

**INVESTMENT ADVISER BROCHURE
PART 2A OF FORM ADV**

EDGEWATER SERVICES, LLC

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This Investment Adviser Brochure (“Brochure”) provides information about the qualifications and business practices of Edgewater Services, LLC (the “Management Company”). If you have any questions about the contents of this Brochure, please contact us at (312) 649-5666. The information in this Brochure has not been approved or verified by the United States Securities and Exchange Commission (the “SEC”) or by any state authority.

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

Additional information regarding the Management Company is also available on the SEC’s website at www.adviserinfo.sec.gov.

MATERIAL CHANGES

The Management Company filed its most recent update to Form ADV Part 2A on March 31, 2022. This annual amendment updates the description of certain business practices of the Management Company and its affiliates and Edgewater's (as defined below) assets under management as of December 31, 2022.

TABLE OF CONTENTS

<u>Brochure</u>	<u>Page</u>
Material Changes	i
Advisory Business	1
Fees and Compensation.....	4
Performance-Based Fees and Side-By-Side Management	11
Types of Clients.....	11
Methods of Analysis, Investment Strategies and Risk of Loss.....	12
Disciplinary Information.....	46
Other Financial Industry Activities and Affiliations.....	46
Code of Ethics, Participation or Interest in Client Transactions and Personal Trading	47
Brokerage Practices.....	48
Review of Accounts	49
Client Referrals and Other Compensation.....	49
Custody	50
Investment Discretion.....	50
Voting Client Securities.....	51
Financial Information.....	51

ADVISORY BUSINESS

The Management Company, a Delaware limited liability company and a registered investment adviser, provides investment advisory services through its affiliated General Partners (as defined below) to private equity funds, co-investment vehicles and certain other investment vehicles established for separately managed account arrangements¹ (collectively referred to throughout this Brochure as the “**Partnerships**” or the “**Funds**”), focusing on equity and buyout investments in high-quality, lower middle market companies. The Management Company and the General Partners are part of a group of affiliated entities collectively referred to herein as “**Edgewater**.”

Edgewater is a private equity firm based in Chicago, Illinois founded by James A. Gordon. In addition to Mr. Gordon, the other principals of Edgewater include: Gregory Jones, Partner; David Tolmie, Partner; Brian Peiser, Partner; Gerald Saltarelli, Partner; Stephen Natali, Partner; Scott Brown, Partner; and Scott Meadow, Associate Partner (collectively, the “**Principals**”). A majority of the Principals have been part of Edgewater since 2001. In their roles at Edgewater, the Principals are responsible for the sourcing and selection of investment opportunities for Edgewater’s private equity funds.

The following general partner entities are affiliated with the Management Company (collectively with the Management Company, the “**Advisers**”):

- Edgewater Growth Capital Management, LLC (“**GP I**”)
- Edgewater Growth Capital Management II, L.P. (“**GP II**”)
- Edgewater Growth Capital Management III, L.P. (“**GP III**”)
- Edgewater Growth Capital Management IV, L.P. (“**GP IV**”)
- EGCM SMA, L.P. (“**SMA GP**” and, collectively with GP I, GP II, GP III and GP IV, and together with any future affiliated general partner entities, the “**General Partners**”).

Each General Partner is subject to the Advisers Act pursuant to the Management Company’s registration in accordance with SEC guidance. This Brochure also describes the business practices of the General Partners, which operate as a single advisory business together with the Management Company.

¹ Although industry conventions refer to such arrangements as “separately managed accounts,” the investment vehicles established by the Management Company for separately managed account arrangements on behalf of certain investors generally are unlike the single-investor managed accounts requested to be disclosed in Form ADV Part 1.

The Advisers' clients include the following (together with any future private investment vehicle(s) to which Edgewater or its affiliates provide investment advisory services, "**Private Investment Funds**"):

- Edgewater Growth Capital Partners, L.P.
- Edgewater Growth Capital Partners II, L.P.
- Edgewater Growth Capital Partners III, L.P.
- Edgewater Growth Capital Partners III Co-Invest Fund, L.P.
- Edgewater Growth Capital Partners IV, L.P.
- Edgewater Growth Capital Partners IV-A, L.P.
- EGCP Investment Partners, L.P.
- EGCP Investment Partners II, L.P.
- EGCP Investment Partners III, L.P.
- EGCP Investment Partners V, L.P.
- EGCP Investment Partners V-A, L.P.
- EGCP Investments, L.P.
- EGCP Investments-B, L.P.
- EGCP Investments-C, L.P.
- EGCP Investments I, L.P.
- EGCP IV-A, L.P.
- EGCP Investment Opportunities, L.P.

The General Partners each serve as general partner to one or more Partnerships and generally have the authority to make the investment decisions for the Partnerships to which they provide advisory services. For certain Private Investment Funds, the Advisers are permitted to negotiate the level of investment discretion with the client at the outset of the advisory relationship, which gives investors an approval right over each investment presented to it by the Advisers. The Management Company provides the day-to-day advisory services for the Partnerships.

The Partnerships and any other Private Investment Funds that a General Partner (or its affiliates) forms from time to time or that otherwise become clients of a General Partner are expected to invest through negotiated transactions in operating entities, generally referred to herein as “**portfolio companies**.” The Advisers’ investment advisory services to the Partnerships consist of identifying and evaluating investment opportunities, negotiating the terms of investments, managing and monitoring investments and achieving dispositions for such investments. Investments are made predominantly in non-public companies, although investments in public companies are permitted. From time to time, the Principals or other personnel of the Advisers or their affiliates generally serve on a portfolio company’s board of directors or otherwise act to influence control over management of portfolio companies in which the Partnerships have invested.

The Advisers’ advisory services to the Private Investment Funds are further described in the relevant private placement memoranda or other offering documents (each, a “**Memorandum**”) and limited partnership or other operating agreements of the Partnerships (each, a “**Partnership Agreement**” and, together with any relevant Memorandum, the “**Governing Documents**”), and are also generally described below under “Methods of Analysis, Investment Strategies and Risk of Loss” and “Investment Discretion.” Investors in the Private Investment Funds (generally referred to herein as “investors,” “partners” or “limited partners”) generally participate in the overall investment program for the applicable Partnership, but in certain Funds are excused from a particular investment due to legal, regulatory or other applicable constraints or for other agreed-upon circumstances pursuant to the Governing Documents (such arrangements generally do not and will not create an adviser-client relationship between the Advisers and any investor) and certain Private Investment Fund arrangements, from time to time, are expected to give investors approval rights over investments or otherwise provide restrictions on the Advisers’ discretion. The Funds or the General Partners generally enter into side letters or other similar agreements (“**Side Letters**”) with certain investors that have the effect of establishing rights under, or altering or supplementing the terms (including economic or other terms) of, the Governing Documents with respect to such investors.

Additionally, from time to time and as permitted by the Governing Documents, the Advisers expect to provide (or agree to provide) investment or co-investment opportunities (including the opportunity to participate in co-invest vehicles) to certain current or prospective investors or other persons, including other sponsors, market participants, finders, consultants and other service providers, Edgewater’s personnel and/or certain other persons associated with Edgewater and/or its affiliates. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including a co-investing Fund) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund’s initial purchase. Where appropriate, and in Edgewater’s sole discretion, Edgewater reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions),

and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund.

As of December 31, 2022, Edgewater managed \$1,601,623,374 in client assets on a discretionary basis. Each General Partner is directly or indirectly owned by Edgewater HoldCo LLC (“**Edgewater HoldCo**”), James A. Gordon and certain other Principals of Edgewater. Edgewater HoldCo is owned by Lazard Group LLC (together with its affiliates other than Edgewater, “**Lazard**”), James A. Gordon and the other Principals of Edgewater. The Management Company, which provides payment and related services, is principally owned by Lazard Group LLC and is administered by Edgewater HoldCo and James A. Gordon. Lazard Group LLC is ultimately controlled by Lazard Ltd, a publicly traded company.

FEES AND COMPENSATION

The following is a general description of fees, compensation and expenses of the Partnerships. Differences exist from Partnership to Partnership, and certain Partnerships may not charge certain fees, compensation or expenses that other Partnerships charge. The Governing Documents describe the applicable fees, compensation and expenses of the respective Partnerships in greater detail.

In general, each General Partner receives a Management Fee and a carried interest in connection with advisory services it provides to its clients. The General Partners or other Edgewater entities or affiliates receive additional compensation in connection with management and other services performed for portfolio companies owned by the Partnerships and a portion of such additional compensation will offset in part the management fees otherwise payable to the applicable General Partner, as described in the respective Governing Documents. Investors in the Partnerships also bear certain Partnership expenses.

Management Fee

Generally, a Partnership, during its investment period, will pay the applicable General Partner a management fee (the “**Management Fee**”) calculated as a fixed percentage on an annual basis of aggregate Partnership investor capital commitments (“**Commitments**”) and as described in the applicable Governing Documents. Payment of the Management Fee will be made quarterly or semi-annually, typically in advance, and will be deducted from the Partnership’s assets. A portion of the Management Fee is ultimately received by the Management Company. Each Partnership typically has multiple closings in which an investor can participate. Generally, investors participating in a closing after the initial closing of a Partnership bear the Management Fee from the date of the initial closing of such Partnership. The Management Fee will be reduced upon the expiration of the investment period or at an earlier date upon the occurrence of certain other events as and to the extent described in the applicable Governing Documents. The Management Fee will be payable until proceeds from all portfolio investments are distributed or until the General Partner’s relationship with the applicable Partnership is terminated for other reasons (as described in the relevant Governing Documents). Installments of the Management Fee payable for any period other than a full management fee determination period are adjusted on a *pro rata* basis according to the actual number of days in such period. As a general matter, Management Fees will be payable during term extensions unless otherwise agreed with investors.

As is generally the case in private equity funds, the Governing Documents provide that a Partnership's Management Fees will be calculated and charged on a basis that generally is not tied to the Partnership's then-current net asset value. As further specified in the Governing Documents, from the effective date of the relevant Partnership until a date specified in the Governing Documents (generally representing the earlier of the end of the Partnership's defined investment period and the date the relevant General Partner (or an affiliate thereof) first begins receiving or accruing management fees from another Partnership meeting certain criteria) (the "**Stepdown Date**"), Management Fees generally will be charged based on a formula tied to the amount of the relevant Partnership's aggregate Commitments. Further, after the Stepdown Date, Management Fees generally will be charged and calculated based on a formula tied to the amount of investment contributions made by the relevant Partnership that have not been realized or permanently written down.

Under the Governing Documents, where the fair market value of an investment exceeds the total amount of investment contributions relating to such investment, post-Stepdown Date Management Fees will not be calculated based upon such appreciated value, and will instead continue to be calculated based on the amount of such investment contributions. However, where there has been a partial distribution, partial writedown or partial sale of an investment in a portfolio company and the fair market value of such investment following such event exceeds the total amount of investment contributions relating to such investment, the Governing Documents generally do not require Management Fees after the Stepdown Date to be reduced. Following the Stepdown Date, generally the Governing Documents require that a distribution with respect to a portfolio company will be treated for this purpose as a return of capital only to the extent that the fair market value of the remaining investment in such portfolio company is less than the aggregate investment contributions made with respect to such portfolio company.

As a result, the amount of Management Fees generally will not correspond with fluctuations in the Partnership's net asset value, including following the investment period, and will not be reduced in connection with any write downs (whether temporary or permanent), except in the case of investments permanently written down where the remaining value is less than all investment contributions with respect to such investment.

Management Fees generally will not be reimbursed or refunded under the Governing Documents in the event of realizations, dispositions or partial write-downs that occur partway through the relevant calculation period.

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

The Management Fee is reduced by all or a portion of the directors' fees, transaction fees, breakup fees and certain other fees paid by portfolio companies to a General Partner, the Management Company or certain of their affiliates (such fees, "**Supplemental Fees**"). To the extent that such an offset credit would reduce the Management Fee for the relevant period below zero, the credit will be carried forward for future application against payable Management Fees. To the extent any such excess remains unapplied upon dissolution of a Partnership, each partner

of such Partnership will receive its share of such unapplied excess, unless such partner elects not to receive its share. To the extent that any other Private Investment Fund co-invests alongside the Partnership in any portfolio company investment, any Supplemental Fees typically will be allocated *pro rata* among the Partnership and such other Private Investment Fund in proportion to the cost of the investment in the portfolio company borne by each.

As further described below, certain third-party operating personnel (including members of the Management Company Executive Advisory Board) who provide services with respect to portfolio companies (“**Operating Advisors**”) generally receive compensation and other amounts described herein from the Partnerships and/or portfolio companies (including as directors’ fees), but no such amounts will result in additional offsets to the Management Fee. In certain cases, compensation from portfolio companies or the Partnerships will reduce the amount otherwise payable by the Management Company to the Operating Advisors.

As permitted under the Governing Documents for certain Partnerships, the respective General Partner reserves the right to waive a portion of the Management Fee in exchange for a reduction in the General Partner’s capital contribution obligation and/or a corresponding interest in Partnership profits. The limited partners of the Partnership would, in such circumstances, be required to make a *pro rata* contribution according to their respective Commitments to fund any contribution that would otherwise be required of the General Partner in connection with any such waiver as described above. Waived Management Fees are not subject to the Management Fee offsets, and the amount of such waived Management Fees has the potential to be significant. Due to waived Management Fees by a General Partner, it is possible that Management Fee offsets will be delayed, resulting in a net additional benefit to such General Partner.

