

**ITEM 1
COVER PAGE**

PART 2A OF FORM ADV: FIRM BROCHURE

ONCAP MANAGEMENT PARTNERS L.P.

An Ontario Limited Partnership registered
with the U.S. Securities and Exchange Commission
as an Investment Adviser

March 31, 2023

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This brochure provides information about the qualifications and business practices of ONCAP Management Partners L.P. If you have any questions about the contents of this brochure, please contact us at 212-582-2211 or send an e-mail to YFeder@onex.com. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission (“SEC”) or by any state securities authority.

Additional information about ONCAP Management Partners L.P. is also available on the SEC’s website at **www.adviserinfo.sec.gov**. Registration does not imply a certain level of skill or training.

ITEM 2

MATERIAL CHANGES

This brochure updates the previous ONCAP Management Partners L.P.'s brochure dated March 31, 2022. This brochure does not contain any material changes, but ONCAP Management Partners L.P. has made routine changes and updates throughout this brochure.

Except as otherwise specified, all information set forth or referenced in this brochure is as of the date hereof. Subject to the requirements of the Investment Advisers Act of 1940, as amended (the "Advisers Act"), and other applicable laws, ONCAP Management Partners L.P. is under no obligation to update any such information.

We encourage all recipients to read this brochure carefully and in its entirety.

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ADVISORY BUSINESS

ONCAP Management Partners L.P. (“ONCAP Manager”) is an investment adviser with its principal place of business in Toronto, Ontario and an additional office in New York, NY. ONCAP Manager is registered under the Advisers Act and together with certain affiliates, serve as managers or general partners to certain private equity funds sponsored by Onex Corporation. ONCAP Manager and its affiliates managing those funds (collectively with ONCAP Manager, the “Manager”) are under common control and are subject to ONCAP Manager’s code of ethics and compliance program adopted pursuant to the requirements of the Advisers Act. In this brochure, Onex Corporation and the Manager are collectively referred to as “Onex” and the funds described in the previous sentence are referred to as the “ONCAP Funds”.

Onex Corporation, a public company based in Canada, has been acquiring and building businesses as a private equity investor since its inception in 1984. Starting in 1999, Onex Corporation began to develop a broader asset management business with the sponsorship of a series of private equity funds, the establishment of a credit-oriented investment business, and the making of a number of real estate investments. Onex Corporation is listed on the Toronto Stock Exchange, and Gerald W. Schwartz, its founder, Chairman and Chief Executive Officer, is the company’s controlling shareholder. Onex Corporation, indirectly through certain subsidiaries, is the only owner of more than 25% of ONCAP Manager.

The Manager serves as investment manager of and provides administrative services to the ONCAP Funds, to the special purpose vehicles established to implement certain of their investments, and to certain co-investment vehicles established in connection with and invested alongside the ONCAP Funds (collectively, the “Funds”), all based on the investment objectives, policies and restrictions contained in the confidential offering memorandum and the limited partnership agreement or similar constitutional documents of each Fund as well as any side letters or similar agreements entered into between certain Fund investors and the applicable Funds (collectively, “Governing Agreements”). Onex Corporation is, directly or indirectly, the largest investor in each of the ONCAP Funds and from time to time also co-invests in their transactions. Additionally, ONCAP investment professionals and other executives typically invest in or alongside the ONCAP Funds. Other qualified individuals who are not employees of Onex, but who have pre-existing business relationships with Onex or industry expertise in the sector in which a Fund may be investing, may also invest in or alongside the Funds.

The Manager’s services include investigating, analyzing, structuring and negotiating and committing to potential operating company investments (“Operating Company Investments”) on behalf of the Funds, managing and monitoring the performance of those operating companies (each, an “Operating Company”) and advising the Funds as to disposition opportunities.

As of December 31, 2022, the Manager had approximately \$2,267,000,000 in assets under management. All assets are managed on a discretionary basis.

Persons reviewing this Form ADV Part 2A should not construe this as an offering of any of the ONCAP Funds described herein.

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FEES AND COMPENSATION

The Manager and/or the general partners of the Funds generally receive management fees based on committed or invested third-party capital and performance-based or “carried interest” allocations and could receive certain additional fees, all as further described below. Certain Funds other than the ONCAP Funds may not be subject to management fees and/or carried interest, all as negotiated at the time of establishment thereof and as set forth in the relevant Governing Agreements.

Management fees and expenses are paid by capital contributions from investors in each Fund generally out of the investor’s capital commitment (being the total amount of capital such investor has agreed to contribute to the Fund) pursuant to capital call notices delivered by such Fund’s general partner or are paid out of cash or assets otherwise distributable to the investors in the Fund, including cash or assets held by the Fund after an Operating Company Investment is disposed of and before the proceeds are distributed to investors (i.e., deducted from the assets of the Fund). Management fees and expenses may also be paid out of reserves of the applicable Fund. In addition, management fees and expenses may also be paid by drawdowns under a Fund’s subscription credit facility, if available (which drawdowns are subsequently repaid through capital contributions or distributable proceeds or reserves).

Detailed information on fees, performance allocations, expenses and any applicable offsets or caps is set forth in the Governing Agreements, which are furnished to prospective investors prior to their investment.

Management Fees

Subject to the foregoing, ONCAP Manager typically receives an annual management fee expressed as a percentage of third-party investors’ committed capital during the relevant Fund’s investment period, following which the applicable percentage is typically reduced and is based on the amount of third-party capital remaining in unrealized investments. Where management fees are based on committed capital or the remaining invested capital of a Fund, the management fee payable by such Fund will be due to ONCAP Manager even if the fair value of the relevant remaining investments is below cost.

Management fees are generally paid by or on behalf of the Funds semi-annually by requiring investors to make the necessary capital contributions or by offsetting the amount against amounts otherwise distributable to such investors. Management fees are typically collected no earlier than the second business day after the beginning of each semi-annual period. The Manager will from time to time accrue management fees for a given payment period but defer collecting such fees until a later payment period. The Manager does not charge interest on such deferred management fees.

Fund investors are generally entitled to a return of all or a portion of such fees before the Manager and its affiliates may share in the net profits of the applicable Fund pursuant to the performance allocation described below. In addition, management fees are, in certain instances, reduced by certain other fees or compensation received by the Manager or its affiliates or related persons, as described under “Ancillary Fees” below, or by certain organizational, offering and other expenses borne by the Fund.

Fund investors make capital commitments to the Funds prior to the Manager’s performance of any investment advisory functions. Management fees assessed by the Funds are paid from these amounts and are payable in advance or in arrears for each fee period. The Manager’s services may only be terminated under limited circumstances. Should the Manager’s services to a particular Fund be terminated before services are actually provided to the Fund for the applicable period, fees paid in advance in respect of that Fund will generally be pro-rated from the date of termination to the end of the relevant period and will be returned to the Fund’s investors.

The Manager generally exempts principals and employees and Onex Corporation, and could exempt certain other persons (who could be service providers, executive management members of past or existing Operating Companies, for example) from the payment of all or a portion of management fees and/or carried interest. In addition, the Manager has and in the future may form co-investment vehicles that are not subject to management fees or carried interest (as described below).

Performance Allocation (Carried Interest)

Subject to the foregoing, distributions to Fund investors are generally subject to some form of carried interest or similar profit allocation for the benefit of such Fund's general partner or another affiliate of the Manager. Those distributions and any resulting performance allocations are generally made as Operating Company Investments are fully or partially realized, are typically allocated in proportion to the investors' funded commitments with respect to such Operating Company, and are generally paid out of cash otherwise distributable to investors in the applicable Fund. Profit allocations typically represent a share of up to a specified percentage of distributions made by a Fund in excess of the relevant investors' invested capital and allocable fees and expenses (generally including the allocable amount of management fees, organizational and offering expenses and other expenses associated with the operation and activities of the Fund) and are subject to hurdles and/or clawbacks as specified in the Governing Agreements.

Ancillary Fees

The Funds, their respective Operating Companies or Fund transactions could generate other fees payable to the Manager or its affiliates or other related persons from time to time. Specifically, they could receive commitment, transaction, closing, merger and acquisition, divestiture, financing and similar cash and non-cash fees, consulting, monitoring or similar fees and/or directors' fees in respect of Operating Company Investments. All such fees are dealt with in accordance with the Funds' Governing Agreements, which typically provide that all or a substantial portion of the applicable Fund's share of those fees will be applied to reduce the management fees payable to the Manager by the relevant Fund. Funds that do not pay a management fee do not receive the benefit of such reduction or otherwise share in such fees. The Manager or its affiliates or other related persons will retain the portion of any of the foregoing fees that does not reduce or offset management fees, as well as the allocated portion that is attributable to capital commitments made by Onex Corporation, the general partners of the Funds or any of their affiliates, employees, officers, directors and other related personnel. In addition, the Manager or its affiliates or other related persons will generally retain the portion of any of the foregoing fees allocable to co-investment vehicles (generally to the extent co-investment vehicles do not pay a management fee) and non-management fee paying investors. The detailed terms and conditions with respect to such fees and any offsets, including any specific offset formulae, are set forth in each Fund's Governing Agreements.

