broker**
- 2. Investment company or other pooled investment vehicle (including a mutual fund, closed-end investment company, unit investment trust, private investment company or “hedge fund,” and offshore fund)**
- 3. Other investment adviser or financial planner**
- 4. Futures commission merchant, commodity pool operator, or commodity trading advisor**
- 5. Banking or thrift institution**
- 6. Accountant or accounting firm**
- 7. Lawyer or law firm**
- 8. Insurance company or agency**
- 9. Pension consultant**
- 10. Real estate broker or dealer**
- 11. Sponsor or syndicator of limited partnerships.**

As described in Item 4 above, BPOC is affiliated with the Funds’ General Partners which are deemed registered with the SEC under the Advisers Act pursuant to BPOC’s registration. These General Partner entities operate as a single advisory business together with BPOC and serve as General Partners of private investment funds and share common owners, officers, partners,

employees, Operating Partners, consultants or persons occupying similar positions. These affiliated entities do not have employees of their own.

BPOC does not have arrangements with a related person who is a broker-dealer, investment company, other investment adviser, financial planning firm, commodity pool operator, commodity trading advisor or futures commission merchant, banking or thrift institution, accounting firm, law firm, pension consultant, real estate broker or dealer, or an entity that creates or packages limited partnerships that are material to its advisory business, the Funds or its limited partners. BPOC has and will continue to develop relationships with professionals who provide services it does not provide, including legal, accounting, banking, investment banking, tax preparation, placement agent services, insurance brokerage, information technology, compliance and other services. Some of these professionals provide services to the principals, employees, the Funds or their portfolio companies. Additionally, some of these professionals are limited partners in BPOC Funds, either personally or through their company.

From time to time, BPOC receives training, information, promotional material, meals, entertainment, gifts or other perquisites from vendors and others with whom it does business or to whom it makes referrals. At no time will BPOC accept any benefits, entertainment, gifts or other arrangements that are conditioned on directing individual client transactions to a specific security, product or provider. Similarly, BPOC employees have in the past, and expect in the future, to speak at or attend conferences and programs for potential investors interested in investing in private funds and other industry events that are sponsored by various investment bankers, broker-dealers or others. Through such capital introduction and other industry events, prospective investors have the opportunity to meet with BPOC. Neither BPOC nor any Fund compensates these investment bankers, broker-dealers or others for organizing such events or for investments ultimately made by prospective investors attending such events other than registration, sponsorship, membership or other similar fees paid to attend such events.

D. If you recommend or select other investment advisers for your clients and you receive compensation directly or indirectly from those advisers that creates a material conflict of interest, or if you have other business relationships with those advisers that create a material conflict of interest, describe these practices and discuss the material conflicts of interest these practices create and how you address them.

BPOC does not recommend or select other investment advisers for the Funds.

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

A. If you are an SEC-registered adviser, briefly describe your Code of Ethics adopted pursuant to SEC Rule 204A-1 or similar state rules. Explain that you will provide a copy of your Code of Ethics to any client or prospective client upon request.

As fiduciaries, BPOC and its employees are required to conduct personal securities transactions in a manner that prioritize clients' interest in client eligible investments. BPOC has adopted a

Code of Ethics (the “BPOC Code”) pursuant to Rule 204A-1 of the Advisers Act which sets forth standards of conduct that are expected of BPOC supervised persons and addresses conflicts that arise from personal trading. The BPOC Code is based upon the principle that the Firm and its employees owe a fiduciary duty to its Funds to conduct their affairs, including their personal securities transactions, to avoid: (i) serving their own personal interests ahead of clients; (ii) taking inappropriate advantage of their position with the Firm; and (iii) any actual or potential conflicts of interest or any abuse of their position of trust and responsibility.

The BPOC Code requires personnel to report their personal securities transactions, pre-clear any proposed purchase of any restricted list security, 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. Upon hire and at least once a year, each BPOC covered person is required to acknowledge the BPOC Code and agree to be bound by it. Employees of BPOC who violate the Code will be subject to remedial actions, including, but not limited to, profit disgorgement, fines, censure, suspension or dismissal. Employees are also required to promptly report any violations of the Code of which they become aware.