Carried Interest

The General Partner of each Partnership generally will be entitled to receive a carried interest with respect to such Partnership equal to a fixed percentage of all realized profits (in certain cases subject to a specified preferred return with a related General Partner catch-up provision), as more fully described in the applicable Governing Documents. The carried interest distributed to the General Partner is generally subject to a potential clawback or giveback at the end of the life of the Partnership if the General Partner has received excess cumulative distributions, as more fully described in the applicable Governing Documents.

Other Information

Each Adviser is permitted to exempt certain investors in the Partnership(s) they advise from payment of all or a portion of Management Fees and/or carried interest. An Adviser reserves the right to make any such exemption from Management Fees and/or carried interest by a direct exemption, a rebate by Edgewater and/or its affiliates or through other Partnerships which co-invest with a Partnership. For example, in instances where an Edgewater professional (or an affiliated entity thereof) invests in a Partnership, such professional (or such affiliated entity) generally will be exempt from payment of the Management Fee and/or carried interest with respect to such Partnership. Additionally, to the extent permitted by the relevant Governing Documents, certain Advisers have the right to permit investors, affiliated with an Adviser or otherwise, to invest

through the relevant General Partner or other vehicles that do not bear Management Fees and/or carried interest.

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

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

In addition to the Management Fee and carried interest payable to the General Partner, each Partnership bears certain expenses. As set forth more fully in the Governing Documents, a Partnership bears all fees, costs, expenses, liabilities and obligations relating to the Partnership's (and its subsidiaries' and intermediate entities') activities, investments and business to the extent not reimbursed by a portfolio company or applied to reduce Management Fees, including, without limitation: (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, actual and potential investments (including follow-on investments) or seeking to do any of the foregoing (including any associated legal, financing, commitment, transaction or other costs payable to attorneys, accountants, tax professionals, investment bankers, lenders, expert networks, third-party diligence, software and service providers, consultants and similar professionals in connection therewith); (ii) indebtedness of, or guarantees made by, a Partnership, the Management Company or a General Partner on behalf of a Partnership (including any credit facility, letter of credit or similar credit support), including any interest with respect thereto, or seeking to put in place any such indebtedness or guarantee; (iii) financing, commitment, origination and similar activities; (iv) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration, private placement fees, sales commissions, investment banking and other similar services; (v) brokerage, sale, custodian, depository, local paying agent, trustee, record keeping, account, registered office and similar services; (vi) legal, accounting, research, auditing, technology, administration (including costs associated with any 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), consulting (including consulting and retainer fees and other compensation paid to an Operating Advisor, consultants performing investment initiatives or providing services related to environmental, social and governance investment considerations and policies and other consultants), tax and other professional services (including costs related to the establishment or maintenance of any such activities or services); (vii) reverse breakup, termination and other similar arrangements; (viii) insurance, including directors and officers liability, fidelity bond, cybersecurity, errors and omissions liability, crime coverage and general partnership liability premiums and other insurance (including costs related to any retention or deductibles and broker costs and commissions) and any consultants or other advisors utilized in the procurement, review, maintenance and analysis of insurance; (ix) filing, title, transfer, survey, registration and other similar activities; (x) printing,

communications, mailing, courier, marketing and publicity; (xi) the preparation, distribution or filing of financial statements or other reports, tax returns, tax estimates, Schedule K-1s or similar forms or other communications with partners, any other administrative, compliance or regulatory filings or reports (including Form PF and Bureau of Economic Analysis Reports), or other information, including costs of any third-party service providers and professionals related to the foregoing; (xii) compliance with any tax or financial account reporting regime, including Foreign Account Reporting Requirements, the OECD Standard for Automatic Exchange of Financial Account Information – Common Reporting Standard and any similar laws, rules and regulations, including any costs of any third-party service providers and professionals related to the foregoing; (xiii) 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); (xiv) any activities with respect to protecting the confidential or non-public nature of any information or data, including confidential information; (xv) indemnification (including legal and any other costs incurred in connection with indemnifying any partner or other person pursuant to the Governing Documents or otherwise and advancing costs incurred by any such person in defense or settlement of any claim that may be subject to a right of indemnification pursuant to the Governing Documents), except as otherwise set forth in the Governing Documents; (xvi) actual, threatened or otherwise anticipated litigation, mediation, arbitration or other dispute resolution process, including the costs of discovery related thereto and any judgment, other award or settlement entered into in connection therewith, except to the extent such costs or amounts have been determined to be excluded from the indemnification provided for in the Governing Documents; (xvii) any annual, periodic or special meeting of the partners and any other conference, meeting or webcast or other video conference with any partner(s), in each case to the extent incurred by a Partnership, the relevant General Partner or any other affiliate of the relevant General Partner; (xviii) except as otherwise determined by the relevant General Partner in its sole discretion, any cost 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 Partnership expense if it were incurred in connection with a Partnership and any other costs related to the structuring or restructuring of any alternative investment vehicle, portfolio company or portfolio company of any alternative investment vehicle; (xix) the termination, liquidation, winding up or dissolution of a Partnership and any persons owned directly or indirectly by a Partnership (including portfolio companies) and related entities; (xx) defaults by partners in the payment of any capital contributions; (xxi) amendments to, and waivers, consents or approvals pursuant to, the constituent documents of a Partnership, any entities owned directly or indirectly by a Partnership (including portfolio companies) and any alternative investment vehicle, including the preparation, distribution and implementation thereof; (xxii) (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 the relevant General Partner or any of its affiliates incurred in connection with the operation of a Partnership and any costs related to compliance with any environmental, social or governance or other investment considerations and policies applicable to a Partnership, the relevant General Partner and/or any of their respective affiliates and/or (B) the validation or other confirmation of any payments made to a Partnership or the relevant General Partner (including as

a result of any anti-money laundering laws, rules or regulations); (xxiii) any litigation or governmental inquiry, investigation or proceeding, including any costs of discovery related thereto and the amount of any judgments, settlements or fines paid in connection therewith, except to the extent such costs or amounts have been determined to be excluded from the indemnification provided for in the Governing Documents; (xxiv) any consultants, experts or advisors engaged, including independent appraisers engaged in connection with a Partnership considering, making, holding or disposing of, directly or indirectly, an investment in the same person as one or more investment vehicles (other than a Partnership) managed or controlled by the relevant General Partner or any of its affiliates; (xxv) unreimbursed costs and expenses incurred in connection with any transfer or proposed transfer contemplated by the Governing Documents or any limited partner's name change, internal restructuring or change in trust, registered agent or custodian; (xxvi) any taxes, fees and other governmental charges levied against a Partnership and all costs incurred in connection with any tax audit, inquiry, investigation settlement or review of a Partnership (except to the extent that a Partnership is reimbursed therefor by a reimbursing partner) and any costs of or related to the partnership representative of a Partnership, provided that nothing in this clause (xxvi) shall affect the treatment of any such amount pursuant to the Governing Documents; (xxvii) distributions to the partners and other costs associated with the acquisition, holding and disposition of investments, including extraordinary expenses; (xxviii) unreimbursed and unpaid costs of Operating Advisors; (xxix) compliance or regulatory matters, except as otherwise set forth in the Governing Documents, including compliance with the Governing Documents and/or any Side Letter; (xxx) any travel, car or ride sharing services, other modes of transportation, meals and lodging relating to any of the foregoing, including in connection with consummated and unconsummated investment and disposition opportunities; (xxxi) any of the items listed in clauses (i) through (xxx) above relating to any investment, restructuring, taking public or private, disposition, transaction, project or other opportunity not consummated or otherwise not successful (such expenses collectively hereinafter referred to as "**Broken Deal Expenses**"); and (xxxii) any organizational expenses. As a general matter, Broken Deal Expenses and other expenses relating to the diligence or evaluation of a prospective investment are allocated among investors within a Partnership regardless of whether any individual investor negotiated for an elective or automatic contractual right that would have excused them from participating in the investment. Excluded from Partnership expenses are ordinary administrative and overhead expenses of the General Partners incurred in connection with managing, originating and monitoring investments, including, without limitation, employees' salaries, rent, utilities and other similar expenses specified in the Governing Documents. Each Partnership also generally will bear the costs of implementing, reporting (as applicable) monitoring and complying with investment guidelines and directives relating to the Partnership's strategy, including in Side Letters relating thereto, and (where applicable) environmental, social, governance (ESG) and other standards to which the relevant General Partner has committed in making investments on behalf of a Partnership. The Partnerships, similar to other private equity funds, likely bear additional and greater expenses, directly or indirectly, than many other pooled investment products, such as mutual funds, and there can be no assurance that the benefits to investors will be commensurate with such expenses. To the extent brokerage fees are incurred, they will be incurred in accordance with the general practices set forth below in "Brokerage Practices."

In certain circumstances, one Fund is expected to pay an expense or obligation common to multiple Funds or co-investment vehicles and/or co-investors (including, without limitation, legal expenses for a transaction in which all such Funds and/or co-investors participate, Broken Deal

Expenses in which certain Funds were expected to participate or other fees or expenses in connection with services the benefit of which are received by other Funds and/or co-investors over time) or advance an initial investment amount, and be reimbursed by the other Funds by their share of such expenses or obligations, without interest. To the extent the paying Partnership makes use of a credit facility to pay such expense, it generally will not be reimbursed separately by other Partnerships for use of the facility. In certain circumstances, Edgewater or an affiliate thereof is expected to advance amounts related to the foregoing and receive reimbursement from the Funds, without interest, to which such expenses relate.

In certain circumstances, the relevant General Partner is expected to permit certain investors to co-invest in portfolio companies alongside one or more Partnerships, subject to Edgewater's related policies and practices and the Governing Documents and/or Side Letters. Where a co-invest vehicle is formed, such entity generally will bear expenses related to its formation and operation, many of which are similar in nature to those borne by the Partnerships. 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, in the judgement of the General Partner, ultimately is not consummated, the full amount of any Broken Deal Expenses relating to any such unconsummated transaction could be borne by the Partnership(s), and not by any prospective co-investors (including any co-invest vehicle), that were to have participated in such proposed transaction. To the extent a Partnership makes use of a credit facility to invest in a portfolio company or pay related expenses, Edgewater expects there will be circumstances in which such Partnership is not reimbursed separately by co-investors for use of the facility, where permitted by such vehicle's governing documents.

The Advisers and/or their affiliates generally have discretion over whether to charge transaction fees, monitoring fees or 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. In most circumstances, such compensation is not reviewed or approved by an independent third party. The receipt of such compensation generally will give rise to potential conflicts of interest between the Partnerships, on the one hand, and the Advisers and/or their affiliates, on the other hand.

Operating Advisors

Additionally, as further described herein and in the Governing Documents, it is the Management Company's practice to use or retain certain third-party Operating Advisors (including entities formed for the benefit of such persons and/or to facilitate the provision of their services) to provide services to (or with respect to) one or more Partnerships or certain current or prospective portfolio companies in which one or more Partnerships invest. Such Operating Advisors generally provide services in relation to the identification, acquisition, holding, improvement and disposition of portfolio companies, including operational aspects of such companies. In certain circumstances, these services also include serving in management or policy-making positions for portfolio companies. Operating Advisors receive compensation, including, but not limited to, cash fees, retainers, transaction fees, discretionary compensation (whether or not based on pre-determined milestones), a profits, participation or equity interest in a portfolio company or holding company, equity incentives and board fees. Compensation in the form of profits or equity interests in a

portfolio company or intermediate holding company generally has a dilutive impact on a Partnership's investment, and has the potential to result in economic effects greater than the original amount of compensation, and the relevant Partnership typically will bear the costs of all Operating Advisor compensation as well as fees, costs and expenses of structuring Operating Advisor arrangements. Operating Advisors also generally will be reimbursed for certain travel and other costs in connection with their services, and no such amounts will offset or reduce the Management Fee. The use of Operating Advisors subjects the Advisers to potential conflicts of interest, as discussed under "Methods of Analysis, Investment Strategies and Risk of Loss — Potential Conflicts of Interest Relating to the Advisers," below.

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

As described above under "Fees and Compensation," the relevant General Partner generally receives a carried interest allocation on certain realized profits in the relevant Partnership. Currently, the Advisers do not advise Private Investment Funds not subject to a carried interest, although it generally has the authority to waive carried interest with respect to certain limited partners in a Partnership, including for members of the Management Company Executive Advisory Board. Additionally, to the extent that Edgewater has Partnerships with varying carried interest terms (including amount, timing, waterfall conditions or other terms) and/or Edgewater personnel are assigned varying percentages of carried interest from the Partnerships, Edgewater and such personnel are subject to potential conflicts of interest, to the extent they are involved in identifying investment opportunities as appropriate for Funds from which they are entitled to receive a higher carried interest percentage. Edgewater seeks to address the potential for conflicts of interest in these matters with allocation policies/practices that provide that transactions and investment opportunities will be allocated to the Funds in accordance with each Fund's investment guidelines and Governing Documents, as well as other factors that do not include the amount of performance-based compensation received by Edgewater or any personnel.

The existence of performance-based compensation has the potential to create an incentive for a General Partner to make more speculative investments on behalf of a Partnership than it would otherwise make in the absence of such arrangement, although the Advisers generally consider performance-based compensation to better align the General Partners' interests with those of investors in the Partnerships, particularly in instances where the Governing Documents include terms requiring clawback or giveback of performance-based compensation amounts at the end of the relevant Partnership's life or at certain interim intervals. See "Methods of Analysis, Investment Strategies and Risk of Loss — Potential Conflicts of Interest Relating to the Advisers," below, for further discussion.