Use of Consultants and Advisors

The Manager may, from time to time, engage third-party consultants, senior advisors, strategic advisory board members or operating partners to provide assistance with deal sourcing, industry insight or due diligence, offer financial and structuring advice and perform other services for a Fund, other accounts or their respective Operating Companies (such persons, "Consultants"), including services that are similar in nature to those provided by the Manager.

The Manager and its affiliates have and in the future expect to make collective arrangements between a Consultant and one or more of the Manager and/or one of its affiliates, a Fund and its Operating Companies, and/or such other accounts and its operating companies or investments, whereby each such party (other than such Consultant) compensates such Consultants for his, her or its services to such party. A Fund's share of any retainer fees, success fees, promotes, profit sharing or other fees paid to Consultants

(“Consultant Fees”) are generally borne by such Fund (whether paid by the Fund directly, by an Operating Company or by the Manager and subsequently reimbursed by the Fund or such Operating Company). While such Consultant Fees are believed by the Manager to be reasonable and generally at market rates for the relevant services provided, exclusive arrangements or other factors will, in certain circumstances, result in Consultant Fees that are not comparable to costs, fees and expenses charged by other third parties. In addition to Consultant Fees, the Funds also generally bear, directly or indirectly, their share of any travel costs or other out-of-pocket expenses incurred by Consultants in connection with the provision of their services. Accounting, network, communications, administration and other support benefits, including office space, could be provided by Onex, the Manager or their respective affiliates to Consultants without charge. To the extent that communications or other equipment or services are provided by a Fund to a Consultant, these costs will be borne by such Fund as a Partnership Expense. Fees or other payments or benefits received by Consultants in connection with their services, including any amounts paid in connection with particular transactions or investments, will not reduce the management fee paid by a Fund.

Management Team Expenses

From time to time, a Fund could recruit a management team to pursue a new or “platform” opportunity expected to lead to a future Operating Company Investment. Typically, the expenses associated with the activities of such a team, including its overhead and due diligence and related expenses incurred in pursuing acquisition opportunities, will constitute Fund expenses and be borne by the relevant Fund. Any expenses incurred in connection with such “platform” opportunities will not offset the management fee of any Fund.

Other Expenses

The organizational expenses of the Funds are generally paid by those Funds, and therefore indirectly by Fund investors, in some cases subject to a cap. In general, the Funds will bear all costs, fees and expenses incurred in connection with organizing and establishing the applicable Fund and any Parallel Vehicle (as defined below) or feeder vehicle, its general partner and the general partner of any Parallel Vehicle or feeder vehicle (and their respective general partners, as applicable), and the pre-marketing, marketing and offering of limited partnership interests in a Fund and any Parallel Vehicle or feeder vehicle, including, without limitation, all of the costs and expenses incurred in connection with the formation, qualification and registration (as applicable) (including, if applicable, the initial filings, registrations and compliance contemplated by the AIFMD (as defined below)) of a Fund and any Parallel Vehicle or feeder vehicle, its general partner and the general partner of any Parallel Vehicle or feeder vehicle (and their respective general partners, as applicable), all legal and accounting fees and expenses, registration fees, filing fees, printing costs, travel costs (which could include first or business class commercial airfare or private or charter airfare (provided that the amount of any private or charter airfare shall not exceed the greater of the first class or business class commercial airfare of a reasonably equivalent flight as determined by the applicable general partner in good faith) and ancillary expenses (i.e., airfare, ground transportation, lodging, meals, and other incidental expenses related thereto)), and all costs and expenses incurred in connection with the initial onboarding of investors (including “know-your-customer” and anti-money laundering compliance) and the preparation of offering documents, marketing materials, organizational documents, operating documents and similar materials, compliance with marketing, offering and lobbying laws, rules and regulations, and the costs of qualifying, reproducing, amending, supplementing, mailing and distributing offering materials, and any reimbursable expenses of any placement agent designated by the applicable Fund or its general partner for the marketing and sale of interests in such Fund, any Parallel Vehicle and any feeder fund (but not, for the avoidance of doubt, including any placement fees) (including any interest of any deferred expenses and any other payments (including pursuant to indemnification obligations)). Typically, the management fees payable by a Fund will be reduced dollar-for-dollar by the amount of any placement agent fees paid by a Fund such that the investors in such Fund will not bear the economic burden of any placement agent fees. Organizational expenses do not include the fees, costs and expenses of negotiating, documenting

and entering into any credit or subscription facilities. In addition, in some cases, organizational expenses that exceed a certain cap will be paid by a Fund but the investors in such Fund will receive a reduction in management fees equal to the amount of the excess.

Fund Expenses

The Funds will also typically bear all costs and expenses relating to their activities, operations, investments and business (to the extent not borne or reimbursed by an Operating Company or proposed Operating Company), including but not limited to, (i) all costs and out-of-pocket fees and expenses attributable to sourcing, investigating, identifying, analyzing, evaluating, researching, diligencing, pursuing, committing to, bidding on, seeking regulatory approvals of, structuring, developing, negotiating, acquiring, purchasing, investing, holding, monitoring, maintaining (*i.e.*, maintenance events and/or purchasing of an asset with a view towards utilizing one or more of its parts or purchasing one or more parts), managing, restructuring, refinancing, seeking disposition opportunities for and disposing of, a Fund's investments (and prospective investments), whether or not consummated and whether or not incurred, before, during or after the holding of any such investment, including without limitation, organizing and operating investments, holding bidding, acquisition, aggregation or other intermediate entities formed to facilitate investments by a Fund (including any blocker corporations or intermediate entities), commitment fees or other lenders' fees that become payable in connection with a proposed Operating Company Investment, fees and expenses related to negotiating and complying with non-disclosure and confidentiality agreements and obligations, travel costs and ancillary expenses (*i.e.*, airfare, ground transportation, lodging, meals, and other incidental expenses related thereto) (which may include first or business class commercial airfare or private or charter airfare; provided that the amount of any private or charter airfare shall not exceed the greater of the first class or business class commercial airfare of a reasonably equivalent flight as determined by the applicable general partner in good faith), third-party consulting and deal investigation and identification fees and expenses, broker, finder, investment banking, technical contractors and consultants (including consultants providing services related to environmental, social and governance investment considerations and policies) and other software (including research, analytics, data enrichment and engagement software and other tools), legal and accounting and other similar fees and expenses, and printing expenses, in each case, including any group purchasing costs, as applicable, (ii) all Broken Deal Expenses (as defined below), (iii) all legal, accounting, auditing, administrative, custodian, appraisal, consulting, brokerage, banking, depository, agency, paying agent, valuation, trustee, service provider and other similar fees, commissions and expenses (including, without limitation, courier fees and expenses related to conference calls), all costs, fees and expenses of meetings of Fund investors in which all Fund investors are invited to attend and each additional meeting of the Fund investors (including, without limitation, costs attributable to non-Fund investors, including Operating Company management, as well as any reasonable costs associated with venue, set-up, room and board, dining, entertainment, gifts and mementos honorarium, events or speakers and other meeting or conference-related costs, in each case to the extent incurred by a Fund, its general partner, the Manager and/or any of their respective affiliates), fees of any administrator and depository of a Fund, as well as any anti-money laundering or similar administrative service provider, other out-of-pocket fees, costs and expenses associated with monitoring and complying with Governing Agreements, any side letter agreements and any other agreements related to a Fund, any Parallel Vehicle, any feeder fund or any separate investment entity (including conducting the most-favored-nations process with respect to any other agreements, and preparation of any compendiums or summaries of such documents and provisions), and the preparation and delivery of Fund financial statements, tax returns and other tax-related documentation and reports and notices to Fund investors, and costs and expenses related to attendance at industry conferences and subscription to industry publications and research services related to existing or proposed Operating Companies or for sourcing potential Operating Companies, any fees, costs and expenses of developing, hosting, licensing, implementing, maintaining, enhancing or upgrading any applicable investor relations, accounting, portfolio tracking, reporting, cybersecurity or other software, web portal or extranet tools, and any fees, costs and expenses with respect to protecting the confidential or non-public nature of