With respect to third parties that are not subject to the trading restrictions under BPOC’s Code of Ethics and that may otherwise obtain sensitive and nonpublic information relating to a Fund deal (e.g., co-investors, legal, financial, diligence, public relations and other similar service providers), such persons typically are subject to contractual provisions in confidentiality agreements or professional obligations that prohibit the misuse of any such information.

BPOC will provide a copy of the BPOC Code to any existing limited partner upon request to Gladys Cordova, the Chief Compliance Officer, at (312) 435-0300 or partners@bpoc.com.

B. If you or a related person recommends to clients, or buys or sells for client accounts, securities in which you or a related person has a material financial interest, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Participation or Interest in Client Transactions

Principals and employees of BPOC and its affiliates directly or indirectly own an interest in the Funds. As mentioned in Item 5 and Item 6 above, BPOC generally reduces all or a portion of the Management Fee and Carried Interest related to investments held by such persons. BPOC does not believe this arrangement presents any material conflict of interest since the General Partners’ interests are aligned with the interests of limited partners in such Funds.

Section 206(3) of the Advisers Act generally prohibits investment advisers from engaging in principal, cross and agency cross transactions without the appropriate disclosure and consent. BPOC will only enter into a principal, cross or agency cross transaction with the appropriate disclosure and consent.

Principal transactions are generally defined as transactions where an adviser, acting as principal for its own account or buys from or sells any security to an advisory client. This also applies to

any affiliates or controlling persons of the adviser (*i.e.*, an owner, employee or affiliate of the adviser, such as a Fund General Partner). Cross trades between Funds can also be considered to be principal transactions if the adviser (and/or its affiliates, owners, or controlling persons) own, in the aggregate, 25% or more of either Fund. In the context of BPOC's business, a principal transaction would most likely refer to the practice of warehousing an investment for the formation of a future fund or BPOC or a Fund General Partner purchasing the interest of an existing limited partner.

Cross transactions occur when an adviser or an affiliate arranges a transaction (*i.e.*, acts as broker) between two or more different funds or accounts that are managed by that same adviser or an affiliate. An adviser is not "acting as a broker" if the adviser receives no compensation (other than the advisory fee earned in the ordinary course of managing the asset) for effecting the transaction and therefore is not considered to be conducting a cross transaction under Section 206(3) of the Advisers Act. In the context of BPOC's business, a cross transaction would occur when selling a portfolio company, investment or other asset from one Fund to another. Agency cross transactions occur where an adviser is dually registered as a broker-dealer or has an affiliated broker-dealer and is not applicable to BPOC.

In the event BPOC were to recommend a principal transaction or cross transaction, it would only be after: (i) the Firm has determined the transaction to be in the best interest of participating clients; (ii) the transaction is permitted by the relevant Governing Documents; (iii) proper disclosure is given to the relevant Fund General Partner, advisory board or limited partners, as appropriate; (iv) consent is obtained from the appropriate parties; and (v) the Firm ensures that best execution is achieved for the transaction.

Conflicts of Interest

The BPOC Code requires Firm principals and employees to place the interests of clients first, and on an annual basis each principal and employee must certify that he or she has read and understands the BPOC Code and has complied with its provisions. If any matter arises that BPOC determines in its good faith constitutes an actual conflict of interest, BPOC will take such actions as necessary or appropriate, within the context of any applicable Fund's Governing Documents, to address the conflict. The Governing Documents of each Fund include a description of what BPOC believes to be the most significant conflicts of interest associated with an investment in that Fund. Some of these conflicts are summarized in Item 8 above.

C. If you or a related person invests in the same securities (or related securities, e.g., warrants, options or futures) that you or a related person recommends to clients, describe your practice and discuss the conflicts of interest this presents and generally how you address the conflicts that arise in connection with personal trading.

Personal Trading

The personal trading policy for BPOC supervised persons is set forth in the BPOC Code and is acknowledged as received and understood by each supervised person. BPOC's personal trading

policies are designed to ensure that no Fund is disadvantaged by the transactions executed by any supervised person and that supervised persons in no respect misappropriate any benefit properly belonging to a Fund.