TYPES OF CLIENTS

The Advisers provide investment advice solely to its Private Investment Fund clients, and references throughout this Brochure to "clients" and to the Advisers' related duties to and practices on behalf of its clients and/or investors should be construed accordingly. The Partnerships are investment partnerships or other investment entities formed under U.S. or non-U.S. laws and operated as exempt investment pools under the Investment Company Act of 1940, as amended.

The investors participating in the Partnerships generally include individuals, banks or thrift institutions, other investment entities, university endowments, sovereign wealth funds, family offices, pension and profit-sharing plans, trusts, estates or charitable organizations or other corporations or business entities and from time to time include, directly or indirectly, Principals or other employees of the Advisers and their affiliates and members of their families, Operating Advisors or certain service providers retained by the Advisers, as well as executives of portfolio companies.

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

Typically, each Partnership has a minimum investment amount of \$5 million for third-party investors and Partnership interests are offered and sold solely to investors meeting applicable qualifications. The relevant General Partner is permitted to waive such minimum investment amount.

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

General

The principal investment strategy of the Advisers is to seek to achieve long-term capital appreciation for the Partnerships, primarily by acquiring equity and equity-related securities and debt in private growth-oriented companies. The Advisers generally target buyout and growth equity and equity-related investments primarily in lower middle market companies with revenues generally ranging from \$50 to \$300 million and EBITDA generally ranging from \$10 to \$50 million. Investments are predominantly in non-public companies, although investments in public companies are permitted. *There can be no assurance that the Advisers will achieve the investment objectives of any of the Partnerships, and a loss of investment is possible.*

Investment and Operating Strategy

The Advisers generally seek to provide returns to investors by (i) using research and contacts to identify investments that the Advisers believe are attractive, (ii) performing analysis and due diligence to select and structure investments and (iii) providing significant resources to portfolio companies.

Preliminary Review. Upon the receipt of information regarding a new investment opportunity, a deal team is formed that is typically comprised of the Advisers' investment professionals with both operating and financial experience. The deal team seeks to assess the strengths and weaknesses of the business, including its operations and company management, the current state and outlook for the industry and the particular deal dynamics. The Advisers believe that extensive and objective due diligence is a cornerstone of successful investing. Once the deal team has determined that the transaction represents an attractive opportunity for a Fund, the opportunity typically is presented to all of the investment professionals for their preliminary

review. These reviews are an occasion to gather the investment professionals' input on the investment thesis, industry activity, informational resources and ways to create value post-closing.

Structure Investment. The deal team works to structure the investment in a manner that it believes will provide an attractive risk/return profile and promote the growth prospects and opportunities of the company. The Advisers strive to use structures designed to minimize downside risk, such as liquidation preferences, participation features and dividends. The Advisers have developed a set of protective covenants and control provisions that are designed to provide certain governance, control and liquidity rights, and the Advisers often seek to implement these covenants and provisions as appropriate.

Due Diligence and Approval. Once a letter of intent with exclusivity has been signed and the investment committee has given preliminary approval to pursue the opportunity, the deal team executes the due diligence process. The purpose of this process is to gain a thorough understanding of the operations of the target company, review and quantify opportunities and evaluate potential risks that may threaten the investment in the future. The Advisers typically engage leading professional service providers across a broad range of disciplines and industries to assess business and industry conditions, accuracy of financial statements, quality of revenues and earnings, reasonableness of projections, competition, product and service efficiencies and customer satisfaction, and work closely with due diligence providers throughout their engagement. Projected operating plans are reviewed with management and downside scenarios are developed and analyzed. At this time, the Advisers also typically review specific opportunities for the Advisers to add value through additional relationships including candidates for chairman or lead director. Plans for acquisitions and eventual exits are explored and conversations with potential targets or exit opportunities are often underway during due diligence.

In addition to company and market specific matters, the Advisers' deal team spends time analyzing the strengths and weaknesses of the management team. This review typically includes management reference calls, background checks and multiple interviews with key management team members. This management team review generally allows the Advisers not only to assess current management, but begin to plan for the necessary near-term changes or additions to the current team prior to closing the transaction.

The deal team analyzes the findings of these due diligence procedures both during and at the end of each engagement and incorporates adjustments or protections into the transaction where appropriate to ensure the Advisers' risk/return profile of the investment remains intact. At the end of the due diligence process, the deal team leads the Advisers' investment team through a review of the due diligence findings to prepare for the funding of the transaction. Prior to this review, the Advisers' deal team will assemble and circulate a final approval memorandum that outlines the business, risks, financial analysis and investment opportunity. The funding review is also typically accompanied by a presentation to the Advisers by the target company's management. Each new investment receives unanimous consent of the investment committee for approval and subsequent funding of the transaction.

In connection with origination, monitoring or disposition activities, the Advisers generally use a broad range of deal sourcers or brokers, consultants, including, without limitation, Operating Advisors, or other parties for assistance at the expense of the Partnerships. Such deal sourcers or

brokers, consultants or others may have other business dealings, affiliations or arrangements with Lazard, Edgewater or its Principals. See “Fees and Compensation — Other Information,” above.

Risks of Investment

A Partnership and its investors bear the risk of loss that the applicable Advisers’ investment strategy entails. The risks involved with the Advisers’ investment strategy and an investment in a Partnership are detailed in each Partnership’s Memorandum. Accordingly, the summary below is qualified in its entirety by the risks set forth in each Partnership’s Memorandum. Please consult each Partnership’s Memorandum for a more detailed description of the risks involved with an investment in such Partnership. *There can be no assurance that the Advisers will achieve the investment objectives of any of the Partnerships, and a loss of investment is possible.* In general, the material risks with respect to an investment in each Partnership include, but are not limited to:

1. *Business Risks.* A Partnership’s investment portfolio is expected to 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.

2. *Future and Past Performance.* The performance of the Advisers’ prior investments is not necessarily indicative of a Partnership’s future results. While the General Partner intends for the Partnerships to make investments that have estimated returns commensurate with the risks undertaken, there can be no assurance that the targeted internal rate of return will be achieved. On any given investment, loss of all or any portion of principal is possible. There can be no assurance that any partner will receive any distribution from a Partnership. Accordingly, an investment in a Partnership should only be considered by persons who can afford the loss of their entire investment.

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

4. *Concentration of Investments.* A Partnership will participate in a limited number of investments (and reserves the right to make several investments in one industry or one industry segment or within a short period of time). As a result, a Partnership’s investment portfolio could become highly concentrated, and the performance of one or a few holdings or of one or a few particular industries may substantially affect its aggregate return. Furthermore, to the extent that the capital raised is less than the targeted amount, a Partnership may invest in fewer portfolio companies and thus be less diversified.

Each active Partnership generally is restricted from directly investing more than 15% of such Partnership’s aggregate Commitments (measured as of the date any such investment is to be made) in any one company. The relevant General Partner reserves the right to waive such restriction upon approval by the advisory committee comprised of the Partnership’s limited partners, as described in the applicable Governing Documents.

5. *Lack of Sufficient Investment Opportunities.* It is possible that a Partnership will never be fully invested if enough sufficiently attractive investments are not identified. The business

of identifying, structuring and completing private equity transactions is highly competitive and involves a high degree of uncertainty. However, regardless of the extent to which the commitments of the limited partners are invested (or drawn down to be invested), the limited partners will be required to bear Management Fees through such Partnership during the investment period based on the entire amount of the limited partners' commitments to such Partnership and other expenses as set forth in the Governing Documents.

6. *Dynamic Investment Strategy.* While the General Partners generally intend to seek attractive returns for the Partnerships primarily through the investment strategy and methods described in the Memorandum, the General Partners reserve the right to pursue additional investment strategies and/or modify or depart from its initial investment strategy, investment process or investment techniques to the extent it determines such modification or departure to be appropriate and consistent with the Governing Documents. The General Partners reserve the right to pursue investments outside of the industries and sectors in which the Principals have previously made investments or has internal operational experience. The General Partners reserve the right to pursue investments in Rule 144A securities, investment companies and other pooled investment vehicles, platform transactions, joint ventures and other similar investments.

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

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

9. *Leveraged Investments.* A Partnership is permitted to make use of leverage by incurring or having a portfolio company or intermediate entity incur debt to finance a portion of its investment, including in respect of companies not rated by credit rating agencies. Leverage generally magnifies both a Partnership's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain

the desired degree of leverage. During times when credit markets are tight, it may be difficult to obtain or maintain the desired degree of leverage. The use of leverage will also result in interest expense and other costs to a Partnership that may not be covered by distributions made to such Partnership or appreciation of its investments. Leverage often imposes restrictive financial and operating covenants on a company, in addition to the burden of debt service, and will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio companies will increase the exposure of a Partnership's investments to any deterioration in a company's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of a Partnership's investments in the leveraged portfolio companies in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio company's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Partnership. In the event any portfolio company cannot generate adequate cash flow to meet debt service, a Partnership may suffer a partial or total loss of capital invested in the portfolio company, which could adversely affect the returns of such Partnership. Furthermore, should the credit markets be limited or costly at the time a Partnership determines that it is desirable to sell all or a part of a portfolio company, such Partnership may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Moreover, the companies in which a Partnership invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant Governing Documents, a Partnership will not be obligated to borrow on behalf of a portfolio company, even in circumstances where the Partnership's creditworthiness would permit borrowing at a lower rate than is available to the portfolio company.

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

10. Subscription Lines. Certain Partnerships generally are permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of such Partnership's investments). Partnership-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription

line typically are secured by pledges of the relevant General Partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Partnership fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Partnership would likely be subordinate to the Partnership's obligations to a subscription line's creditors.

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

A credit agreement or borrowing facility frequently will contain other terms that restrict the activities of a Partnership and the limited partners or impose additional obligations on them. For example, certain lenders or facilities are expected to impose restrictions on the relevant General Partner's ability to consent to the transfer of a limited partner's interest in a Partnership or impose concentration or other limits on a Partnership's investments and/or financial or other covenants, that could affect the implementation of a Partnership's investment strategy. In addition, in order to secure a subscription line, the relevant General Partner may request certain financial information and other documentation from limited partners to share with lenders. The relevant General Partner will have significant discretion in negotiating the terms of any subscription line

and may agree to terms that are not the most favorable to one or more limited partners. In certain circumstances, due to separate evaluations of creditworthiness by lenders or facility providers, a portfolio company or other Partnership subsidiary is expected to bear higher rates under a borrowing facility than are borne by the Partnership, resulting in a potential net benefit to the Partnership, or additional potential liquidity constraints or other burdens on the relevant portfolio company or Partnership subsidiary.

Partnership-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows the relevant General Partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant General Partner called smaller amounts of capital incrementally over time as needed by a Partnership. 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. A General Partner is authorized to use Partnership-level borrowing to pay Management Fees and to reimburse Edgewater for expenses incurred on behalf of a Partnership. A Partnership is also permitted to utilize Partnership-level borrowing when the relevant General Partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If such Partnership ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

In addition, certain holding companies formed by Edgewater and wholly owned by one or more Partnerships have or are expected to enter into a subscription line with one or more lenders in order to finance the acquisition of a Partnership investment or the operations of a portfolio company. Borrowing by such holding companies will be guaranteed by the relevant Partnership(s) and, accordingly, subjects limited partners in the relevant Partnership(s) to the same risk and costs as those set forth above.

If an investment appreciates in value and is disposed of prior to repayment, the relevant Partnership generally would apply disposition proceeds to repay the borrowing and related interest and expenses, the absence of invested capital funded by limited partners potentially will result in a distribution of net proceeds without a preferred return accrual on the amount invested. Accordingly, borrowings have the potential to support the distribution of proceeds to limited partners and increase the potential carried interest for the relevant General Partner, as reduced by the interest incurred by the relevant Partnership. Subject to any limitations in the Governing Documents, this scenario potentially incentivizes the relevant General Partner to permanently fund the acquisition and ongoing capital needs of a Partnership's investments and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never, if principal and interest on such borrowings are always repaid out of disposition proceeds).

11. Restricted Nature of Investment Positions. Generally, there will be no readily available market for a substantial number of a Partnership's investments, and, hence, most of a Partnership's investments will be difficult to value. The Advisers reserve the right to distribute certain investments in kind to a Partnership's partners, subject to limitations set forth in the Governing Documents, and it may be difficult to liquidate the securities received at a price or within a time period that is determined to be ideal by such partners. After a distribution of securities is made to the partners, many partners may decide to liquidate such securities within a short period of time, which could have an adverse impact on the price of such securities. The price at which such securities may be sold by such partners may be lower than the value of such securities determined pursuant to the Governing Documents, including the value used to determine the amount of carried interest available to the relevant General Partner with respect to such investment.

12. Reliance on Portfolio Company Management. Although the General Partners will monitor the performance of each Partnership investment, it will primarily be the responsibility of each portfolio company's management team to operate the portfolio company on a day-to-day basis. Although the Partnerships 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, or any successor, of such companies will be able or willing to successfully operate a company in accordance with each Partnership's objectives. An investment by a third party in a portfolio company involves risks, including the possibility that a third-party investor may have economic or business interests or goals that are inconsistent with those of a Partnership or may be in a position to take (or block) actions in a manner contrary to a Partnership's investment objectives.