any information or data, (iv) expenses of the Advisory Committee (as defined below) incurred in accordance with the applicable Governing Agreement and holding meetings thereof, and all costs and expenses of any votes, consents or meetings of investors or the Advisory Committee (as defined below) of a Fund or any amendments to or waivers of the Governing Agreement or any related agreement, (v) fees, costs and expenses of D&O, E&O, general liability, litigation, cyber, cybersecurity, cyber-crime and other insurance, and indemnification and extraordinary expenses, liabilities, indemnities and other obligations of a Fund (including, but not limited to, actual or potential litigation, audit, investigation and indemnification costs and expenses, judgments, penalties, fines and settlements and any other costs and expenses to the extent payable under the applicable Governing Agreement) and the fees, costs and expenses of complying with all applicable laws, rules and regulations (including, without limitation, lobbying laws, rules and regulations and regulatory filings and reporting on and compliance with certain regulatory requirements), any ongoing or additional onboarding of investors, “know-your-customer”, anti-money laundering or related requirements or any costs related to compliance with any environmental, social or governance or other investment considerations and policies applicable to a Fund, its General Partner, the Manager and/or any of their respective affiliates, (vi) all fees, costs and expenses of forming and maintaining the existence of a Fund, any separate investment entity and its general partner (and its general partner, as applicable) and any investment, holding, bidding, acquisition, aggregation or other intermediate entities formed to facilitate investments by a Fund, including, without limitation, franchise taxes and partnership registration and registered agent fees and expenses, and complying with applicable laws, rules, regulations, orders and directives, including, without limitation, reports, notifications, filings, disclosures, registrations, affirmations, (vii) all fees, costs and expenses of the wind down of a Fund, any separate investment entity, Parallel Vehicles and the general partner (and its general partner, as applicable) and any investment, holding, bidding, acquisition, aggregation or other intermediate entities formed to facilitate investments by a Fund and the liquidation of the assets of such Fund in connection therewith, (viii) all debt service obligations, including principal, interest, premium, if any, fees, expenses and other amounts payable in respect of indebtedness of a Fund (subject to the limitations set forth in the applicable Governing Agreement), including, without limitation, any fees and expenses incurred as a result of the implementation (including negotiation and documentation and lender expenses), utilization and refinancing of any credit or subscription facility or other indebtedness, hedging transaction or credit support, and any costs and expenses arising from any foreign exchange, currency exchange, or other hedging or similar transaction, (ix) except as provided otherwise in the applicable Governing Agreement, all taxes, duties, fees and other governmental charges levied against or payable by a Fund and all related filing and tax return fees, costs and expenses, all expenses incurred in connection with any tax audit, examination, review, investigation or settlement of a Fund, tax consulting and tax planning fees and expenses, in each case, in the U.S., Canada and other jurisdictions, and any fees, costs and expenses of the “partnership representative” and “designated individual” of a Fund acting in such capacity (as applicable), (x) financing, commitment, origination and similar costs, including costs associated with ABS and ABS-like transactions, (xi) broker, dealer, finder, underwriting (including both commissions and discounts), loan administration and private placement, investment banker, finder and similar service costs, including sales commissions, (xii) retainer amounts and other compensation and out-of-pocket expense reimbursement paid to Consultants, (xiii) fees, costs and expenses incurred in connection with developing, structuring, operating and winding-up administrative structures that are put in place to operate a Fund’s investment activities (including travel and accommodation expenses related to such structures, the salary and benefits of any third-party personnel reasonably necessary for the maintenance of such structures, or other overhead and rent expenses in connection therewith), and (xiv) any other fees, costs and expenses borne by the applicable Fund pursuant to its Governing Agreement.

In addition, in certain instances, a Fund bears expenses in respect of an existing or prospective portfolio company that was not or will not be borne by other owners or investors in such portfolio company (including co-investors or co-investment funds), where the Manager has determined such arrangement to be in the best

interest of such Fund (e.g., a Fund engages or pays for a consultant for services in respect of a portfolio company without reimbursement by other owners of the portfolio company).

Broken Deal Expenses

In addition, investors in a Fund will also typically bear all out-of-pocket or third party fees, costs and expenses incurred in connection with prospective investments and other transactions of a Fund that are not consummated, including, without limitation, all due diligence fees, costs and expenses, legal and accounting fees, costs and expenses, fees, costs and expenses of lenders, investment banks and other financing sources in connection with arranging financing for such prospective investment or other transaction, deposits or draw-down payments that are forfeited in connection therewith, and reverse break-up fees or termination fees, expense reimbursement amounts or other amounts payable to the sellers, targets, advisors, service providers or other counterparties or third parties, related to such unconsummated transactions or investments, or other liabilities, damages or obligations in respect of such unconsummated transactions or investment opportunities (including, without limitation, travel costs and ancillary expenses (*i.e.*, airfare, ground transportation, lodging, meals, and other incidental expenses related thereto) (which is permitted to include first or business class commercial airfare or private or charter airfare; provided that the amount of any private or charter airfare shall not exceed the greater of the first class or business class commercial airfare of a reasonably equivalent flight as determined by the applicable general partner in good faith), incurred in connection therewith) (collectively, “Broken Deal Expenses”). Broken Deal Expenses could be significant, and accordingly, the Funds could incur substantial costs and expenses with no opportunity for a return. In the event that any potential investment results in Broken Deal Expenses and all or a portion of such Broken Deal Expenses are not paid or reimbursed by any potential co-investment vehicles, co-investors or other third parties or transaction participants, as applicable, a Fund will be required to bear one hundred percent (100%) of the amount of any such Broken Deal Expenses (whether or not any co-invest was contemplated or made available to any person (including Onex and its affiliates)). However, in connection with any co-investment opportunity, if any prospective co-investor has contractually agreed to bear a portion of any Broken Deal Expenses in connection with such co-investment opportunity, the Fund will not be required to bear the portion of such Broken Deal Expenses that such prospective co-investor has contractually agreed to bear. The general partners of the Funds and the Manager have the discretion to require the Funds to pay 100% of the amount of any Broken Deal Expenses whether or not there are co-investors that are committed or expected to participate in such investment or transaction or a potential co-investment opportunity or a syndication to third parties or other transaction participants (including, without limitation, the target company management) are contemplated in connection with such investment or transaction. While certain of such Broken Deal Expenses could be reimbursed by offsetting certain amounts payable to the Manager or one or more of its affiliates, there can be no assurance that sufficient offsetting fees will be generated to reimburse all such Broken Deal Expenses.

Allocation of Shared Expenses

The Manager and its affiliates from time to time incur fees, costs and expenses on behalf of more than one Fund, Operating Company and/or the Manager or its affiliates. In that event, expenses will be allocated in the Manager’s good faith discretion with a view to being fair and reasonable and having regard to all relevant and available information, including the extent to which the relevant entity(ies) or group(s) required or benefitted from the goods or services giving rise to the expense and whether all or a portion of a multiple-purpose expense should be viewed as overhead and absorbed by the Manager.

Other Benefits

The Manager and/or its affiliates and personnel can be expected to receive certain intangible and/or other benefits arising or resulting from their activities on behalf of the Funds that will not be subject to the

management fee offset or otherwise shared with the Fund investors and/or Operating Companies. For example, airline travel or hotel stays incurred in connection with Fund business could result in “miles” or “points” or credit in loyalty/status programs, and such benefits and/or amounts will, whether or not de minimis or difficult to value, inure exclusively to Onex and/or its affiliates and personnel even though the cost of the underlying service is borne by the Funds or their Operating Companies.

Service Provider Selection

Certain advisors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents), or their affiliates, to a Fund’s general partner, a Fund or its Operating Companies also provide services to or have business, personal, financial or other relationships with Onex and/or its affiliates. Such advisors and service providers could also be investors in or co-investors alongside a Fund, sources of potential investment opportunities, or counterparties to or otherwise involved in transactions or matters with Onex Corporation, its affiliates, other Funds, the Manager, other Operating Companies, and/or the personnel of any of the foregoing, for example. Although these relationships can have the appearance of influencing the decision whether to select or recommend such service provider to perform services for a Fund or an Operating Company (the cost of which will generally be borne directly or indirectly by such Fund or such Operating Company, as applicable), the Manager seeks to ensure service provider selection is merit-based.

Operating Company Relationships

Certain of the Funds’ Operating Companies are expected to be counterparties to or participants in agreements, transactions or other arrangements with or alongside other Operating Companies, including Operating Companies of other Funds or the Manager. For example, the Manager has adopted a strategic sourcing program to facilitate group purchasing by those Operating Companies that choose to participate. The vendors or suppliers participating in the program are unrelated to Onex, no Operating Company is required to participate in any particular transaction or arrangement, and savings flow to the participating Operating Companies directly. Neither the Manager nor Onex Corporation receives greater benefits from or in connection with the program than any of the participating Operating Companies and the Manager and each of the Manager and Onex Corporation generally receives the same terms and benefits as the participating Operating Companies in purchase arrangements in which they participate (if any). In addition, Operating Companies and operating companies of Onex Corporation or any of its affiliates are permitted to transact among themselves in the ordinary course of their respective businesses on customary commercial terms. The Manager could also recommend products or services of one Operating Company to another. Conflicts of interest will generally arise in making such recommendations, as the Manager has an incentive to maintain goodwill between it and former, existing and prospective Operating Companies.