The principals and employees of BPOC carry on investment activities for their own account and for family members, friends or others, and give advice and recommend securities to vehicles which can differ from advice given to, or securities recommended or bought for, the Funds, even though their investment objectives can be the same or similar. In addition, supervised persons are permitted to buy securities in transactions offered to but rejected by the Funds or that are outside of the mandate of the Funds. For example, in an effort to build relationships with founders and companies, supervised persons at times are expected to make personal investments that are not at that time appropriate for a Fund, such as those that are too small and/or too early stage, in order to form deeper connections with such companies, get insight into their industries and ecosystems over time, and further develop their networks and relationships with the founders, CEOs and boards of such endeavors. All such employee private investments are subject to pre-approval and/or review by the Chief Compliance Officer.

Because BPOC's business focuses primarily on private market investments, BPOC expects that instances of supervised persons having access to material nonpublic information regarding publicly traded securities will be relatively infrequent. BPOC supervised persons and their covered family members are prohibited from trading, either personally or on behalf of others, in securities while in possession of material non-public information regarding these securities or communicating material non-public information to others. The BPOC Code establishes guidelines for personal trading requirements, insider trading and reporting of personal securities transactions, including certain pre-clearance and reporting obligations. The Firm maintains a restricted list regarding issuers about which it has material non-public information. Supervised persons are permitted to make securities transactions in their personal accounts, subject to certain limitations. Pre-clearance is required by supervised persons and their covered family members for certain personal securities transactions, including restricted list securities, initial public offerings and limited offerings. In addition, supervised persons are required to link certain brokerage accounts to the Firm's compliance software to enable monitoring of personal trading by the Chief Compliance Officer.

D. If you or a related person recommends securities to clients, or buys or sells securities for client accounts, at or about the same time that you or a related person buys or sells the same securities for your own (or the related person's own) account, describe your practice and discuss the conflicts of interest it presents. Describe generally how you address conflicts that arise.

Because of the private nature of its portfolio investments, BPOC does not typically face a situation where an employee buys or sells a security for his or her own account at or about the same time that the Firm is also buying or selling the same securities for the Funds. A supervised person who wishes to buy or sell an interest in a BPOC portfolio company is required to seek pre-approval from the Chief Compliance Officer for such transaction.

Item 12 – Brokerage Practices

A. Describe the factors that you consider in selecting or recommending broker-dealers for client transactions and determining the reasonableness of their compensation (e.g., commissions).

While BPOC generally focuses on securities transactions in private companies and purchases and sells such companies through privately negotiated transactions, the Funds on occasion engage broker-dealers and investment bankers to perform various services for the Funds and portfolio companies, such as assisting in the purchase or sale of a private portfolio company. BPOC has sole discretion over the purchase and sale of investments (including the size of such transactions) and the broker-dealer or investment banker, if any, to be used to effect transactions for the Funds. In executing transactions, BPOC will seek best execution of the transaction. In such privately negotiated transactions, best execution is met by the consummation of the deal with the best possible terms for the Fund. Best execution is a qualitative assessment that takes into account the full range and quality of a broker-dealer or investment banker's services and is satisfied by obtaining the most advantageous overall terms for the Fund(s) when weighing all factors relevant to the transaction. Best execution is therefore not necessarily determined by lowest possible commission rates.

Whether for private or public securities transactions, BPOC selects a broker-dealer or investment banker with the overall aim of maximizing returns for the client. Selection of a broker-dealer or investment banker is based on BPOC's best judgment of who can provide best execution and will consider a variety of factors as specified in its compliance manual, including but not limited to: (i) BPOC's prior experience in working with the broker-dealer or investment banker; (ii) the broker-dealer or investment banker's execution capabilities with respect to the relevant type of order, financial responsibility, reputation and expertise within the industry; (iii) the broker-dealer or investment banker's responsiveness to the Firm; (iv) the broker-dealer or investment banker's expertise in dealing with investments that are restrictive or illiquid in nature; (v) the type and size of the transaction involved; (vi) the value of any research services provided; and (vii) the commissions rates, among other factors.

Although BPOC generally seeks competitive commission rates, it will not necessarily pay the lowest commission or commission equivalent, especially in private securities transactions that rely heavily on the specialty services or experience of a broker-dealer or investment banker that operate outside of a competitive bidding environment. Transactions that involve such specialized services on the part of the broker-dealer or investment banker can thereby entail higher commissions, or their equivalents, than would be the case with other transactions requiring more routine services. However, BPOC believes the commissions or mark-ups charged are competitive with those that other broker-dealers or investment bankers charge.