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

14. Need for Follow-On Investments. Following its initial investment in a given portfolio company, a Partnership reserves the right to provide additional funds to such portfolio company or a Partnership may have the opportunity to increase its investment in a portfolio company, whether for opportunistic reasons, to fund the needs of the business, as an equity cure under applicable debt documents or for other reasons. There can be no assurance that a Partnership will make follow-on investments or that any Partnership will have sufficient funds to make all or any of such investments. Any decision by a Partnership not to make follow-on investments or its inability to make such investments may 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, such failure to make such investments may result in a lost opportunity for a Partnership to increase its participation in a successful portfolio company or the dilution of the Partnership's ownership in a portfolio company if a third party or co-investor is permitted to invest.

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

Additional risks include: (a) risks of economic dislocations in the host country; (b) less publicly available information; (c) less well-developed and/or more restrictive laws, regulations, regulatory institutions and judicial systems; (d) greater difficulty of enforcing legal rights in a non-U.S. jurisdiction; (e) civil disturbances; (f) political or social instability; and (g) nationalization and expropriation of private assets. Moreover, non-U.S. companies may not be subject to uniform accounting, auditing and financial reporting standards, practices and requirements comparable to those that apply to U.S. companies.

Each active Partnership generally is restricted from directly investing in any company organized or headquartered outside of the United States or Canada if, after giving effect to such investment, the aggregate cost of all such companies held by the applicable Partnership would exceed 20% of the Partnership's aggregate Commitments. Such restriction may be waived upon approval by an advisory committee of limited partners, as described in the applicable Governing Documents.

16. *Portfolio Company Directors.* A Partnership will often obtain the right to appoint a representative to the board of directors (or similar governing body) of the companies in which it invests. Such representatives will be required to make decisions that consider the best interests of the respective portfolio companies. In certain circumstances, for example in situations involving bankruptcy or near-insolvency of a portfolio company, actions that may be in the best interest of such portfolio company (or a third party, such as a creditor) may not be in the best interests of a Partnership, and vice versa. Additionally, serving on the board of directors (or similar governing body) of a portfolio company exposes a Partnership's representatives, and ultimately such Partnership, to potential liability. Not all portfolio companies may obtain insurance with respect to such liability, and the insurance that portfolio companies do obtain may be insufficient to adequately protect officers and directors from such liability. In addition, involvement in litigation can be time consuming for such persons and can divert the attention of such persons from a Partnership's investment activities.

17. *Uncertain Economic, Social and Political Environment.* Consumer, corporate and financial confidence may be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises or other sources of political, social or economic unrest. Such erosion of confidence may lead to or extend a localized or global economic downturn. A climate of uncertainty, including the contagion of infectious viruses or diseases, may reduce the availability of potential investment opportunities, and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. In addition, limited availability of credit for consumers, homeowners and businesses,

including credit used to acquire businesses, in an uncertain environment or economic downturn may have an adverse effect on the economy generally and on the ability of a Partnership and its portfolio companies to execute their respective strategies and to receive an attractive multiple of earnings on the disposition of businesses. This may slow the rate of future investments by a Partnership and result in longer holding periods for investments. Furthermore, such uncertainty, including the uncertainty stemming from the contagion of infectious viruses or diseases, or general economic downturn may have an adverse effect upon a Partnership's portfolio companies.

18. Public Health Emergencies. Pandemics and other widespread public health emergencies, including outbreaks of infectious diseases such as SARS, H1N1/09 flu, avian flu, Ebola and COVID-19, have and are resulting in market 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 may result in significant losses to a Partnership.

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

The ultimate impact of any such health emergency – and the resulting precipitous decline in economic and commercial activity across several of the world's largest economies – on global economic conditions, and on the operations, financial condition and performance of any particular industry or business, is impossible to predict, but could have a significant adverse impact and result in significant losses to a Partnership. The extent of the impact on a Partnership and its portfolio companies' operational and financial performance will depend on many factors, all of which are highly uncertain and cannot be predicted, and this impact may include significant reductions in revenue and growth, unexpected operational losses and liabilities, impairments to credit quality and reductions in the availability of capital. These same factors may limit the ability of a Partnership to source, diligence and execute new investments and to manage, finance and exit investments in the future, and governmental mitigation actions may constrain or alter existing financial, legal and regulatory frameworks in ways that are adverse to the investment strategy a Partnership intends to pursue, all of which could adversely affect a Partnership's ability to fulfill its investment objectives. They may also impair the ability of portfolio companies or their counterparties to perform their respective obligations under debt instruments and other commercial agreements (including their ability to pay obligations as they become due), potentially leading to defaults with uncertain consequences. In addition, the operations of a Partnership, its portfolio companies, the General Partners and Edgewater may be significantly impacted, or even

temporarily or permanently halted, as a result of any such health emergencies, or any measures, restrictions, remote-working requirements and other factors related thereto, including its potential adverse impact on the health of any such entity's personnel. These measures may also hinder such entities' ability to conduct their affairs and activities as they normally would, including by impairing usual communication channels and methods, hampering the performance of administrative functions such as processing payments and invoices, and diminishing their ability to make accurate and timely projections of financial performance.

19. Market Conditions. The capital markets have experienced great volatility and financial turmoil. Moreover, governmental measures undertaken in response to such turmoil (whether regulatory or financial in nature) may have a negative effect on market conditions. General fluctuations in the market prices of securities and economic conditions generally may reduce the availability of attractive investment opportunities for the Partnership and may affect a Partnership's ability to make investments. Any material change or instability in the economic environment, including a slow-down in economic growth and/or changes in interest rates or foreign exchange rates, may increase the risks inherent in a Partnership's investments and could have a negative impact on the performance and/or valuation of the portfolio companies. A Partnership's performance can be affected by deterioration in public markets and by market 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 may adversely affect the value of investments in portfolio companies and a Partnership's performance. The value of publicly traded securities may be volatile and such securities may be difficult to sell as a block, even following a realization through listing.

20. Deterioration of Credit Markets May Affect Ability to Finance and Consummate Investments. In the event that the global credit markets deteriorate and it becomes more difficult for investment funds such as the Partnerships to obtain favorable financing for investments, a Partnership's ability to generate attractive investment returns may be adversely affected. 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 Partnership to realize its investments at favorable times or for favorable prices.

21. Hedging Arrangements; Related Regulations. A General Partner is authorized (but not obligated) to endeavor to manage a Partnership's or any portfolio company's currency exposures, interest rate exposures or other exposures, using hedging techniques where available and appropriate. A Partnership may incur costs related to such hedging arrangements, which may be undertaken in exchange-traded or over-the-counter ("OTC") contexts, including futures, forwards, swaps, options and other instruments. There can be no assurance that adequate hedging arrangements will be available on an economically viable basis or that such hedging arrangements will achieve the desired effect, and in some cases hedging arrangements may result in losses greater than if hedging had not been used. In some cases, particularly in OTC contexts, hedging arrangements will subject a Partnership to the risk of a counterparty's inability or refusal to perform under a hedging contract, or the potential loss of assets held by a counterparty, custodian or intermediary in connection with such hedging. OTC contracts may expose a Partnership to additional liquidity risks if such contracts cannot be adequately settled. Certain hedging arrangements may create for the relevant General Partner and/or one of its affiliates an obligation

to register with the U.S. Commodity Futures Trading Commission (the “CFTC”) or other regulator or comply with an applicable exemption. Losses may result to the extent that the CFTC or other regulator imposes position limits or other regulatory requirements on such hedging arrangements, including under circumstances where the ability of a Partnership or a portfolio company to hedge its exposures becomes limited by such requirements.

22. *Environmental, Social and Governance (“ESG”) Matters.* Edgewater maintains an ESG policy and seeks to integrate certain ESG factors into its investment process in accordance with its policy and subject to its fiduciary duty and any applicable legal, regulatory or contractual requirements. There is no guarantee that Edgewater will be able to successfully implement its ESG policy while achieving its investment strategy. In addition, applying ESG factors to investment decisions is qualitative and subjective by nature, and there is no guarantee that the criteria utilized by Edgewater, or any judgment exercised by Edgewater, will reflect the beliefs or values of any particular investor. There are also significant differences in interpretations of what ESG characteristics mean by region, industry and topic, as well as the interpretations of their scope and materiality. Edgewater’s interpretations and decisions are expected to differ from others’ views and could also evolve over time. In addition, in evaluating an investment, Edgewater 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 Edgewater to incorrectly assess a company’s ESG practices and/or related risks and opportunities. Edgewater does not intend independently to verify all ESG information reported by investments or third parties. Further, considering ESG qualities when evaluating an investment could result in the selection or exclusion of certain investments based on Edgewater’s view of certain ESG-related and other factors and could cause the relevant Partnerships not to make an investment that they would have made or to make a management decision with respect to an investment differently than they would have made in the absence of the ESG policies. For avoidance of doubt, however, Edgewater does not expect to subordinate a Partnership’s investment returns or increase a Partnership’s investment risks as a result of (or in connection with) the consideration of any ESG factors.

Further, ESG practices are evolving rapidly and there are different principles, frameworks, methodologies, and tracking tools being implemented by other asset managers, and Edgewater’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. Edgewater’s ESG policies could become subject to additional regulation in the future, and Edgewater 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 Partnership or its investments, including with respect to future administrative burdens and costs.

23. *Unfunded Pension Liabilities of Portfolio Companies.* Certain court decisions have found that, where an investment fund owns 80% or more (or under certain circumstances less than 80%) of a portfolio company, such fund (and any other 80%-owned portfolio companies of such fund) might be found liable for certain pension liabilities of such a portfolio company to the extent the portfolio company is unable to satisfy such liabilities. Although the Advisers intend to manage each Partnership’s investments to minimize any such exposure, a Partnership may, from time to

time, invest in a portfolio company that has unfunded pension fund liabilities, including structuring the investment in a manner where such Partnership may own an 80% or greater interest in such a portfolio company. If such Partnership (or other 80%-owned portfolio companies of such Partnership) were deemed to be liable for such pension liabilities, this could have a material adverse effect on the operations of such Partnership and the companies in which such Partnership invests. This discussion is based on current court decisions, statute and regulations regarding control group liability under the Employee Retirement Income Security Act of 1974, as amended, as in effect as of the date of this Brochure, which may change in the future as the case law and guidance develops.

24. *Lack of Unilateral Control.* Even if a Partnership is the majority investor or controlling shareholder, as applicable, of a portfolio company, in certain circumstances it may not have unilateral control of the portfolio company. To the extent a Partnership invests alongside third parties, such as institutional co-investors or private equity funds of other sponsors, the relevant portfolio company may be controlled or influenced by persons who have economic or business interests, investment or operational goals, tax strategies or other considerations that differ from or are inconsistent with those of the relevant Partnership or its limited partners. Such third parties may be in a position to take action contrary to a Partnership's business, tax or other interests, and such Partnership may not be in a position to limit such contrary actions or otherwise protect the value of its investment.

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

26. *Material Non-Public Information; Other Regulatory Restrictions.* As a result of the operations of Edgewater and its affiliates, as well as in connection with officerships or directorships of Edgewater personnel, Edgewater frequently comes into possession of confidential or material non-public information. Therefore, Edgewater and its affiliates may have access to material non-public information that may be relevant to an investment decision to be made by a Partnership. Consequently, a Partnership may be restricted from initiating a transaction or selling

an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or Edgewater's internal policies and practices.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and regulations in the United States and other jurisdictions may prevent Edgewater or the Partnerships from entering into transactions with certain individuals or jurisdictions. The U.S. Department of the Treasury's Office of Foreign Assets Control ("OFAC") and other governmental bodies administer and enforce laws, regulations and other pronouncements that establish economic and trade sanctions on behalf of the United States. Among other things, these sanctions may prohibit transactions with or the provision of services to, certain individuals or portfolio companies owned or operated by such persons, or located in jurisdictions identified from time to time by OFAC. Additionally, antitrust laws in the United States and other jurisdictions give broad discretion to the U.S. Federal Trade Commission, the U.S. Department of Justice and other U.S. and non-U.S. regulators and governmental bodies to challenge, impose conditions on, or reject certain transactions. In certain circumstances, antitrust restrictions relating to one Partnership's acquisition of a portfolio company may preclude other Partnerships from making an attractive acquisition or require one or more other Partnerships to sell all or a portion of certain portfolio companies owned by them.

As a result of any of the foregoing, a Partnership may be adversely affected because of Edgewater's inability or unwillingness to participate in transactions that may violate such laws or regulations, or by remedies imposed by any regulators or governmental bodies. Any such laws or regulations may make it difficult or may prevent a Partnership from pursuing investment opportunities, require the sale of part or all of certain portfolio companies on a timeline or in a manner deemed undesirable by Edgewater or may limit the ability of one or more portfolio companies from conducting their intended business in whole or in part. Consequently, there can be no assurance that any Partnership will be able to participate in all potential investment opportunities that fall within its investment objectives.

27. Valuation of Investments. Generally, the relevant General Partner will determine the value of all a Partnership's investments for which market quotations are available based on publicly available quotations. However, market quotations will not be available for virtually all of a Partnership's investments because, among other things, the securities of portfolio companies held by such Partnership generally will be illiquid and not quoted on any exchange. There can be no assurance that the relevant General Partner will have all the information necessary to make valuation decisions in respect of these investments, or that any information provided by third parties on which such decisions are based will be correct. There can be no assurance that the valuation decision of the relevant General Partner with respect to an investment will represent the value realized by a Partnership on the eventual disposition of such investment or that would, in fact, be realized upon an immediate disposition of such investment on the date of its valuation. Accordingly, the valuation decisions made by the relevant General Partner may cause it to ineffectively manage a Partnership's investment portfolios and risks, and may also affect the diversification and management of such Partnership's portfolio of investments.

28. Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which operating companies are subject, particularly operating companies in historically vulnerable industries such as the food services and retail industries. To the extent that a portfolio

company, Partnership, General Partner, Edgewater or one or more of their respective service providers is subject to cyber-attack or other unauthorized access is gained to their systems, substantial losses may occur in the form of stolen, lost or corrupted: (i) data or payment information; (ii) financial information; (iii) software, contact lists or other databases; (iv) proprietary information or trade secrets; or (v) other items. If technology systems are compromised, become inoperable for extended periods of time or cease to function properly, Edgewater, the Partnerships, the General Partners and/or portfolio companies may incur significant time or expense to fix or replace them and to seek to remedy the effects of such issues. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in Edgewater's, the Partnerships', the General Partners', portfolio companies' and/or service providers' operations, including the ability to make distributions to limited partners, and result in a failure to maintain the security, confidentiality or privacy of sensitive data, including personal information relating to investors (and the beneficial owners of investors). In certain events, a failure or deemed failure to address and mitigate cybersecurity risks may be the subject of civil litigation or regulatory or other action. The use of internet- or cloud-based programs, technologies and data storage applications generally heightens these risks, and the risks of attack are expected to be heightened in remote work environments. Any of such circumstances could subject a portfolio company, or the relevant Partnership, to substantial losses, including losses relating to: misappropriation of assets, intellectual property or confidential information; corruption, deletion or destruction of data; physical damage and repairs to systems; reputational harm; financial losses from remedial actions; and/or disruption of operations. Third parties, including activist, criminal, nation-state or terrorist actors, may also attempt fraudulently to induce portfolio companies or their personnel to disclose sensitive information (including passwords) in order to gain access to data, accounts, funds or other assets, or otherwise to inflict harm. In addition, in the event that such a cyber-attack or other unauthorized access is directed at Edgewater or one of its service providers holding its financial or investor data, Edgewater, its affiliates or the Partnerships may also be at risk of loss.

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

Certain jurisdictions, including U.S. states, have proposed adopted, or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential

for significant liability for regulated entities, which could include Edgewater, the Partnerships and/or their portfolio companies.

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

As a result of the onshoring of EU legislation in the UK, UK firms are currently subject to many of the same rules and regulations as prior to Brexit. However, the UK government has stated its intention to recast onshored EU legislation as part of UK legislation and regulation, which could result in substantive changes to regulatory requirements in the UK. It remains to be seen to what extent the UK may elect to implement or mirror future changes in the EU regulatory regime, or to diverge from the current EU-influenced regime over time. It is possible that the EU may respond to UK initiatives by restricting third-country access to EU markets. If the regulatory regimes for EU and UK financial services change or diverge further, this could have an adverse impact on any Partnership and its investments, including the ability of a Partnership to achieve its investment objectives in whole or in part (for example, owing to increased costs and complexity and/or new restrictions in relation to cross-border access between the EU and non-EU jurisdictions).

There can be no assurance that any renegotiated laws or regulations will not have an adverse impact on a Partnership and its investments, including the ability of a Partnership to achieve its investment objectives.

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

31. U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Partnerships as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as the Partnerships (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership’s

income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Partnership, its General Partner or Edgewater who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant General Partner and its affiliates to incentivize, attract and retain individuals to perform services for a Partnership. This creates potential incentives for Edgewater to cause a Partnership to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

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

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

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

34. *Financial Institution Risk; Distress Events.* An investment in a Partnership is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a “**Financial Institution**”) of some or all of the Partnership’s (or any portfolio company’s) assets fails to timely perform or otherwise defaults on its obligations or experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a “**Distress Event**”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, Edgewater, any General Partner, the Partnerships and/or any of the portfolio companies may be unable to access deposits, borrowing facilities or other services, either permanently or for an

indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

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

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

Potential Conflicts of Interest Relating to the Advisers

The Management Company and its related entities engage in a broad range of advisory and non-advisory activities. The Advisers will devote such time, personnel and internal resources as are necessary to conduct the business affairs of each Partnership in an appropriate manner, as required by the relevant Governing Documents, although the Partnerships and their respective investments will place varying levels of demand on these over time. In the ordinary course of the Advisers conducting their activities, the interests of a Partnership likely will conflict with the interests of the Advisers, one or more other Partnerships, portfolio companies or their respective affiliates in certain circumstances. Certain of these potential conflicts of interest are discussed herein. As a general matter, the Advisers will determine all matters relating to structuring transactions and Partnership operations using its reasonable judgment considering all factors it deems relevant, but in its sole discretion, subject in certain cases to the required approvals by the advisory committees of the participating Partnerships.

During the investment period of a given Partnership, appropriate investment opportunities will be pursued by the Advisers through such Partnership, subject to certain limited exceptions set forth in the Governing Documents and Edgewater's Investment Allocation Policy. At any given time, the Advisers typically will manage several other Private Investment Funds in addition to a given Partnership, which will be expected to include investments similar to those in which such Partnership will be investing or have investments in portfolio companies in the form of securities or other investments that are not part of the principal investment strategy of such Partnership, and reserve the right to direct certain relevant investment opportunities to those Private Investment Funds and with respect to such investments. Pursuant to their respective Governing Documents, investors in certain Private Investment Funds may elect to forego any proposed investment opportunity, and, under those circumstances, the General Partners reserve the right to direct such investment opportunity to other Private Investment Funds managed by the Advisers and which are then investing capital. Edgewater personnel reserve the right to manage their own personal investments, whether or not through a formal family office or estate planning structure, to establish trusts, endowments, charitable programs, foundations or similar arrangements, and to pay or receive compensation relating to the foregoing. The Principals and investment staff will continue to manage and monitor the investments of such Private Investment Funds until their realization. The portfolio company investments of such other Private Investment Funds from time to time compete with companies acquired by a given Partnership. The significant investment of the Principals in any given Partnership, 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 in such Partnership, although the Principals have economic interests in such other Private Investment Funds and investments as well and receive Management Fees and carried interests relating to such interests. Following the investment period of a given Partnership, the Principals intend to focus their investment activities on other opportunities and areas unrelated to such Partnership's investments. To the extent an advisory opportunity is received that is unsuitable for a Partnership, in Edgewater's sole discretion, Edgewater and its personnel reserve the right to refer such opportunity to third parties or to make personal investments in the relevant opportunity. Unless restricted by the Governing Documents, Edgewater personnel are permitted to serve on boards or act in other roles unaffiliated with Edgewater, the Partnerships or their portfolio companies, including boards of charitable and educational institutions, public companies and former portfolio

companies, and receive compensation in connection with such services and roles, none of which will offset or otherwise reduce Management Fees.

From time to time, the Advisers will be presented with investment opportunities that would be suitable not only for a given Partnership, but also for other Private Investment Funds and other investment vehicles operated by advisory affiliates of Edgewater. In determining which investment vehicles should participate in such investment opportunities, the Advisers are subject to conflicts of interest among the investors in such investment vehicles. The Advisers attempt to allocate investment opportunities among a Partnership and other Private Investment Funds in what they believe to be a fair and equitable manner. As noted above, investors in certain Private Investment Funds may elect to forego investments, which, under the circumstances, likely will result in other Private Investment Funds receiving a greater allocation of such investments. Where necessary, the Advisers generally consult with and/or seek consent to conflicts from an advisory committee consisting of limited partners of any applicable Partnership and any other Private Investment Fund.

The Advisers must first determine which Private Investment Fund(s) will, or are required to, participate in the relevant investment opportunity (however, as noted above, investors in certain Private Investment Funds may elect to forego any proposed investment opportunity). The Advisers generally assess whether an investment opportunity is appropriate for a particular Private Investment Fund based on the relevant Governing Documents (and the conflicts provisions set forth therein), as well as factors including, but not limited to: investment and operating guidelines, diversification limitations, tax and regulatory considerations, minimum dollar limits and other relevant factors, including risk. For example, a newly organized Partnership generally will seek to purchase a disproportionate amount of investments until it is substantially invested. A Partnership generally reserves the right to invest together with other Partnerships advised by an affiliate of the Advisers in the manner set forth in the relevant Governing Documents and the Advisers' Investment Allocation Policy. The Advisers will determine the allocation of investment opportunities among Partnerships in a manner that they believe is fair and equitable consistent with the Advisers' obligations and reserve the right to take into consideration factors such as those set forth above. In other circumstances, during the period that a portfolio company is owned by a Partnership, it could become a suitable investment for one or more other Partnerships due to size, revenue or other characteristics.

Following such determination of allocation among the Private Investment Funds, the Advisers reserve the right to offer co-investment opportunities to one or more potential co-investors, including Operating Advisors, vendors, service providers and/or other third parties, as determined by the Private Investment Funds' Partnership Agreements, Side Letters and the Advisers' Investment Allocation Policy. The Advisers' procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: whether the prospective co-investor has expressed an interest in evaluating co-investment opportunities, including the perceived intensity of that interest; the expertise, knowledge and sophistication of the prospective co-investor with respect to the issuer, segment, industry, geographic region or other characteristics that are relevant to the investment; the perceived ability to quickly execute on transactions; and tax, regulatory and/or securities law considerations (*e.g.*, qualified purchaser or qualified institutional buyer status).

Furthermore, Edgewater or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the relevant transactions, such as a lender or co-sponsor. Co-investment opportunities typically will be offered to some and not to other Partnership investors, and the consideration of the factors set forth above likely will result in certain investors receiving multiple opportunities to co-invest while others expressing interest in co-investments have the potential to receive none. Allowing any co-investment generally reduces the amount of the relevant investment opportunity that theoretically could have been taken by the relevant Partnership, and Edgewater expects to be subject to potential conflicts of interest in determining the amount of investment opportunity that should be allocated to the relevant Partnership because (i) co-invest opportunities generally appeal to Partnership investors and third parties, (ii) to the extent co-investments made by Partnership investors are not subjected to Management Fees and/or performance-based compensation, co-investments blend the effective rates of compensation paid by such persons in a manner not subject to the “most-favored nation” provisions of a Partnership’s Governing Documents and (iii) co-investors’ proportionate share of a particular investment typically is not subject to the Management Fee offset provisions of a Partnership’s Governing Documents. In order to facilitate the acquisition of a portfolio company, a Partnership reserves the right to make (or commit to make) an investment in the company with a view to selling a portion of the investment to co-investors or other persons prior to or following the closing of the acquisition. In such event, the relevant Partnership will bear the risk that any or all of the excess portion of such investment may not be sold or may only be sold on unattractive terms, including for example the risk that a portion of the investment will be syndicated at reduced cost, at cost, or at a lower amount at a time when the General Partner believes the value of such investment has appreciated or should be higher than that paid (or willing to be paid) by a co-investor. To the extent such a syndication is made, the General Partner’s interest in limiting the Partnership’s exposure to a given investment while providing a potential benefit to co-investors investing at such lower values will give rise to a potential conflict of interest. As a consequence of a failed co-investment syndication process or a co-investment syndication on unattractive terms, the relevant Partnership would be required to (i) bear the entire portion of any break-up, topping or other fees, costs and expenses related to such investment (including the proportionate share of such amounts that were expected to have been borne by co-investors), (ii) hold a larger-than-expected investment in such portfolio company, (iii) receive less-than-fair-market value for the syndicated portion of the investment and/or (iv) be diluted or realize lower than expected returns from such investment. When and to the extent that employees and related persons of Edgewater and its affiliates make capital investments in or alongside certain Funds, Edgewater and its affiliates are subject to potentially conflicting interests in connection with these investments. There can be no assurance that any Partnership’s return from a transaction would be equal to and not less than another Partnership participating in the same transaction or that it would have been as favorable as it would have been had such conflict not existed.

The Advisers’ allocation of investment opportunities among the persons and in the manner discussed herein often will not result in proportional allocation among such persons, and such allocations likely will be more or less advantageous to some such persons relative to others. While an Adviser will allocate investment opportunities in a manner that it believes is fair and equitable to its clients under the circumstances over time and considering relevant factors, there can be no assurance that a Private Investment Fund’s actual allocation of an investment opportunity, if any, or the terms on which that allocation is made, will be as favorable as they would be if the potential conflicts of interest to which the Advisers is subject, discussed herein, did not exist.

In certain cases, Edgewater will have the opportunity (but, subject to any applicable restrictions or procedures in the relevant Governing Documents, no obligation) to identify one or more secondary transferees of interests in a Partnership. In such cases, Edgewater will not receive compensation for identifying such transferees, and will use its discretion to select such transferees based on suitability 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 Partnership interests should be offered to one or more existing Partnership investors.

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

Potential conflicts are expected to arise when and to the extent a Private Investment Fund makes investments in conjunction with an investment being made by another Private Investment Fund, or if it were to invest in the securities of a company in which another Private Investment Fund has already made an investment. For example, a Private Investment Fund is not permitted, for example, to invest in a particular investment through the same investment vehicles, have the same access to credit or employ the same hedging or investment strategies as other Partnerships. This likely will result in differences in price, terms, leverage and associated costs. Further, there can be no assurance that the relevant Private Investment Fund and the other Private Investment Fund(s) or vehicle(s) with which it co-invests will exit such investment at the same time or on the same terms. Edgewater and its affiliates reserve the right from time to time to express inconsistent

views of commonly held investments or of market conditions more generally. There can be no assurance that the return on one Private Investment Fund's investments will be the same as the returns obtained by other Private Investment Funds participating in a given transaction. Given the nature of the relevant conflicts, there can be no assurance that any such conflict can be resolved in a manner that is beneficial to both Private Investment Funds. In that regard, actions taken for one or more Private Investment Funds have the potential to adversely affect other Private Investment Funds.