ITEM 6

PERFORMANCE-BASED FEES AND SIDE-BY-SIDE MANAGEMENT

See Item 5 above as to the performance-based compensation or allocations to which the Manager or its affiliates are entitled.

The Manager recognizes that some of the Funds have different terms in respect of fees and performance allocations and that, accordingly, actual or perceived conflicts of interest will likely arise in allocating opportunities to, between or among the Funds and/or other vehicles managed, advised or controlled by or otherwise related to Onex. The Manager recognizes its fiduciary duty to act in the best interests of the Funds and exercises due care to ensure that investment opportunities are allocated fairly and in accordance with the terms of the applicable Governing Agreements and Onex' internal investment allocation policy, including but not limited to a consideration of the investment objectives and parameters of such Funds. Onex' investment allocation policy and Governing Agreements typically address such matters in detail, including to what extent opportunities must be allocated to a particular Fund, whether co-investment is permissible and whether and on what terms the Manager, any of its affiliates, other investment vehicles they may manage and the principals of the Manager (the "Principals") must or may participate in those opportunities. Subject to compliance with those terms and the terms of the Governing Agreements dealing with material conflicts regarding transactions involving a Fund that may be consulted with the relevant Advisory Committee (as defined below) or that require its consent or those of the Fund investors, investment decisions, including allocations, are made in the reasonable discretion of the Manager.

Without limiting the foregoing, the Manager recognizes it is not permissible to allocate, or to fail to allocate, an investment opportunity to, between or among Funds on the basis of the amount of compensation or profit that is likely to be realized for the Manager and its affiliates.

The primary investment opportunity allocation principles for each Fund are derived from the Fund Governing Agreements. In that regard:

Parallel Vehicles. When two or more investment vehicles are formed as part of the same investment program for the purpose of making the same investments on a side-by-side basis ("Parallel Vehicles"), investments will generally be allocated among the Parallel Vehicles based on their relative capital commitments, subject to all terms, conditions and limitations in the Governing Agreements for each of the Parallel Vehicles.

Predecessor/Successor Funds. Generally, a new investment fund does not begin investment activities until its predecessor fund has invested or committed a significant portion of its aggregate capital commitments. As a result, issues related to allocation of investment opportunities may arise when the Manager begins investing a successor to an existing Fund prior to the expiration of the commitment period of the existing Fund. In general, the Governing Agreements will set forth rules and procedures for the allocation of investment opportunities among such Funds and subject to such rules and procedures, opportunities will be allocated according to the reasonable determination of the Manager. In making such determination, the Manager will take into account such matters as the age and funding status of the relevant Funds vis-à-vis their respective commitment periods and Fund termination dates, the extent to which capital has been committed, called and returned to Fund investors, the composition of the portfolio of the Funds, any relevant legal, regulatory or tax considerations, and the expected ownership period of a particular business, for example.

Co-investment and Joint or Strategic Investors. The Manager has raised, and may in the future raise, co-investment funds or establish co-investment vehicles to participate in Operating Company Investments on a side-by-side basis with an ONCAP Fund in accordance with the Governing Agreements of such ONCAP

Fund. Further, a Fund may pursue an opportunity jointly with another private equity fund or fund sponsor in appropriate circumstances, which may include, for example, the size, nature, location, prior investment experience or other relevant factors relating to the target company, the potential partner, the process or the opportunity. In addition, third-parties, including “strategic investors” and management team members are permitted to co-invest alongside an ONCAP Fund to the extent not inconsistent with the ONCAP Fund’s Governing Agreements.

Onex, its affiliates or any of their respective officers, directors, employees, investment team members or other personnel or the Onex founder, or the Principals are permitted to organize, make an investment in, or otherwise participate in, any vehicle formed to make co-investments with an ONCAP Fund. The Manager, in its sole discretion, provides co-investment opportunities to some (but not necessarily all) investors in an ONCAP Fund and/or third parties, as well as to Onex Corporation and/or its affiliates and other related persons as described above. In circumstances where an entire investment could be made by an ONCAP Fund, the Manager is still permitted to allocate a portion of such investment to one or more co-investment vehicles or other co-investors (including, without limitation, Onex, its affiliates or any of their respective officers, directors, employees or other personnel or the Principals or the Onex founder) in accordance with the Governing Agreement of the applicable ONCAP Fund. In addition, where Onex is participating as a co-investor in a specific opportunity, the Manager generally expects to offer an opportunity to co-invest in a portion of the amount of the Onex co-investment to those individuals who are then participants in the equivalent portion of the general partner’s commitment to a Fund in excess of the minimum required commitment. The allocation of any co-investment opportunities will not necessarily be in proportion to the commitments of the co-investors and will often involve different terms and fee structures. As such, in certain circumstances, an ONCAP Fund will receive a smaller allocation in a particular investment than it otherwise might have received if the Manager had not provided the third-party with the co-investment opportunity. Moreover, it is possible that certain terms and fee structures offered to co-investors will be more (or less) favorable to Onex than those offered to investors in an ONCAP Fund, which will incentivize the Manager to make more (or less) of such co-investment opportunities available.

The Manager has full discretion in determining to whom and in what relative amounts to allocate co-investment opportunities, whether through an entity it or one of its affiliates controls or directly into an Operating Company. In exercising its discretion, the Manager may consider certain factors including (but not limited to): (i) the aggregate amount of co-invest opportunity available; (ii) the magnitude and nature of a potential recipient’s relationship with Onex and its affiliates, if any (including without limitation, the amount and timing of the recipient’s commitment to a Fund and/or other accounts); (iii) the Manager’s assessment of which potential co-investors may be willing and able to pursue and complete the particular co-investment if offered and its understanding of the nature and/or size of opportunities in which the potential co-investor is particularly interested; (iv) the Manager’s views as to whether the involvement of any particular potential co-investor(s) could directly or indirectly benefit the Fund, the Manager, Onex and/or its affiliates generally, the pursuit of and investment in the particular Operating Company opportunity and/or the future business, activities or prospects of Fund, the Manager, Onex or its affiliates, or the Operating Company; (v) whether the potential recipient is expected to provide expertise or other advantages in connection with a particular co-investment; (vi) any relevant considerations made known to the Manager by the Operating Company management team; and (vii) any further legal, regulatory or tax considerations, timing issues, and other special considerations arising as a result of the industry, sector, business or activities of the Operating Company that could affect or be affected by allocation decisions. Furthermore, as the Manager allocates co-investment opportunities as the Manager determines in its sole discretion, the recipients thereof from time to time include no investors in an ONCAP Fund, or one or more investors in an ONCAP Fund and not others (including others that are be similarly situated to those receiving allocations of co-investment opportunities), clients or potential clients of Onex or its affiliates, Onex or its affiliates, employees of Onex or its affiliates, or funds or accounts established for any such persons, and on such terms as the Manager determines in its discretion. The above factors are not listed in

order of importance or priority. Additionally, the Manager is not required to, and does not, consider all of the factors described above in any particular investment and some factors may be more or less important depending upon the nature of the particular investment and attendant circumstances. In addition to allocating co-investment opportunities on a case-by-case basis as they arise as described above, the Manager could determine to provide priority rights with respect to future co-investment opportunities generally to certain Fund investors (but not to others, including similarly situated Fund investors) or other persons, including those described above, pursuant to commitments, arrangements or agreements between the Manager and Fund investors or other persons or through the formation of one or more funds or other vehicles in which such investors or other persons would invest.

Importantly, the Manager has given and intends to give due consideration to the fact that Onex Corporation, the Funds' sponsor and, in each case, one of the largest limited partners, made Fund investors expressly aware in advance of their investment commitments to the relevant Fund of its desire to co-invest if and when opportunities are available, further to which Fund investors may have negotiated specific thresholds and other contractual restrictions applicable to Onex Corporation's co-investment opportunities but otherwise expressly gave the Manager full discretion as to co-investment decisions.

The general partners of the Funds and the Manager or any of their affiliates will in certain circumstances require such co-investors to bear a carried interest, management fee and other costs with respect to any co-investment, and such charges will often be different from the carried interest, management or other fees charged to investors in the applicable Fund. As a result of these differences, the returns to the investors in an ONCAP Fund generally differ from the returns to the co-investors. In particular, such investors' net returns with respect to co-investment opportunities generally differ from investors' net returns with respect to the Fund, particularly for those investors in co-investment opportunities whose investment will not be subject to any (or will be subject to different) management fees, or carried interest payable to the Manager or its affiliates. Co-investors typically bear their pro rata share of fees, costs and expenses related to their co-investments and could be requested to pay their pro rata share of Broken Deal Expenses (as defined above) related to potential co-investments that they have committed to make but that are not consummated.