1. *Research and Other Soft Dollar Benefits.*

BPOC does not receive research or other soft dollar benefits in connection with securities transactions for the Funds.

2. Brokerage for Client Referrals.

BPOC does not receive client referrals in connection with selecting or recommending broker-dealers for the Funds.

3. Directed Brokerage.

BPOC does not engage in directed brokerage.

B. Discuss whether and under what conditions you aggregate the purchase or sale of securities for various client accounts. If you do not aggregate orders when you have the opportunity to do so, explain your practice and describe the costs to clients of not aggregating.

In the event BPOC were to aggregate the purchase or sale of securities for the Funds, it would do so on a pro rata basis.

Item 13 – Review of Accounts

A. Indicate whether you periodically review client accounts or financial plans. If you do, describe the frequency and nature of the review, and the titles of the supervised persons who conduct the review.

The investments made by the Funds are generally private, illiquid and long-term in nature. Accordingly, the review process is not directed toward a short-term decision to dispose of securities. Decisions as to when to purchase or sell a portfolio company are made by the investment committee. These reviews include, without limitation, sales trends, margins, profitability, debt to equity ratios, material business developments, competitive landscape and management. BPOC holds board seats for the majority of investments it makes. It is not uncommon for the relevant investment professionals for an investment to be in regular, as often as weekly, contact with the portfolio company's senior management team. A Fund's portfolio is reviewed by a team of investment professionals on an on-going basis which includes those investment professionals assigned to individual portfolio companies, including a managing partner and an Operating Partner. Moreover, partners of BPOC monitor portfolio company performance through regular management meetings, as well as detailed reviews of specific portfolio companies that occur as needed.

B. If you review client accounts on other than a periodic basis, describe the factors that trigger a review.

The Chief Compliance Officer and Controller review the accounts of the Funds on a quarterly basis and periodically check to confirm that each Fund is maintained in accordance with its stated business objectives. Similarly, the investment committee reviews the Funds' portfolio on an ongoing basis. The investment committee, Chief Compliance Officer and/or Controller would perform additional reviews in the event that a portfolio company needed subsequent financing, in the event of a potential acquisition or liquidity event, or if there were a serious performance issue.

C. Describe the content and indicate the frequency of regular reports you provide to clients regarding their accounts. State whether these reports are written.

BPOC generally will provide to its limited partners (which varies across Funds) (i) audited financial statements annually prepared in accordance with United States generally accepted accounting principles ("GAAP") as promulgated by the Financial Accounting Standards Board ("FASB"), accompanied by the report of the independent certified public accountant within 90 days of year end, commencing with the first year in which a Fund either is in operation for at least six months or makes an investment; (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 (K-1s); (iv) descriptive investment information for each portfolio company not less than semi-annually; and (v) reports summarizing material affiliated transactions not less than semi-annually. All reports are sent to limited partners and are delivered electronically through the Firm's secure limited partner portal. The Firm also has contact with limited partners (personal visits, video conference, telephone and email) throughout the year as requested and/or as conditions warrant.

In the course of conducting due diligence or otherwise, limited partners periodically request information pertaining to BPOC's investments. BPOC responds to these requests, and in answering these requests provides information that is not generally made available to other limited partners who have not requested such information. Additionally, as it pertains to existing limited partners, upon request or pursuant to contractual obligations (such as agreed to in a side letter), certain limited partners receive additional information and reporting that other limited partners do not receive. The fact that BPOC provides such information upon request to one or more limited partners does not obligate BPOC to affirmatively provide such information to all limited partners. As a result, certain limited partners will have more information about a Fund than other limited partners, and BPOC has no duty, and does not intend, to ensure all limited partners seek, obtain or possess the same information regarding a Fund and its investments and/or portfolio companies.

Item 14 – Client Referrals and Other Compensation

A. If someone who is not a client provides an economic benefit to you for providing investment advice or other advisory services to your clients, generally describe the arrangement, explain the conflicts of interest, and describe how you address the conflicts of interest. For purposes of this Item, economic benefits include any sales awards or other prizes.

BPOC receives supplemental compensation in the form of fees paid by portfolio companies, as disclosed in the Governing Documents and Item 5 above. These fees are paid pursuant to separate agreements entered into with the portfolio companies to provide certain consulting services that BPOC believes will ultimately enhance the value of the companies and benefit the Funds and their limited partners.