Subject to any relevant restrictions or other limitations contained in the Governing Documents, the Advisers will allocate fees and expenses in a manner that they believe is fair and equitable to their clients under the circumstances and considering such factors as they deem relevant, but in any case in their sole discretion. In exercising such discretion, the Advisers expect to be faced with a variety of potential conflicts of interest.

As a general matter, Partnership expenses typically will be allocated among all relevant Partnerships or co-invest vehicles eligible to reimburse expenses of that kind. In all such cases, subject to applicable legal, contractual or similar restrictions, expense allocation decisions generally will be made by the Advisers and their affiliates using their reasonable judgment, considering such factors as they deem relevant, but in their sole discretion. The allocations of such expenses will not always be proportional, and any such determinations involve inherent matters of discretion, *e.g.*, in determining whether to allocate *pro rata* based on number of Partnerships or co-invest vehicles receiving related benefits or proportionately in accordance with asset size, in certain circumstances determining whether a particular expense has greater benefit to a Partnership or Edgewater or other allocation methodologies as the Advisers deem appropriate. Certain Partnerships have different expense reimbursement terms, including with respect to Management Fee offsets, which are expected from time to time to result in the Partnerships bearing different levels of expenses with respect to the same investment.

As a result of the Partnerships' controlling interests in portfolio companies, the Advisers and/or their affiliates typically have the right to appoint portfolio company board members (including current or former Adviser personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to the Advisers and/or their affiliates. Except to the extent such amounts are subject to the Governing Documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Partnership, subject to any applicable Management Fee offset provisions in the relevant Governing Documents.

Additionally, a portfolio company typically will reimburse Edgewater or service providers retained at Edgewater's discretion for expenses (including, without limitation, travel expenses) incurred by Edgewater or such service providers in connection with its performance of services for such portfolio company. This subjects Edgewater and its affiliates to potential conflicts of interest because the Partnerships generally do not have an interest or share in these reimbursements, and the amount of such reimbursements over time is expected to be substantial. Edgewater determines the amount of these reimbursements for such services in its own discretion, subject to its internal reimbursement policies and practices. Although the amount of individual reimbursements typically is not disclosed to investors in any Partnership, their effect is reflected

in each Partnership's audited financial statements, and any fee paid or expense reimbursed to Edgewater or such service providers generally is subject to: agreements with or review by sellers, buyers and management teams; the review and supervision of the board of directors of or lenders to portfolio companies; and/or third party co-investors in its transactions. These factors are designed to help to mitigate related potential conflicts of interest.

In connection with its services to the Partnerships and their investments, Edgewater, its affiliates and personnel expect to receive the benefit of certain tangible and intangible benefits. For example, in the course of Edgewater's operations, including research, due diligence, investment monitoring, operational improvements and investment activities, Edgewater and its personnel expect to receive and benefit from information, "know-how," experience, analysis and data relating to Partnership or portfolio company (as applicable) operations, terms, trends, market demands, customers, vendors and other metrics (collectively, "**Edgewater Information**"). In many cases, Edgewater Information will include tools, procedures and resources developed by Edgewater to organize or systematize Edgewater Information for ongoing or future use. Although Edgewater expects its Partnerships and their portfolio companies generally to benefit from Edgewater's possession of Edgewater Information, it is possible that any benefits will be experienced solely by other or future Partnerships or portfolio companies (or by Edgewater and its personnel) and not by the Partnership or portfolio company from which Edgewater Information was originally received.

Edgewater Information will be the sole intellectual property of Edgewater and solely for the use of Edgewater. Edgewater reserves the right to use, share, license, sell or monetize Edgewater Information, without offset to Management Fees, and the relevant Partnership or portfolio company will not receive any financial or other benefit of such use, sharing, licensure, sale or monetization. Additionally, expenses relating to the Partnerships or portfolio companies are expected to be charged using credit cards or other widely available third-party rewards programs that provide airline miles, hotel stays, travel rewards, traveler loyalty or status programs, "points," "cash back," rebates, discounts and other arrangements, perquisites and benefits under the available terms of such reward programs. Such terms are expected to vary from time to time, and any such rewards (whether or not *de minimis* or difficult to value) generally will inure to the benefit of the personnel participating in the rewards program, rather than the portfolio companies, the Partnerships or their respective investors; no such rewards will offset Management Fees.

The Advisers generally exercise their discretion to recommend to a Partnership or to a portfolio company thereof that it contract for services with certain service providers, and from time to time such service providers are expected to include: (i) an Adviser or a related person of the Advisers (which may include a portfolio company of such Partnership); (ii) an entity with which the Advisers or their affiliates or current or former members of their personnel has a relationship or from which the Advisers or their affiliates or their personnel otherwise derive financial or other benefit, including relationships with joint ventures or co-venturers; or (iii) certain limited partners or their affiliates. For example, the Advisers expect to be presented with opportunities to receive financing and/or other services in connection with a Partnership's investments from certain limited partners or their affiliates that are engaged in lending or related businesses. This discretion subjects the Advisers to potential conflicts of interest, because although the Advisers select service providers that they believe are aligned with their operational strategies and will enhance portfolio company performance and, relatedly, returns of the relevant Partnership, the Advisers have a

potential incentive to recommend the related or other person (including a limited partner) because of their financial or other business interest. There is a possibility that the Advisers, because of such belief or for other reasons (including whether the use of such persons could establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant Partnerships or Advisers), would favor such retention or continuation even if a better price and/or quality of service could be obtained from another person. The Advisers will not necessarily seek out the lowest cost options when incurring (or causing a Fund or its portfolio companies to incur) such expenses. Although the Advisers generally seek appropriate rates for services, it reserves the right to prioritize prior usage, perceived quality, sector competence or expertise, familiarity, onboarding speed or other factors in retaining or recommending service providers. Additionally, from time to time the Advisers expect certain service providers, their affiliates and personnel to invest in, or co-invest alongside, one or more Funds, and due to the nature of the service provider relationships these persons have the potential to have information advantages relative to other investors or co-investors. Whether or not the Advisers have a relationship or receive financial or other benefits 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.

In addition, as described above, portfolio companies (and, to a lesser extent, the Partnerships) typically pay certain fees to, and reimburse expenses of, Operating Advisors and other consultants (including consultants introduced or arranged by Edgewater and/or its affiliates that regularly provide services to one or more portfolio companies), and such amounts do not offset or reduce the Management Fee as described herein. Edgewater and/or its affiliates reserve the right to agree to compensate certain of such persons to the extent portfolio company-related compensation falls below certain specified levels on an aggregate annualized basis, or provide other compensation. Operating Advisors are expected from time to time to include former employees of Edgewater or certain portfolio companies, and in some circumstances former Operating Advisors are expected to become Edgewater employees or employees of portfolio companies. Consequently, the determination of whether individuals are Operating Advisors is expected to vary and/or be revisited from time to time, which poses potential conflicts of interest where certain changes in status or categorization would reduce costs that Edgewater otherwise would be required to bear. To the extent that Operating Advisors are paid retainers or guaranteed minimum compensation amounts, there is the possibility that certain portfolio companies or Partnerships will bear a greater share of such compensation due to the utilization of the Operating Advisors' services at a time when fewer portfolio companies or Partnerships make use of such Operating Advisors. Under many of these arrangements, there can be no assurance that the amount of compensation paid in a particular year will be proportional to the amount of hours worked or the amount of tangible work product generated by the Operating Advisor. In certain cases, including where a Partnership does not own a controlling interest in a portfolio company, the portfolio company, its management and/or equity holders potentially will not agree to engage and/or bear the costs of Operating Advisors. In such cases, where the relevant General Partner believes the services of the Operating Advisors will benefit a portfolio company, it is authorized to cause the Partnership to bear such costs directly, resulting in the Partnership bearing a disproportionate share of those costs vis-à-vis other equity holders of a portfolio company, notwithstanding that other equity holders in that portfolio company will receive the benefit of any returns that result from Operating Advisor services. Although the use of Operating Advisors and the allocation of compensation paid to them by Edgewater, its affiliates and/or the portfolio

companies subjects Edgewater and/or its affiliates to potential conflicts of interest, Edgewater believes that such potential conflicts have the potential to be reduced by the anticipated cost savings to portfolio companies (which is expected to be to the benefit of the applicable Partnership(s)) that will result if the cost of the Operating Advisor is lower than market rates for the services provided and/or if the services of the Operating Advisor align with Edgewater's model for the portfolio company and improve portfolio company performance. Although Edgewater seeks to retain Operating Advisors with a view to reducing costs to portfolio companies (and, ultimately, the Partnerships) and/or improving portfolio company performance, a number of factors may result in limited or no cost savings from such retention. Edgewater also seeks to reduce potential conflicts of interest resulting from such arrangements by structuring compensation packages for such persons in a manner that Edgewater believes will align such persons' interests with those of the Partnerships' limited partners, and seeks to retain only Operating Advisors and service providers which it believes provide a level of service at a value generally consistent with other relevant market alternatives. However, there can be no assurance that no other service provider is more qualified to provide the applicable services or could provide such services at lesser cost.

Although the Advisers expect such transactions would not be engaged in regularly, from time to time the Advisers reserve the right to cause a Partnership to enter into a transaction whereby such Partnership purchases securities from, or sells securities to, other Partnerships managed by an Adviser, or co-investors or co-investment vehicles. Such transactions arise in the context of rebalancing an investment among parallel investing entities or in contexts where a portfolio company owned by one Partnership is acquired by another Partnership. Any such transactions raise conflicts of interest, including, but not limited to, the incentive for an Adviser to take advantage of economic differences in the Partnerships participating in such transaction by causing a Partnership with economic terms less favorable to the Adviser (*e.g.*, lower, reduced or no Management Fees; lower carried interest, including a Partnership unlikely to meet a preferred return hurdle required for the Adviser to receive carried interest; etc.) to sell an investment to a Partnership with economic terms more favorable to the Adviser (*e.g.*, higher Management Fees or carried interest; etc.) or to sell a portfolio company from one Partnership to another Partnership at a price, in the case of a Partnership purchasing a portfolio company from another Partnership, higher or, in the case of a Partnership selling a portfolio company to another Partnership, lower than the price that such Partnership could have paid to or received from a third party, as the case may be. These conflicts are heightened to the extent the relevant securities are illiquid or do not have a readily ascertainable value, and there generally can be no assurance that the price at which such transactions are entered into represent what would ultimately be the underlying investment's fair value. To the extent required by the relevant Governing Documents or otherwise in the sole discretion of the Advisers, the Advisers expect to seek to mitigate such conflicts by seeking input from an unaffiliated third party (including the use of a consultant or investment banker to opine as to the fairness or "arm's-length" nature of a purchase or sale price, whether or not part of a formal fairness opinion, "request for proposal" process or proposal or quotation provided exclusively for the benefit of the Advisers) and/or by obtaining the consent of the relevant Partnership(s) (including, where authorized, the consent of each Partnership's advisory committee) to such transactions. In certain circumstances, the Advisers reserve the right to determine that the willingness of a third party to make an investment on the same terms demonstrates the fairness of the relevant transaction (including its value) to the Partnership under then-current market conditions. The Advisers intend that any such transactions be conducted in a manner that the

Advisers believe in good faith to be fair and equitable to each Partnership under the circumstances, including a consideration of the potential present and future benefits with respect to each Partnership.

Although the Advisers expect such transactions would not be engaged in regularly, from time to time an Adviser reserves the right, acting for its own account (or a pooled investment vehicle deemed to be a principal account under SEC guidance), to sell a security to or purchase a security from a Partnership (*e.g.*, a warehousing transaction where an Adviser sells an investment to a Partnership). Participation in a “principal transaction” subjects the Advisers to conflicts of interest, including the possibility that the Adviser could favor itself over the Partnership and other conflicts involving liquidity, pricing and transparency. To the extent an Adviser engages in such a “principal transaction,” such Adviser will abide by the following procedures: (i) disclose to the client (*e.g.*, the limited partners or advisory committee of the affected Partnership empowered to deal with conflicts) in writing, before the completion of the transaction, the capacity in which the Adviser is acting; (ii) obtain the consent of the affected limited partners (including, where authorized, consent given by a Partnership’s advisory committee) to enter into the transaction; (iii) review the affected Partnership’s private placement memorandum and Partnership Agreement to confirm that the transaction is permitted under such documents; and (iv) Edgewater’s Chief Compliance Officer will make a determination, which Chief Compliance Officer is permitted to make based on information provided by other Edgewater personnel, that the transaction is in the interest of the applicable Partnership and is consistent with the applicable Adviser’s fiduciary duties to such Partnership.

Although Edgewater generally structures Partnerships to avoid circumstances in which one Partnership ultimately bears liability for all or part of the obligations of another Partnership or any Edgewater affiliate, in certain circumstances lenders and other market participants negotiate for the right to face only select Partnership entities, which has the potential to result in a single Partnership being solely liable for other Partnerships’ share of the relevant obligation and/or joint and several liability among Partnerships. In such cases, Edgewater intends to cause the relevant other Partnerships to enter into a back-to-back guarantee, indemnification or similar reimbursement arrangement, although the Partnership undertaking the obligation in the first instance generally will not receive compensation for being primarily liable under these arrangements. In other circumstances, lenders and other market participants are expected to seek “cross default” rights under which a Partnership will be treated as in default under the relevant facility in the event of a default by another Partnership or an Edgewater affiliate relating to their respective lending or other facilities; if any such provision were to be triggered, a Partnership’s limited partners could suffer adverse effects resulting from any default by any Partnership or an Edgewater affiliate, whether or not related to the Partnership in which such limited partners have invested.