Such co-investors typically invest and dispose of their investments in the applicable Operating Company at the same time and on the same terms as the Fund, but in certain circumstances, this will not be the case. From time to time, for administrative, strategic and/or other reasons, co-investors purchase a portion of an investment from a Fund, Onex Corporation or one of their respective affiliates after such Fund has consummated its investment in the Operating Company. Any such purchase by a co-investor would occur shortly after the Fund's completion of the investment (also known as a post-closing sell down or transfer) to avoid any changes in the valuation of the investment. The Manager expects to, but is not required to, charge interest to the participants in the co-investment vehicle on the purchase to compensate the applicable Funds, Onex Corporation or affiliates thereof for the applicable holding period and there can be no assurance that such interest, if any, will accurately reflect the fair market value of the portion of such investment in the Operating Company at the time of the sale. The economic participation of co-investors in an investment opportunity could be substantial and could involve greater risks than an investment in which there are no co-investors. In certain circumstances, co-investors will have interests that are inconsistent with those of the Manager or a Fund. In addition, co-investors will in certain circumstances be in a position to obtain additional information regarding the applicable Operating Company that generally will not be available to investors in the Fund.

Participation by a Fund investor in a co-investment opportunity, whether directly or through a co-investment vehicle, will be entirely the responsibility and investment decision of such Fund investor and none of the Manager or its affiliates, nor any of their agents or consultants will assume any risk, responsibility or expense, or be deemed to have provided any investment advice, in connection with such participation.

In addition, a Fund is expected to co-invest with third-parties, including strategic investors and management team members, whose ability to influence the day-to-day management and affairs of the Operating Companies' investments could be significant and even greater than that of a Fund, through joint ventures or other entities. Such investments will involve risks in connection with such third-party involvement, including the possibility that a third-party investor has financial, legal or regulatory difficulties resulting in a negative impact on such investment, has economic or business interests or goals that are inconsistent with those of a Fund or is in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund could in certain circumstances be liable for the actions of such third-party investors, including, without limitation, if such third-party investors default on their funding obligations, in which case a Fund would be required to make up the shortfall. In those circumstances where such third-parties involve a management group, such third-parties could receive compensation arrangements relating to such investments that involve incentive compensation arrangements, including carried interest and/or other fees payable to such third-parties. Such compensation arrangements would reduce the returns to a Fund. There can be no assurance that minority rights will be available or that such rights will provide sufficient protection of a Fund's interests.

In certain instances, a Fund will bear expenses in respect of an existing or prospective Operating Company that will not be borne by other owners or investors in such Operating Company (including co-investors or co-investment vehicles) where the Manager has determined that the incurrence of such expenses is in the best interest of a Fund (e.g., a Fund engages or pays for a Consultant for services in respect of an Operating Company without reimbursement by other owners of the Operating Company). Likewise, certain expenses associated with any credit facility, borrowing or other indebtedness (e.g., commitment fees, legal expenses and other costs to establish a credit facility) are not expected to be allocated to co-investors or co-investment vehicles (including the portion of such expenses attributable to the portion of any investment acquired by the co-investors) and instead will be borne in full or in part by a Fund.

Investments Away from Existing Funds. The Funds generally comprise blind-pool funds with an ongoing entitlement to new investment opportunities that meet their investment objectives and parameters as set forth in the applicable Governing Agreements. Investments may only be allocated outside of the existing Funds in accordance with their respective Governing Agreements and Onex' investment allocation policy and subject to the terms, conditions and limitations therein.

Reference is made to Items 10 and 11 below for a further discussion of potential conflicts of interest and the manner in which they are addressed by the Manager.

ITEM 7

TYPES OF CLIENTS

The Manager provides investment advice only to the Funds and has no other clients.

The Manager requires that each investor in a Fund be an “accredited investor” as defined in Regulation D under the Securities Act, a “qualified client” within the meaning of the Advisers Act, and typically, either a “qualified purchaser” or a “knowledgeable employee” within the meaning of the Investment Company Act of 1940, as amended (the “Investment Company Act”). Investors typically consist of banks and other financial institutions, public and private pension and profit-sharing plans, insurance companies, charitable organizations, government agencies or other institutional investors, as well as a small number of high-net-worth individuals. Certain advisors and other service providers (including accountants, administrators, lenders, bankers, brokers, attorneys, consultants, investment or commercial banking firms and certain other advisors and agents) to a Fund’s general partner, a Fund or its Operating Companies may also be investors in or co-investors alongside a Fund.

Typically, a minimum investment amount is imposed on third parties investing in the ONCAP Funds, as described in each such Fund’s confidential offering memorandum.

ITEM 8

METHODS OF ANALYSIS, INVESTMENT STRATEGIES AND RISK OF LOSS

Methods of Analysis and Investment Strategies

The Manager intends for the Funds to be value-oriented investors. It pursues a disciplined investment style and an active approach to building high-quality businesses for the benefit of the Funds. Depending upon market conditions and the opportunities available from time to time, the Manager has generally focused on such areas as: (i) carve-outs of subsidiaries and mission-critical supply divisions from multinational corporations; (ii) cost reductions and operational restructurings; and (iii) platforms well-positioned to benefit from add-on acquisitions.

In implementing its investment strategy, the Manager seeks to: (i) invest only in industries it understands; (ii) proactively source opportunities; (iii) have diverse value creation opportunities; (iv) partner with talented management teams and align their interests; (v) conduct patient and comprehensive due diligence; (vi) use a team-based investment approach; (vii) maintain purchase price discipline; (viii) apply appropriate capital structures; (ix) actively work with management post-investment; and (x) strive to exit investments successfully.

With each investment, the Manager works with the Operating Company's management team to build long-term value in the company and to pursue the successful execution of the company's business plan. As part of this active-ownership approach, the Manager generally requires those management teams to have meaningful personal financial stakes in their companies so as to further align their interests with those of the Funds.

Material Risks

These methods, strategies and investments involve risk of loss to clients and clients must be prepared to bear those risks. The transactions in which the Funds engage involve substantial risks and are suitable only for those investors who have the financial sophistication and expertise to understand and accept such risks. No assurance can be given that the investment objectives of the Funds will be achieved or that investors will receive a return of or will realize a profit on their investments in the Funds.

Prior to committing to any ONCAP Fund, potential investors are furnished with a confidential offering memorandum which sets forth in detail the material risks associated with such investment and cautions that returns can be unpredictable, that the possibility of a partial or total loss of capital will exist and that investors should not commit unless they can readily bear the consequences of such loss. All investors are required to represent in their subscription materials that they have carefully read the risk factor disclosure and understand all such risks. Prospective investors are also advised in the confidential offering memoranda that the risk factors and other investment considerations described therein are not necessarily a complete list or explanation of all risks involved and are advised to consult their own counsel and other advisors.

The Funds that are co-investment vehicles are typically single-purpose, transaction-specific vehicles, and investors in such vehicles are given the opportunity to conduct such due diligence investigations as they deem necessary prior to committing to participate in the transaction. Those electing to proceed with a co-investment transaction acknowledge in the relevant agreements that they are capable of evaluating the merits and risks of the investment, they understand those risks and they are able to sustain a loss of the entire investment. Prospective co-investors are advised to consult their own counsel and other advisors before determining to proceed with a co-investment.