These types of fee arrangements present potential conflicts of interest and provide BPOC with an incentive to recommend investments based on compensation received rather than the best

interests of the Funds. To help mitigate this potential conflict of interest, an allocable portion of such benefits received by BPOC or its employees (but not Operating Partners) in connection with services rendered to portfolio companies or transactions of the Funds are offset against (and therefore reduce) Management Fees payable by the Funds, to the extent described in Item 5 above and as detailed in each Fund's Governing Documents.

Additionally, although not material, a BPOC founder serves on the Board of Directors of a publicly traded pharmaceutical company, Jazz Pharmaceuticals ("NASDAQ: JAZZ"). JAZZ was previously a privately held investment of a BPOC Fund, during which time the BPOC founder was appointed to JAZZ's Board of Directors. While JAZZ was an investment, the fees earned by the BPOC founder for his board duties were remitted to the Fund. JAZZ is now a public company and is no longer owned by the BPOC Fund. The BPOC founder retained his seat on the Board of Directors and now retains his board fees and does not remit them to the Fund.

B. If you or a related person directly or indirectly compensates any person who is not your supervised person for client referrals, describe the arrangement and the compensation.

When raising capital for a new Fund, BPOC typically engages the services of a registered broker-dealer to serve as placement agent for Fund units. Fees for the placement agent are generally a fixed fee for up to a certain amount of capital raised for the Fund, in addition to a percentage based on the amount of capital raised in excess of that amount, in each case, only with respect to capital raised from specified limited partners for which placement agent fees are permitted to be paid pursuant to applicable law. Placement agent fees are payable by the Funds and offset against the Management Fee for such Fund on a dollar-for-dollar basis, 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, are typically borne by the relevant Fund as part of its Organizational Expenses. All placement agents engaged by BPOC are registered broker-dealers.

Item 15 – Custody

If you have custody of client funds or securities and a qualified custodian sends quarterly, or more frequent, account statements directly to your clients, explain that clients will receive account statements from the broker-dealer, bank or other qualified custodian and that clients should carefully review those statements. If your clients also receive account statements from you, your explanation must include a statement urging clients to compare the account statements they receive from the qualified custodian with those they receive from you.

BPOC or an affiliate is deemed to have custody of the Funds because the General Partners are not operationally independent from BPOC: each Fund's General Partner generally has full discretion and control over Fund investments and cash, including the ability to deduct fees from Fund accounts. To comply with Advisers Act Rule 206(4)-2 (the "Custody Rule"), the Firm has elected to undergo an annual GAAP financial statement audit by a Public Company Accounting

Oversight Board (“PCAOB”) registered and inspected auditing firm for each of the Funds over which it is deemed to maintain custody, copies of which are (or will be, for newly closed Funds) delivered to the Funds and their respective limited partners within 90 days of fiscal year end. In addition, upon the final liquidation of a Fund, BPOC will obtain a final audit and distribute audited financial statements prepared in accordance with GAAP with respect to such Fund to all underlying limited partners promptly upon completion of the audit. Limited partners are encouraged to carefully review such financial statements.

BPOC does not accept physical custody of client assets (other than certain privately offered securities to the extent permitted by the Advisers Act); called capital is directly deposited or wired into the respective Fund’s qualified custodial bank account. BPOC receives monthly statements from each of its qualified custodians on behalf of the Funds. For more information about the Funds’ qualified custodians, please see Form ADV Part 1, Schedule D, Section 7.B.(1).

Item 16 – Investment Discretion

If you accept discretionary authority to manage securities accounts on behalf of clients, disclose this fact and describe any limitations clients may (or customarily do) place on this authority. Describe the procedures you follow before you assume this authority (e.g., execution of a power of attorney).

BPOC is retained on a fully discretionary basis and is authorized to determine and direct execution of portfolio transactions pursuant to the terms of each Fund’s Governing Documents. To become a limited partner in a Fund, an investor must execute a subscription agreement and a limited partnership agreement with a Fund. Such Governing Documents generally contain a power of attorney that grants BPOC or its General Partner certain powers related to the orderly administration of the affairs of the Funds. Once a limited partner executes these documents, with limited exceptions such as discussed elsewhere in this Brochure, BPOC is not required to contact such limited partner prior to transacting any business in a Fund.