Edgewater and/or its affiliates reserve the right to employ personnel with pre-existing ownership interests in portfolio companies owned by the Partnerships or other investment vehicles advised by Edgewater and/or its affiliates; conversely, former personnel or executives of Edgewater and/or its affiliates are expected from time to time to serve in significant management roles at portfolio companies or service providers recommended by Edgewater. Similarly, Edgewater, its affiliates and/or personnel maintain relationships with (or expect from time to time to invest in) financial institutions, service providers and other market participants, including, but

not limited to, managers of private funds, banks, brokers, advisors, consultants, finders (including executive finders and portfolio company finders), executives, attorneys, accountants, institutional investors, family offices, lenders, former employees, and current and former portfolio company executives, as well as certain family members or close contacts of these persons. Certain of these persons or entities will invest (or will be affiliated with an investor) in, engage in transactions with and/or provide services (including services at reduced rates) to, Edgewater and/or its affiliates, and/or the Partnerships or other investment vehicles they advise. In other circumstances, these vendors are expected to provide personal banking, private wealth or lending arrangements (including lending arrangements with respect to personal investments in or through Edgewater entities, whether or not relating to financing Edgewater personnel obligations to fund General Partner commitment obligations) to Edgewater personnel and their estate planning vehicles. Edgewater expects to be subject to a potential conflict of interest with a Partnership in recommending the retention or continuation of a third-party service provider to such Partnership or a portfolio company if such recommendation, for example, is motivated by a belief that the service provider or its affiliate(s) will continue to invest in one or more Partnerships, will provide Edgewater information about markets and industries in which Edgewater operates (or is contemplating operations) or will provide other services that are beneficial to Edgewater or one or more other Partnerships. Edgewater expects to be subject to a potential conflict of interest in making such recommendations, in that Edgewater has an incentive to maintain goodwill between it and the existing and prospective portfolio companies for a Partnership, while the products or services recommended may not necessarily be the best available to a Partnership or its portfolio companies.

Subject to any restrictions in the applicable Governing Documents, the Advisers, their affiliates and equityholders, and officers, principals and employees of the Advisers and their affiliates reserve the right to buy or sell securities or other instruments that the Advisers have recommended to a Partnership to the extent such Partnership elected not to acquire such securities. Any such transactions are subject to any restrictions in the Governing Documents and any related policies and procedures set forth in Edgewater's Code of Ethics. The investment policies, fee arrangements and other circumstances of these investments generally vary from those of any Partnership. Employees and related persons of the Advisers have, and are expected to continue to have, capital investments in or alongside certain Partnerships, or in prospective portfolio companies, directly or indirectly, as well as in investment vehicles (including private funds) sponsored by potential competitors, and, therefore, expects to have additional potential conflicting interests in connection with these investments.

A Partnership's General Partner generally is permitted to receive a distribution in kind from the Partnership, including in connection with investment dispositions or the payment in kind of amounts owed to the General Partner as carried interest (which generally will be made using the value of the relevant securities on the date of contribution). In such circumstances, there is a potential conflict of interest between the General Partner (and its beneficial owners) and the relevant Partnership's limited partners. For example, the General Partner and its beneficial owners may intend to hold the investment for a different time period than Edgewater deems suitable for the Partnership. Although the General Partner and its beneficial owners bear the risk that such securities will decrease during their holding period, to the extent the value of the relevant securities increases following the Partnership's disposition thereof, neither the relevant Partnership nor its limited partners will benefit from the increase, and over time the economic benefit to the General

Partner and its beneficial owners could exceed the value of the General Partner's *pro rata* interest in the Partnership and the amount of carried interest owed. To the extent the beneficial owners of the General Partner contribute such securities to a charity (including to a private foundation or other charitable organization associated with, operated or chosen by such persons or their families), any tax efficiencies or other personal benefits associated with the contribution will inure to the benefit of such beneficial owners rather than to the Partnership or its limited partners.

Except to the extent prohibited by the Governing Documents, Edgewater and its personnel are permitted to market, organize, sponsor or act in other capacities (including as director, founder or manager) for other pooled investment vehicles, accounts or special purpose acquisition companies (SPACs) the investment or business strategy of which does not overlap with the Partnerships and to receive compensation (including in the form of management fees, performance-based compensation, founders' equity or similar interests) relating thereto. Subject to any limitations imposed by the Governing Documents and anti-"assignment" provisions of the Advisers Act, Edgewater and its personnel are also permitted to offer, restructure and monetize interests in Edgewater.

Certain limitations generally apply with respect to an Adviser's ability to make investments on behalf of a newly established Private Investment Fund, including, in some cases, a requirement that the Adviser will not commence the operation of a new Private Investment Fund with objectives substantially similar to those of an existing Private Investment Fund until the end of such existing Private Investment Fund's investment period or until such other time as described in the applicable Partnership Agreement.

Because the General Partners' carried interest is based on a percentage of realized profits, it creates an incentive for the Advisers to cause the Partnerships to make riskier or more speculative investments (or hold investments for longer periods) than would otherwise be the case. Since the General Partners are permitted to retain certain Supplemental Fees (as described above under "Fees and Compensation") in connection with Partnership investments, which may be significant, the Advisers expect to be subject to potential conflicts of interest in connection with approving transactions and setting such compensation (including through the right to appoint portfolio company board members, or to influence their appointment). In many cases, Supplemental Fees are based on enterprise value or other metrics relating to a portfolio company, but also have the potential to be charged on a flat-fee basis or based on another metric, and there can be no assurance that the amount of Supplemental Fees charged will be proportional to the amount of hours of work performed or tangible work product generated on behalf of the portfolio company. The Advisers manage such conflicts by fully or partially offsetting the Management Fee with such Supplemental Fees.

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

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

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

As a consequence of one or more limited partners being excused or excluded, or from regulatory, tax or other factors altering or limiting their participation in investments or ability to bear certain liabilities or obligations, the aggregate returns realized by participating or non-participating limited partners could be adversely affected in a material manner by the unfavorable performance of particular investments; similar considerations apply in the event a limited partner defaults on a drawdown in respect of an investment. Although Edgewater believes it to be unlikely, excuse or other rights requested or received by one or more limited partners (or such regulatory, tax or other factors applicable to such limited partners) representing a substantial percentage of a Partnership have the potential to create significant variations in limited partner investment returns or exposures to liabilities or obligations, or to influence or affect the investment strategy and pursuit of investment opportunities by the relevant General Partner on behalf of the relevant Partnership as a whole. A limited partner's voting rights for regulatory or other reasons can be limited in circumstances specified in the Governing Documents; conversely, a limitation on one or more limited partners' voting rights generally will increase the voting rights percentage of other limited partners in the relevant Partnership. Further, limited partners with different domiciles or

tax categorizations could receive different investment returns or amounts of tax basis and/or pay different levels of expenses, *e.g.*, based on tax savings or ownership of alternative investment vehicle, “blocker” or other structures used to facilitate their investments in, through or below a Partnership.

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

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

Potential Conflicts of Interest Relating to Relationship with Lazard

Lazard is a subsidiary of Lazard Ltd, a publicly traded company. Lazard undertakes a wide range of financial advisory, asset management and other activities for a wide variety of clients, including institutions, companies and individuals, and for its own account. In particular, a banking group at Lazard specializes in providing advice on mergers and acquisitions, restructurings and financings to middle market businesses.

Notwithstanding the fact that the Advisers’ management team continues to manage the Partnerships, there may be situations in which Lazard has a duty or an interest that actually or potentially conflicts with interests of a Partnership and such Partnership’s portfolio companies. Except as described below, conflicts with Lazard or its clients may not be resolved in such Partnership’s interest and, as a result, certain investment opportunities may not be made available to the Partnership or the Partnership may be otherwise disadvantaged in some situations by its relationship with Lazard. The following discussion enumerates certain of these conflicts of interest.

Investment Opportunities. While Edgewater believes that the relationship with Lazard will result in enhanced investment opportunities for the Partnership, it is possible that certain opportunities will not be available to a Partnership as a result of such relationship. Lazard and its employees currently, and expect in the future to, manage, assist in the management of, have

interests in or fiduciary responsibilities for other funds, with objectives that may overlap with the objectives of a Partnership, and it is possible that a particular investment opportunity would be suitable for both such Partnership and one or more of such other funds. The terms of these other funds may require Lazard or its affiliates to first offer certain types of investment opportunities to such other funds. In situations where the investment in question is deemed to satisfy the investment objectives of multiple funds, there will be conflicts of interest among a Partnership, the applicable General Partner, its affiliates, existing and future affiliated funds managed by Lazard or its affiliates and/or Lazard's clients regarding which of such entities will be given the opportunity to make such investment. Conflicts with respect to the allocation of potential investment opportunities will be considered and resolved on a case-by-case basis, subject to the principal agreements of such entities. Decisions as to the allocation of investment opportunities that come to the attention of Lazard or its affiliates present numerous conflicts of interest, which will not necessarily always be resolved in the manner that is most favorable to a Partnership's interests, even if such investments otherwise meet such Partnership's investment objectives. In addition, there can be no assurance that potentially suitable investment opportunities that come to the attention of Lazard or its affiliates will be made available to a Partnership or made known to the applicable General Partner.

Investments and Transactions Involving Lazard or its Clients. Under certain circumstances and subject to the requirements of the applicable Governing Documents and applicable law, including any consent requirements, a Partnership may invest in an entity or participate in a transaction in which Lazard or one of its clients or affiliates has already invested or is expected to participate. In connection with such investments, such Partnership, on the one hand, and Lazard or such third party, on the other hand, may have conflicting interests, particularly if the Partnership and the other party invest in different classes or types of securities of the same portfolio company.

The Advisers also expect to face potential conflicts of interest in connection with any purchase or sale transaction involving an investment by a Partnership, whether to or from Lazard, Lazard's clients or another investment fund affiliated with Lazard, and in connection with the consideration offered by, and the obligations of, Lazard, Lazard's clients or such other investment fund in such transactions.

Lazard's Advisory Activities. Clients of Lazard's advisory business may compete with a Partnership for investment opportunities meeting such Partnership's investment objectives. In addition, as part of its regular business, Lazard may be engaged to (i) advise the seller of a company, business or assets that would qualify as an investment opportunity for a Partnership, (ii) advise potential purchasers, sellers and other involved parties with respect to assets that may be suitable for investment by a Partnership or (iii) provide restructuring advisory services to special situation companies in which a Partnership is interested in investing. While the Advisers believe that the relationship with Lazard generally will result in enhanced investment opportunities for the Partnerships, it is possible that certain opportunities will not be available to the Partnerships as a result of such relationship or, if available, Lazard's interests or its obligations to its clients may diverge from the Partnerships' interests. In addition, Lazard may possess inside information concerning specific companies that could limit a Partnership's ability to buy or sell securities issued by such companies.

Lazard will be under no obligation to decline any engagements and will be under no obligation to make any investment opportunity available to any Partnership. Further, investment ideas generated within Lazard may be suitable for a Partnership and for a financial advisory client or another Lazard-managed fund, and Lazard reserves the right to direct such investment ideas to a client or other fund rather than to such Partnership.

Lazard has long-term relationships with a significant number of institutions and their senior management. In determining whether to invest in a particular transaction on behalf of a Partnership, the Advisers reserve the right to consider those relationships, which may result in certain transactions that a General Partner will not undertake on behalf of a Partnership in view of such relationships.

Lazard's Asset Management Business. In the course of its investment management and advisory activities, Lazard's asset management businesses may make investments in issuers or securities that relate to, or are in potential conflict with, a Partnership's investments or interests. In addition, Lazard, for the accounts of its clients or its own account, also reserves the right to take positions, give advice and provide recommendations contrary to those that are taken by, given or provided to a Partnership and hold interests potentially adverse to those of such Partnership even though the objective of such account, under certain circumstances, are the same as, or similar to, that of the Partnership. These activities could result in securities laws restrictions on transactions in such securities by the Partnership, affect the prices of the Partnership's investments or the ability of the Partnership to dispose of such investments and otherwise create conflicts of interest for the Partnership, which could have an adverse impact on the Partnership's performance.

Compensation for Services. Lazard is authorized, directly or indirectly through one or more of its subsidiaries or affiliates, and subject to the requirements of the applicable governing documents and applicable law, including any consent requirements, to enter into contracts on arms'-length terms to perform other financial, investment, advisory and consulting services for, and will in such cases receive customary compensation from, a Partnership's portfolio companies, the Partnership or other parties in connection with transactions related to the Partnership's investments or otherwise. Such compensation could include, without limitation, investment banking fees or fees in connection with restructurings and mergers and acquisitions. As with any other service provider, compensation for these services will not be shared with such Partnership or the limited partners.

Other Businesses. Lazard reserves the right to provide services in the future beyond those currently provided, including commercial banking, brokerage, customer financing, asset-based financing, corporate finance and commercial finance services, among others, and engage in private equity investment activities, which may include managing or forming additional alternative investment funds that may compete with the Partnerships. In conducting the aforementioned activities, Lazard will be acting for its own account or the accounts of its clients and will have no obligation to act in the interest of the Partnerships. In addition, the foregoing activities could create potential conflicts of interest for a Partnership, which could have an adverse impact on the Partnership's performance.