Without limiting the foregoing or (i) the disclosure set forth in the Funds' offering documents and Governing Agreements and (ii) the acknowledgements made by investors in their subscription agreements or otherwise, the discussion below summarizes certain of the material risks associated with investments in the Funds:

- *An Investment in a Fund Will Not be Suitable to All Investors* – An investment in a Fund requires a long-term commitment with no certainty of return. There could be a partial or complete loss of capital and, conversely, the return of capital and the realization of gains, if any, from an Operating Company Investment generally will occur only upon the partial or complete realization or disposition of the Operating Company Investment. Most Operating Company Investments are expected to be owned for a number of years and there could be legal restrictions on the ability to sell such investments. Further, the terms of any realization transaction will necessarily be affected by economic and other market conditions at the time. An investment in a Fund is suitable only for certain sophisticated investors that have no need for immediate liquidity in their investment, who understand that they may lose all or a significant portion of their invested capital and have the wherewithal to fund amounts due over time in respect of their capital commitments. Investors must be willing to bear the economic risk of an investment in a Fund for an indefinite period of time. Any investor interested in an investment in a Fund should conduct its own investigation and analysis of the product and consult its own professional advisers as to the risks involved in making such an investment.
- *Restrictions on Transfer and Withdrawal; Lack of Liquidity for Interests* – There are restrictions both at law and in the Governing Agreements on the transferability of Fund interests, and investors generally may not withdraw capital from a Fund. Consequently, investors will likely not be able to liquidate their investments prior to the end of a Fund's term.
- *Changes in Environment* – The investment program of each Fund is intended to extend over a period of years, during which the business, economic, political, regulatory, and technology environment within which a Fund operates could undergo substantial changes, some of which could be adverse to such Fund. The general partner or manager of a Fund will have the exclusive right and authority (within limitations set forth in the Governing Agreements of such Fund) to determine the manner in which a Fund responds to such changes, and investors in such Fund will have no right to withdraw or to demand specific modifications to such Fund's operations except in exceptional circumstances. Investment sourcing, selection, management and liquidation strategies and procedures exercised by the Manager may not be successful, or even practicable, throughout a Fund's term. Within the limitations set forth in the Governing Agreements of such Fund, the general partner or manager of such Fund will have the right and authority to determine such Fund's investment sourcing, selection, management and liquidation strategies and procedures.
- *Prior Investment Performance Not Indicative of Future Results* – The performance of prior investments by the Manager or its affiliates, or by any Fund, is not necessarily indicative of future results. On any given investment, total loss of the investment is possible.
- *Dependence on Key Personnel* – The success of the Funds depends in substantial part upon the skill and expertise of the Manager's investment professionals and the other individuals employed to assist them. There can be no assurance that these individuals will continue to be employed or engaged by the Manager or its affiliates. The loss of their services could have a material adverse effect on the success of the Funds.

- *Risks in Effecting Operating Improvements* – In some cases, the success of the Funds depends, in part, on the ability to structure and effect improvements in the operations of an Operating Company. The activity of identifying and implementing restructuring programs and operating improvements at Operating Companies entails a high degree of uncertainty. There can be no assurance that the Funds will be able to successfully identify and implement such restructuring programs and improvements.
- *Limited Number of Investments; Lack of Diversity* – A Fund may participate in a limited number of investments and the Manager and a Fund may not be able to identify or acquire an appropriate volume of investment opportunities and, as a consequence, the aggregate returns of a Fund could be substantially affected by the unfavorable performance of a single investment. Because a Fund may only make a limited number of investments and since a Fund's investments generally will involve a high degree of risk, poor performance by one or more of a Fund's investments could materially affect the total returns to investors. On any given investment, loss of all or a portion of the investors' capital is possible. Investors have no assurance as to the degree of diversification in a Fund's investments. A Fund is not required to make investments that are diversified geographically or otherwise. Because a Fund's investments may be concentrated within relatively few industries, sectors, countries or regions, portfolio diversification will be less than would be possible if a Fund were to invest in a broader range of industries, sectors, countries or regions. Such reduced diversification may increase the volatility of a Fund's returns, and could reduce a Fund's returns relative to more diversified funds to the extent that such industries, sectors, countries or regions do not perform as well as other industries, sectors, countries or regions. No assurances can be given that a Fund will diversify its investments among different assets.
- *Leverage* – The Operating Companies may have capital structures that utilize significant amounts of leverage. Such investments are inherently more sensitive to declines in revenues and to increases in expenses and interest rates. Although the general partner of a Fund will seek to use leverage in a prudent manner, the leveraged capital structure of such investments will increase the exposure of the Operating Companies to adverse economic factors such as rising interest rates, downturns in the economy or deterioration in the condition of the Operating Companies or their respective industries. Additionally, the securities acquired by a Fund could often be the most junior in what could be a complex capital structure and thus subject to the greatest risk of loss. In addition, the Funds could make investments for which third-party financing will be desirable but not necessarily available (on desired terms or at all) at the time of investment. Such financing may never become available, or a refinancing may not be able to be completed on desirable terms.
- *Bridge Financing* – The Funds have entered, and may in the future enter into bridge financing arrangements in connection with Fund investments. Changes in capital markets could adversely affect the ability of an Operating Company to refinance those bridge investments at all or on the terms desired.
- *Over-Commitment* – Over-commitment could be required in order to facilitate the acquisition of investments with a view to selling a portion of such investment to co-investors or other persons prior to or within a period after the closing of the acquisition. In such event, the relevant Fund will bear the risk that any or all of the excess portion of such investment may not be sold or could only be sold on unattractive terms and that, as a consequence, the applicable Fund could bear the entire portion of any breakup fee or other

fees, costs and expenses related to such investment, or hold a larger than expected investment.

- *Available Opportunities and Competitive Marketplace* – The Funds compete for investment opportunities with a significant number of other private equity funds as well as with institutional and strategic investors. As a result of this competition, there can be no assurance that a Fund will be able to source suitable investment opportunities, to acquire them on appropriate terms, to achieve its targeted rate of return, or to fully invest its committed capital.
- *Risk Relating to Due Diligence and Conduct at Operating Companies* – Outside professionals, experts, consultants, legal advisors, accountants, investment banks and other third parties could be involved in the due diligence process to varying degrees depending on the type of investment. The involvement of such third parties could present a number of risks primarily relating to reduced control of the functions that are outsourced and could entail significant third-party expenses, which will be borne by the Funds subject to certain limitations set forth in the Governing Agreements. In addition, if a Fund is unable to timely engage third-party providers, its ability to evaluate and acquire more complex assets could be adversely affected. Moreover, due diligence investigations with respect to any investment opportunity may not reveal or highlight all relevant facts that could be necessary or helpful in evaluating the investment opportunity. Investment in the Funds should be regarded as being speculative and having a high degree of risk. The Funds will rely on the accuracy and completeness of representations made by various persons in the due diligence process, and cannot guarantee such accuracy or completeness.
- *Accuracy of Third-Party Information* – Investments have been selected, and may in the future be selected in part on the basis of information and data made available directly or indirectly by third parties or filed by third parties with various government regulators. The relevant Fund's general partner and the Manager may not be in a position to confirm the completeness, genuineness or accuracy of such information and data, and in some cases, complete and accurate information may not be available.
- *Financial Fraud* – Instances of fraud and other deceptive practices committed by senior management of Operating Companies in which a Fund invests could undermine the Manager's due diligence efforts with respect to such companies and, if such fraud occurs, negatively affect the valuation of a Fund's investments. In addition, when discovered, financial fraud could contribute to overall market volatility that can negatively impact a Fund's investment program.
- *Expedited Transactions* – Investment analyses and decisions by the general partner of a Fund or the Manager could be undertaken on an expedited basis in order for a Fund to take advantage of investment opportunities. In such cases, the information available to a Fund at the time of an investment decision may be limited, and that Fund may not have access to the detailed information necessary for a full evaluation of the investment opportunity.
- *Uncertainty of Financial Projections* – The general partner of a Fund will generally establish the capital structure of Operating Companies on the basis of financial projections for such Operating Companies. Projected operating results will typically be based primarily on management judgments. In all cases, projections are only estimates of future results that are based upon assumptions made at the time that the projections are developed. There can be no assurance that the projected results will be obtained, and actual results could vary

significantly from the projections. General global economic, political and market conditions, which are not predictable, can have a material adverse impact on the reliability of such projections.

- *Cash and Cash Equivalents* – The Funds may hold cash and cash equivalents at any given time during its term. Available cash and cash equivalents are generally held in interest-bearing accounts, funds managed by third-party financial institutions or other similar instruments. The Funds’ access to their invested cash and cash equivalents may be impacted by adverse conditions in the financial markets, and the Funds are subject to the risk that they may lose assets in connection with bank or other financial institution failures. The balances of accounts with third-party financial institutions can be expected to exceed the Federal Deposit Insurance Corporation insurance limits, or the limits of the deposit insurance regimes of other applicable jurisdictions, as applicable. While the Funds will make efforts to monitor the cash balances in its operating accounts and adjust the cash balances as appropriate, these cash balances could be impacted if the underlying financial institutions fail or other adverse conditions in the financial markets occur.
- *Early Termination of a Fund* – It is possible that a Fund could be dissolved and terminated prematurely, and as a result, may not be able to accomplish its objectives and could be required to dispose of its investments at a disadvantageous time or make an in-kind distribution (resulting in investors not having their capital invested and/or deployed in the manner originally contemplated).
- *Investments Longer than Term* – A Fund could make investments that are not advantageously disposed of prior to the date such Fund will be dissolved, either by expiration of such Fund’s term or otherwise. There can be no assurances with respect to the time frame in which the winding up and the final distribution of proceeds to the investors will occur.
- *Secondary Transactions* – The Manager could propose to a Fund’s limited partner Advisory Committee (as defined below) or investors one or more transactions that would enable such investors to monetize or restructure all or a portion of their interests in a Fund, including through the use of a continuation vehicle (each such transaction, a “Secondary Transaction”). The sale of an investment to a continuation vehicle could result in certain investors, the general partner and/or members of the Manager (including employees and affiliates) disposing of their investments in the underlying assets at a different time than some or all investors of such fund and otherwise taking actions with respect to such investments that are different than the actions taken by other investors. The Manager could be subject to other conflicts of interests in connection with a Secondary Transaction, including with respect to investment valuations, allocation of fees and expenses and the offering of investment opportunities to the Funds and co-investors.
- *Distributions in Kind* – Although, under normal circumstances, the Funds intend to make distributions in cash, cash equivalents or marketable securities, it is possible that under certain circumstances (including upon the dissolution of a Fund) distributions could be made in kind and could consist of securities for which there is no readily available public market.
- *Reinvestment* – Under certain circumstances, proceeds distributable (or previously distributed) to the investors that constitute a return of capital contributions may be retained and reinvested (or recalled for reinvestment) by a Fund or used (or recalled for use) by a

Fund for any other proper purpose. Amounts available for recall will be restored to the investors' respective unfunded Commitments. Accordingly, investors could be required to fund for investment, management fees and expenses during a Fund's life in an aggregate amount that significantly exceeds its Commitment.