Generally, BPOC’s only restrictions with respect to managing a Fund, such as (but not limited to) the type of securities in which a Fund invests, will be contained in the relevant Fund’s Governing Documents. However, a limited partner can seek to impose limitations on BPOC’s authority through a side letter agreement and the Firm can choose to accept reasonable limitations or restrictions at its discretion. All limitations and restrictions placed upon BPOC’s authority with respect to a limited partner’s investment must be presented to BPOC in writing and agreed to by BPOC and such limited partner. Other limited partners meeting certain commitment thresholds are often provided with notification provisions regarding such side letter agreements but are not provided with consent rights over such agreements.

Item 17 – Voting Client Securities

A. If you have, or will accept, authority to vote client securities, briefly describe your voting policies and procedures, including those adopted pursuant to SEC Rule 206(4)-6. Describe whether (and, if so, how) your clients can direct your vote in a

particular solicitation. Describe how you address conflicts of interest between you and your clients with respect to voting their securities. Describe how clients may obtain information from you about how you voted their securities. Explain to clients that they may obtain a copy of your proxy voting policies and procedures upon request.

By virtue of the Fund Governing Documents, BPOC has the authority to vote client proxy statements on behalf of its Funds. However, given the nature of BPOC's advisory business, the Funds seldom hold public securities; the majority of "proxies" received by BPOC will be written shareholder consents or similar instruments for private companies. Specifically, from time to time, portfolio companies request BPOC (usually through the General Partner of the applicable Fund) to consent to certain issues pertaining to the portfolio company's business and requiring equity owner approval. In these cases, BPOC considers factors that could affect the value of the investment and will act in the manner that it believes maximizes the value of its long-term investment in portfolio companies.

BPOC has adopted proxy voting policies and procedures pursuant to Advisers Act Rule 206(4)-6. BPOC's proxy policy seeks to ensure that it votes proxies in the best interest of the Funds with a goal towards maximizing overall value. BPOC generally believes its interests are aligned with those of the Funds' limited partners through the principals' beneficial ownership interests in the Funds. In the event that there is a conflict of interest in voting proxies, BPOC's proxy voting policy provides that the Firm can address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory board on the proposed proxy vote, or through other alternatives set forth in BPOC's proxy voting policy. Limited partners in the Funds cannot direct how BPOC votes proxies or shareholder consents, nor is BPOC required to seek limited partner approval or direction when voting proxies or when giving consent on any matter requiring the consent of shareholders.

Firm principals and affiliated or unaffiliated executive advisors, such as Operating Partners, appointed by BPOC often sit on the boards of portfolio companies to which BPOC provides operational, management and consulting services and, as such, exercise authority with respect to various issues faced by the portfolio companies. BPOC does not consider service on portfolio company boards by BPOC personnel or third parties appointed by BPOC or BPOC's receipt of nominal board fees to create a material conflict of interest in voting proxies with respect to such companies.

BPOC will provide a copy of its proxy voting policy to any existing limited partner upon request to Gladys Cordova, the Chief Compliance Officer, at (312) 435-0300 or partners@bpoc.com. Clients can also obtain information from the Firm, free of charge, about how BPOC voted previous proxies, if any.

B. If you do not have authority to vote client securities, disclose this fact. Explain whether clients will receive their proxies or other solicitations directly from their custodian or a transfer agent or from you, and discuss whether (and, if so, how) clients can contact you with questions about a particular solicitation.

This Item is not applicable to BPOC.

Item 18 – Financial Information

A. If you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, include a balance sheet for your most recent fiscal year.

BPOC does not require or solicit prepayment of more than \$1,200 in fees per Fund six months or more in advance.

B. If you have discretionary authority or custody of client funds or securities, or you require or solicit prepayment of more than \$1,200 in fees per client, six months or more in advance, disclose any financial condition that is reasonably likely to impair your ability to meet contractual commitments to clients.

BPOC has no financial condition that impairs its ability to meet contractual and fiduciary commitments to the Funds or their underlying limited partners.

C. If you have been the subject of a bankruptcy petition at any time during the past ten years, disclose this fact, the date the petition was first brought, and the current status.

BPOC has not been the subject of a bankruptcy petition.