Other Resources. While it is expected that Lazard's investment in the Partnerships and its meaningful participation in the distribution waterfalls of the Partnerships will give Lazard an

interest in the success of the Partnership, Lazard individuals who are not investment professionals of the Advisers will be required to devote substantially all of their professional time to matters unrelated to the Partnerships and their investment activities and will not always be available for Partnership-related matters. Furthermore, the Advisers will be under no obligation to consult with such individuals in connection with the activities of the Partnerships and there can be no assurance that Lazard will continue to sponsor any particular advisory or capital markets group or employ financial advisors or analysts in any particular industry focus area or that any individual currently employed in such a capacity will continue to remain employed by Lazard, or, in the event of the termination of such individual's employment, will be replaced by a similarly qualified individual to whom the Advisers may have access. Finally, the presence of legal, regulatory and contractual restrictions (*e.g.*, "information barriers") may reduce the positive synergies, if any, resulting from Lazard's interest in the success of the Partnerships.

DISCIPLINARY INFORMATION

The Management Company and its management persons have not been subject to any material legal or disciplinary events required to be discussed in this Brochure.

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

The Management Company is affiliated with the General Partners and other general partner and equivalent entities formed from time to time and subject to the Advisers Act pursuant to the Management Company's registration in accordance with SEC guidance. These advisers are GP I, GP II, GP III, GP IV and SMA GP. These entities operate as a single advisory business together with the Management Company and serve as general partners of the Partnerships and generally share common owners, officers, partners, employees, consultants or persons occupying similar positions.

Each General Partner is directly or indirectly owned by Edgewater HoldCo, James A. Gordon and certain other Principals of Edgewater. As described above under "Advisory Business," Edgewater HoldCo is owned by Lazard, James A. Gordon and certain other Principals of Edgewater. The Management Company is principally owned by Lazard, which controls, among many other subsidiaries, Lazard Frères & Co. LLC, Lazard Middle Market LLC and Lazard Asset Management Securities LLC, which are SEC-registered broker dealers and FINRA members; Lazard Asset Management LLC, which is registered as an investment adviser with the SEC; and various other operating subsidiaries in the financial services industry around the world that are regulated by, among others, the Financial Conduct Authority in the UK, the Autorite de Contrôle Prudentiel et de Resolution and Autorite des Marchés Financiers in France, the Japanese Ministry of Finance and the Financial Supervisory Agency, the Korean Financial Supervisory Commission, the Securities and Futures Commission of Hong Kong, the Monetary Authority of Singapore, the Australian Securities & Investments Commission, the Dubai Financial Services Authority and German banking authorities. The potential conflicts of interest presented by the Management Company's affiliation with Lazard and its operating subsidiaries are discussed above under "Methods of Analysis, Investment Strategies and Risk of Loss — Potential Conflicts of Interest Relating to Relationship with Lazard."

Lazard's representative on the Advisers' Investment Committee is a registered representative, supervisory principal and financial and operations principal of Lazard Frères & Co. LLC. This arrangement may create a conflict of interest, as Private Investment Funds or their portfolio companies may utilize the services of Lazard Frères & Co. LLC, subject to any requirements of the applicable Partnership Agreement, including advisory committee approval, as discussed above under "Methods of Analysis, Investment Strategies and Risk of Loss — Potential Conflicts of Interest Relating to Relationship with Lazard."

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

The Advisers have adopted the Edgewater Code of Ethics and Securities Trading Policy and Procedures (the "**Code**"), which sets forth standards of conduct that are expected of the Advisers' Principals and employees and addresses conflicts that arise from personal trading. The Code requires the Advisers' personnel to report their personal securities transactions and to obtain approval from the Advisers' Chief Compliance Officer or his designee prior to most securities transactions. In addition, the Code requires such personnel to comply with policies and procedures reasonably designed to prevent the misuse of, or trading upon, material non-public information. A copy of the Code will be provided to any investor or prospective investor upon request to Matthew W. Norris, Edgewater's Chief Compliance Officer, at (312) 664-8621. Personal securities transactions by Edgewater employees are required to be conducted in a manner that prioritizes the Partnerships' interests in Partnership-eligible investments.

The Advisers and their affiliated persons may come into possession, from time to time, of material non-public or other confidential information about companies which, if disclosed, might affect an investor's decision to buy, sell or hold a security. Under applicable law, the Advisers and their affiliated persons would be prohibited from improperly disclosing or using such information for their personal benefit or for the benefit of any person, regardless of whether such person is a client of the Advisers. Accordingly, should the Advisers or any of their affiliated persons come into possession of material non-public or other confidential information with respect to any company, the Advisers generally would be prohibited from communicating such information to clients, and the Advisers will have no responsibility or liability for failing to disclose such information to clients as a result of following their policies and procedures designed to comply with applicable law. Similar restrictions may be applicable as a result of Edgewater personnel serving as directors of public companies and may restrict trading on behalf of clients, including the Partnerships.

Principals and other employees of the Advisers and their affiliates are expected to directly or indirectly own an interest in Private Investment Funds or certain co-investment vehicles. The Advisers believe that such interests do not create a conflict of interest and instead operate to align the interests of the Advisers' personnel with that of the Private Investment Funds. The Partnerships and other Private Investment Funds may invest together with other private investment funds advised by an affiliated adviser of the General Partner in the manner set forth in the applicable Partnership Agreement. The Advisers will determine the allocation of investment opportunities in a manner that they believe is fair and equitable to their clients consistent with the Advisers' fiduciary obligations and consistent with the applicable Private Investment Funds' underlying

documents. However, certain separately managed account arrangements may give investors approval rights over investments or otherwise provide restrictions on the Advisers' discretion.

The Advisers and their affiliates, Principals and employees expect from time to time to carry on investment activities for their own accounts, for personal or employee investment vehicles and, potentially, for family members, friends or others who do not invest in the Partnerships, as well as give advice and recommend securities to other accounts or certain Partnerships or vehicles that may differ from advice given to, or securities recommended or bought for, other Partnerships or vehicles, even though their investment objectives may be the same or similar.

From time to time, the General Partners reserve the right to borrow funds on behalf of the Partnerships and contribute such borrowed amounts to the Partnerships as a special capital contribution for investment, to be repaid at a later date. Interest in connection with such borrowing is borne by the Partnerships as a Partnership expense, consistent with the applicable Partnership Agreement (or other governing document) and the expense policy described above under "Fees and Compensation." In borrowing on behalf of the Partnerships, the General Partners are subject to potential conflicts of interest between repaying their obligations and retaining such borrowed amounts for the benefit of the Partnerships. The General Partners will effect such borrowings in a manner that they believe to be fair and equitable to the Partnerships and consistent with the General Partners' obligations to the Partnerships and the applicable Partnership Agreement (or other governing document). Similarly, Edgewater or an affiliate from time to time is expected to sign non-disclosure agreements or other deal documentation in view of future participation by one or more Fund(s), although this typically is done as a courtesy and without compensation from a Fund.

BROKERAGE PRACTICES

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

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

The Advisers have no duty or obligation to seek in advance competitive bidding for the most favorable commission rate applicable to any particular client transaction or to select any broker on the basis of its purported or "posted" commission rate, but will endeavor to be aware of the current level of the charges of eligible brokers and to reduce the expenses incurred for effecting client transactions to the extent consistent with the interests of such clients. Although the Advisers

generally seek competitive commission rates, they may not necessarily pay the lowest commission or commission equivalent. Transactions may involve specialized services on the part of the broker involved and thereby entail higher commissions or their equivalents than would be the case with other transactions requiring more routine services.

Consistent with the Advisers seeking to obtain best execution, brokerage commissions on client transactions are permitted to be directed to brokers in recognition of research furnished by them, although the Advisers generally do not make use of such services at the current time and have not made use of such services since Edgewater's inception.

The Advisers do not anticipate engaging in significant public securities transactions; however, to the extent that an Adviser engages in any such transactions, orders for the purchase or sale of securities placed first will be executed first and within a reasonable amount of time of order receipt. To the extent that orders for Private Investment Funds are completed independently, the Advisers also reserve the right to purchase or sell the same securities or instruments for several Private Investment Funds simultaneously. From time to time, the Advisers may, but are not obligated to, purchase or sell securities for several client accounts at approximately the same time. Such orders may be combined or "batched" to facilitate obtaining best execution and/or to reduce brokerage commissions or other costs. Batched transactions are executed in a manner intended to ensure that no participating Private Investment Fund is favored over any other Private Investment Fund. If such orders are not batched, it may have the effect of increasing brokerage commissions or other costs.

REVIEW OF ACCOUNTS

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

The Partnerships generally will provide to their limited partners (i) GAAP-audited financial statements annually, (ii) unaudited financial statements for the first three quarters of each fiscal year, (iii) annual tax information necessary for each limited partner's U.S. tax returns and (iv) descriptive investment information for each portfolio company periodically.

CLIENT REFERRALS AND OTHER COMPENSATION

As described above under "Fees and Compensation," the Advisers and/or their affiliates are authorized to receive certain Supplemental Fees from the Partnerships' portfolio companies. As described in the applicable Partnership Agreement, this compensation, in certain circumstances, will offset a portion of the Management Fees paid by the Partnerships. However, in other circumstances (*e.g.*, reimbursements for out-of-pocket expenses directly related to a portfolio company or payments to Operating Advisors), these fees (or reimbursements) would be in addition to, and would not result in a reduction of, Management Fees. See "Fees and Compensation," above.

The Advisers and/or their affiliates, including Operating Advisors, under certain circumstances have the right to receive certain non-investment advisory fees and other compensation in connection with the Partnerships' investments and portfolio companies. The Advisers and/or their affiliates generally have discretion over whether to charge such fees or other compensation to a portfolio company and, if so, the rate, timing and/or amount of such fees or other compensation. The receipt of such compensation may give rise to conflicts of interest between the Partnerships, on the one hand, and the Advisers and/or their affiliates, on the other hand.

Portfolio company-related fees have included amounts prepaid in anticipation of future services or otherwise accelerated in certain situations (*e.g.*, an initial public offering), which generally were offset against the applicable Management Fee to the extent set forth in the relevant Governing Documents. Furthermore, a Partnership has, in most cases, only benefited with respect to its allocable portion of any such fee and not the portion of any fee allocable to another entity, including, if applicable, any co-investment vehicle.

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

CUSTODY

The Advisers generally expect that they will be deemed to have “custody” (within the meaning of Advisers Act Rule 206(4)-2 (the “**Custody Rule**”)) of funds or securities held in the name of one or more Partnerships, subject to certain exceptions set forth in the Custody Rule and related guidance, and intend to maintain such assets with the following qualified custodians:

- J.P. Morgan Private Bank, 500 Stanton Christiana Road, Newark, DE 19713
- The Bank of New York Mellon Corporation, 240 Greenwich Street, New York, NY 10286
- Citizens Bank, N.A., 28 State Street, Boston, MA 02109

As applicable, Edgewater urges the investors in Private Investment Funds to carefully review any statements that they may receive from a qualified custodian and, where relevant, to compare them to the statements or information provided by Edgewater.

INVESTMENT DISCRETION

The Advisers have discretionary authority to manage investments on behalf of each Partnership. As a general policy, the Advisers do not allow limited partners to place limitations on this authority, except that the Governing Documents of a Partnership impose certain restrictions on investing in certain types of securities, and in certain Private Investment Funds, the Advisers are expected to negotiate the level of investment discretion with the client at the outset of the

advisory relationship. Pursuant to the terms of the Partnership Agreement, however, an Adviser reserves the right to enter into Side Letters with certain limited partners whereby the terms applicable to such limited partner's investment in a Partnership will be altered or varied, including, in some cases, the right to opt-out of certain investments for legal, tax, regulatory or other similar reasons. The Advisers assume this discretionary authority pursuant to the terms of the Governing Documents and powers of attorney executed by the limited partners of each Partnership.

VOTING CLIENT SECURITIES

The Advisers have adopted the Edgewater Proxy Voting Policies and Procedures (the "**Proxy Policy**") to address how they will vote proxies, as applicable, for the Partnerships' portfolio investments. The Proxy Policy seeks to ensure that the Advisers vote proxies (or similar instruments) in the best interest of the Partnerships, including where there may be material conflicts of interest in voting proxies. The Advisers generally believe their interests are aligned with those of the Partnerships' investors, for example, through the Principals' beneficial ownership interests in the Partnerships and therefore will not seek investor approval or direction when voting proxies. In the event that there is or may be a conflict of interest in voting proxies, the Proxy Policy provides that the Advisers may address the conflict using several alternatives, including by seeking the approval or concurrence of an advisory committee of limited partners on the proposed proxy vote or through other alternatives set forth in the Proxy Policy. The Advisers do not consider service on portfolio company boards by Edgewater personnel or the Advisers' receipt of management or other fees from portfolio companies to create a material conflict of interest in voting proxies with respect to such companies. In addition, the Proxy Policy sets forth certain specific proxy voting guidelines followed by the Advisers when voting proxies on behalf of the Partnerships. Clients or investors that would like a copy of Edgewater's complete Proxy Policy or information regarding how the Advisers voted proxies for particular portfolio companies may contact Matthew W. Norris, Edgewater's Chief Compliance Officer, at (312) 664-8621, and it will be provided at no charge.

FINANCIAL INFORMATION

The Management Company does not require or solicit prepayment of Management Fees more than six months in advance and is not otherwise required to make any other disclosure under this item of the Brochure.