- *Risks Upon Dispositions of Investments* – Representations made and indemnities given in connection with the disposition of an investment could result in contingent liabilities of a Fund, which might ultimately have to be funded by its investors and could even result in an obligation to return distributions.
- *Recourse to a Fund's Assets* – A Fund's assets, including its investments and any capital held by such Fund, are generally available to satisfy all liabilities and other obligations of that Fund. If a Fund itself becomes subject to a liability, parties seeking to have the liability satisfied could have recourse to that Fund's assets generally and not be limited to any particular asset, such as the investment giving rise to the liability.
- *Indemnification* – Pursuant to the terms of the Governing Agreements, the Manager and certain of its affiliates and related persons will generally be entitled to indemnification from a Fund, which might ultimately have to be funded by Fund investors and could even result in an obligation to return distributions.
- *Risks Relating to Admission of Benefit Plan Investors to the Funds* – It is possible that the assets of a Fund could be deemed to constitute "plan assets" of investors which are subject to the fiduciary provisions of the U.S. Employee Retirement Income Security Act or the prohibited transaction rules of Section 4975 of the Internal Revenue Code. In that case, the operations of a Fund could be materially affected and transactions into which that Fund might enter in the ordinary course of business could be deemed to constitute prohibited transactions under such laws.
- *Risk Arising from Provision of Managerial Assistance* – The general partner of a Fund could determine to operate such Fund so as to qualify as a "venture capital operating company" ("VCOC") within the meaning of regulations promulgated under ERISA in order to avoid holding "plan assets" of Benefit Plan Investors. Operating as a VCOC requires that the relevant Fund obtain rights to participate substantially in and to influence substantially the conduct of the management of a number of Operating Companies. Accordingly, an individual will typically be designated to serve on the board of directors of each Operating Company, which could expose the assets of that Fund to claims by an Operating Company and/or its executives, employees, security holders and creditors.
- *Minority Investments* – The Funds are permitted to make minority equity investments in entities where a Fund does not participate in the management or otherwise control the business or affairs of such entities. There can be no assurance that an Operating Company's management team will be able to operate the Operating Company successfully.
- *Control Position Risk* – The ability of a Fund to exercise control or exercise influence over the management or strategic direction of an Operating Company could expose the assets of that Fund to claims by such Operating Company and/or its executives, employees, pension beneficiaries, security holders and creditors. The possibility of successful claims cannot be precluded.

- *Environmental Liabilities* – The Funds could face substantial risk of loss from environmental claims arising from investments made with undisclosed or unknown environmental problems or inadequate reserves or insurance for previously identified matters, as well as from occupational safety issues and concerns. In the event that a Fund is the parent of an Operating Company, a court might find that that Fund is liable for the company's environmental clean-up obligations. Environmental claims with respect to a specific investment could exceed the value of such investment.
- *Pension Liabilities* – The Funds could face risk of loss from employee pension-related liabilities arising from investments in Operating Companies that maintain or contribute to defined benefit pension plans in the United States and certain other jurisdictions. Such pension liabilities could exceed the value of such investment.
- *Effects of Bankruptcy* – A Fund is permitted to invest in Operating Companies that are or may become the subject of voluntary or involuntary bankruptcy or similar proceedings under applicable laws. Bankruptcy cases could involve additional or heightened risks in respect of the loss of all or part of the value of an investment or other adverse effect on the Operating Company.
- *Currency Risk* – Although the functional currency of the Funds is typically United States dollars, the Funds may from time to time make investments using currencies other than United States dollars. The value of the investments made by the Funds may fluctuate as a result of the impact of economic and political changes on currency exchange rates.
- *Hedging* – The Funds may enter into swaps, forward contracts and other arrangements and hedging transactions to seek to preserve a return on a particular investment or to seek to protect against currency or interest rate fluctuations. Such transactions give rise to certain costs and also to additional risks, including counterparty and liquidity risks. Although such transactions could reduce a Fund's exposure to currency or interest rate fluctuations or decreases in the value of investments, the costs associated with these arrangements could reduce the returns that such Fund would have otherwise achieved if it had not entered into these transactions.
- *Inflation* – Certain countries have experienced and continue to experience substantial, and in some periods extremely high, rates of inflation, which could continue in the future. Inflation and rapid fluctuations in inflation rates have had and continue to have negative effects on the economies and securities markets (both public and private) of certain countries in which the Funds may invest and could materially and adversely affect the Funds' investment results.
- *Failure to Make Capital Contributions* – If a Fund investor fails to satisfy its contractual funding obligations, the Fund's ability to complete its investment program or otherwise continue operations may be impaired or otherwise affected. Further, the defaulting investor may suffer meaningful adverse consequences as set forth in the Governing Agreements.
- *Consequences of Failure to Pay Contribution in Full* – If a Fund investor fails to pay an installment of its commitment, that Fund's general partner could employ different remedies to different defaulting Fund investors in its sole discretion.
- *Mandatory Withdrawal* – A Fund investor could be required to withdraw from a Fund prior to the termination and liquidation of that Fund if that Fund's general partner determines

that continued participation could materially adversely affect that Fund or in certain other circumstances as further described in the relevant Governing Agreements (for example, by causing a Fund to be registered as an investment company under the Investment Company Act or causing a Fund's assets to be treated as plan assets). A Fund investor required to withdraw early under these circumstances could suffer a diminution of return or material loss on its investment.

- *Public Disclosure Obligations* – Certain affiliates of the Manager and/or a Fund's Operating Companies are publicly-traded companies. Public company status could give rise to disclosure obligations in respect of a Fund or its operations or investments, which could result in the disclosure of information that would otherwise be considered confidential. There could be additional disclosure obligations imposed by applicable law or regulation in respect of the Manager, the Funds, their affiliates or Operating Companies, or Fund investors that could be viewed by any particular Fund investor as adverse.
- *Freedom of Information Act* – The general partners of the Funds or the Manager could withhold all or any part of the information otherwise to be provided to a Fund investor under certain circumstances in order to prevent public disclosure of such information under the Canadian Access to Information Act, the U.S. Freedom of Information Act (“FOIA”), any governmental public records access law, any state, provincial or other jurisdiction's laws similar in intent or effect to FOIA, or any other similar statutory or regulatory requirement.
- *Need for Follow-On Investments* – There can be no assurance that a Fund will be able to provide additional funds or to increase its investment in a successful Operating Company, which could result in a lost opportunity for that Fund to increase its participation in a successful operation.
- *Toehold Investments* – In the event that a Fund seeks to acquire a toehold investment and is unable to accumulate a sufficiently large position, the Fund is permitted to dispose of its position in the Operating Company within a short time of acquiring it; there can be no assurance that the price at which that Fund can sell such securities will not have declined since the time of acquisition.
- *Investments in Public Companies* – The Funds have invested, and may in the future invest in public companies or take private Operating Companies public. Investments in public companies could subject a Fund to risks that differ in type or degree from those involved with investments in privately held companies. Such risks include, without limitation, greater volatility in the valuation of such companies, increased obligations to disclose information regarding such companies, limitations on the ability of a Fund to dispose of securities at certain times (including due to the possession by such Fund of material non-public information), increased likelihood of shareholder litigation against such companies' board members, which could include the Principals and other members of Onex' investment team, regulatory action by domestic or foreign securities regulators and increased costs associated with those risks.
- *Loss of Limited Liability* – Fund investors could lose limited liability in certain circumstances if they are deemed to have taken part in the control or management of the business of a Fund. Limited liability could also be lost as a result of false statements in documents filed under, or other non-compliance with, legislation governing limited partnerships and in jurisdictions where there is a risk of non-recognition of the protection

of limited liabilities with respect to creditors of the Funds whose claims derive from liabilities incurred in such jurisdictions.

- *Liability for Return of Distributions* – Under applicable law, Fund investors could be required to return distributions previously made by a Fund if it is determined that such distributions were wrongfully made or in certain other circumstances set forth in the Governing Agreements.
- *Legal, Tax and Regulatory Risks* – The regulatory considerations affecting the ability of a Fund to achieve its investment objectives are complicated and subject to change and can result in significant compliance costs and expenses. In addition to the risks and complications arising under applicable tax laws and other laws specifically addressed in the Funds’ confidential offering memoranda or Governing Agreements, further legal, tax and regulatory circumstances could arise during the term of a Fund that could adversely affect a Fund or its investors.
- *Other Regulatory Concerns* – The Funds are not required to be, and are not, registered as investment companies under the Investment Company Act; thus, its provisions are not applicable. The Manager intends that the Funds and their activities will not become subject to that statute but should that nonetheless occur, the activities and performance of the Funds could be materially adversely affected. Neither the Manager nor its counsel can assure investors that the Funds may not become subject to such regulation. In addition, Section 13 of the Bank Holding Company Act of 1956, as amended (together with the rules, regulations and published guidance thereunder, the “Volcker Rule”), generally prohibits certain “banking entities” from engaging in proprietary trading, or from acquiring or retaining an ownership interest in, sponsoring or having certain relationships with “covered funds”, unless pursuant to an exclusion or exemption under the Volcker Rule. Each purchaser of the interests of the Funds must make its own determination as to whether it is subject to the Volcker Rule and, if applicable, the potential impact of the Volcker Rule on its ability to purchase or retain any such Interests. Investors in the interests of the Funds are responsible for analyzing their own regulatory position and none of the Funds or any of their affiliates make any representation to any prospective investor or purchaser of such interests regarding the treatment of the Funds under the Volcker Rule, or to such investor’s investment in the interests of the Funds on the date of issuance or at any time in the future. The general partners of the Funds operate pursuant to an exemption from registration with the CFTC as a CPO under CFTC Rule 4.13(a)(3); consequently, the CFTC and the National Futures Association have not reviewed or approved the Funds’ confidential offering memoranda or any offering memoranda for the Funds.
- *Regulatory Status* – The Manager is registered as an investment adviser pursuant to the Advisers Act and, as such, is subject to the provisions of the Advisers Act. Failure to comply with the requirements imposed on the Manager as a consequence of its current registration or requirements that could be imposed as a result of future registrations could have a significant adverse effect on the Manager’s ability to perform its duties to the Funds. The Manager’s ability to source and execute transactions for the Funds could also be adversely affected by negative publicity arising from any regulatory compliance failures or other inappropriate behavior attributed to or any other publicity related to the Manager, any affiliate of the Manager or any of their respective investment professionals.
- *Changes in Applicable Law* – The Funds and their Operating Companies must comply with various legal requirements, including requirements imposed by laws governing anti-money

laundering, bribery and corruption, securities, commodities, tax and pensions. A failure to satisfy the requirements of those laws or changes in the applicable law over the life of a Fund or of any of its investments could have material adverse consequences on that Fund, its investors and/or its Operating Companies.

- *Withdrawal of the United Kingdom from the European Union* – The United Kingdom (“UK”) withdrew from the European Union (the “EU”) on January 31, 2020 (“Brexit”). In connection with Brexit the UK and the EU agreed on the Trade and Cooperation Agreement (“TCA”) which took effect from January 1, 2021, that governs the future trading relationship between the UK and the EU in specified areas.

Notably, the TCA does not include an EU-wide cooperation arrangement for financial services, with UK firms instead having to negotiate individual EU member state regulations and cooperation/recognition arrangements.

There can be no assurance that any negotiated laws, taxation and/or regulations will not have an adverse impact on the Funds and its investments, including the ability of the Funds to achieve its investment objectives. The ongoing effects of Brexit could result in significant market dislocation, heightened counterparty risk, an adverse effect on the management of market risk and, in particular, asset and liability management (due in part to redenomination of financial assets and liabilities,) an adverse effect on the ability of the Manager to manage, operate and invest the Funds and increased legal, regulatory or compliance burden for the general partners, the Manager, or the Funds, each of which could have a negative impact on the operations, financial condition, returns or prospects of the Funds.

- *Data Privacy Risk* – The General Data Protection Regulation (“GDPR”) governs the processing of personal data and is directly applicable in all EEA member states. The GDPR has been imposed into UK law as the UK General Data Protection Regulation (“UK GDPR”) and sits alongside the UK Data Protection Act 2018 (together, the “UK DP Laws”). To the extent that ECP actively offers investment opportunities to, or monitors the behavior of, natural persons located in the EEA and the UK, the Manager will be: (i) deemed a “controller”; (ii) required to comply with the GDPR, UK DP Laws and any applicable local derogations; and (iii) subject to certain rules with respect to cross-border transfers of personal data from the EEA and the UK. For non-compliance, the GDPR imposes fines of up to €20 million (£17.5 million) or 4% of a company’s total worldwide annual turnover of the preceding financial year, whichever is higher. In relation to any alleged non-compliance, the Manager could therefore incur additional costs, become subject to regulatory investigations or fines, face civil claims (including representative actions and class action type litigation) and experience serious reputational damage – all of which could affect how the Manager conducts its business, reducing capital and time that can be deployed for making investments.
- *Effect of Fees and Expenses on Returns* – A Fund will pay management fees and will bear expenses as described in Item 5 above and in each Fund’s Governing Agreements, which could reduce the actual returns to investors. Such management fees and expenses are payable whether or not the investments of the Funds are profitable.
- *Global Economic Conditions; Market Dislocation* – General global economic conditions may affect the Funds’ activities. Interest rates, general levels of economic activity, fluctuations in the market prices of securities and participation by other investors in the

financial markets may affect the value of investments made by the Funds. Market conditions affecting, for example, liquidity and volatility, credit availability and financial conditions generally, could change at any time. These changes could have a material adverse effect on the ability of the Manager to complete the Funds' investment programs and to realize on Operating Company Investments, on the terms of those investments, or on the business, operations, condition or prospects of the Operating Companies. National and global market and economic conditions could deteriorate during the term of the Funds, and such conditions could deteriorate materially and for an extended period of time.

- Banking System Volatility* – On Friday March 10, 2023, the U.S. Federal Deposit Insurance Corporation (“FDIC”) was appointed receiver for Silicon Valley Bank (“SVB”) and created the Deposit Insurance National Bank of Santa Clara to protect SVB’s insured depositors. On Sunday March 12, 2023, the FDIC took was appointed receiver for Signature Bank and created Signature Bridge Bank, N.A. to protect depositors of Signature Bank. On Sunday March 12, 2023, the U.S. Department of Treasury (the “Treasury”), the FDIC and the Board of Governors of the Federal Reserve System (“Federal Reserve”) jointly announced that, upon recommendation from the board of the FDIC and the Federal Reserve, and in consultation with the President of the United States, Treasury Secretary Yellen approved actions enabling the FDIC to complete its resolution of SVB and Signature Bank in order to protect all of those banks’ depositors. To that end, on Monday March 13, 2023, the FDIC announced that it had created Silicon Valley Bridge Bank, N.A. (“SVB Bridge Bank”) and transferred all deposits (regardless of dollar amount) and substantially all of the assets of SVB to SVB Bridge Bank. Depositors and borrowers of SVB automatically became customers of SVB Bridge Bank. According to the FDIC, SVB Bridge Bank is a full-service “bridge bank” that will be operated by the FDIC in an action to protect all depositors of SVB as the FDIC markets the institution to potential bidders, and all depositors of SVB will be made whole. The FDIC recently took similar steps with respect to Signature Bank. At the time of their failures, SVB and Signature Bank were, respectively, the second and third largest bank failures in U.S. history. Shortly after these events, Credit Suisse experienced significant declines and announced it would undergo an emergency take-over by UBS. Following these high profile events, the share prices of several other U.S. and non-U.S. banks experienced significant declines or sell-offs, with several being placed on “watch lists,” suffering ratings downgrades and/or receiving emergency funding from governments. At this time, it is not clear if there will be additional bank failures.

The Manager, the general partners of the Funds, the Funds and the Operating Companies maintain substantially all of their respective cash and cash equivalents in accounts with major U.S. and multi-national financial institutions, and their respective deposits at certain of these institutions may exceed the insured limits, where applicable. Furthermore, a large percentage of the foregoing’s respective cash and cash equivalents may be held by a single financial institution or a limited number of institutions. The aforementioned events may impact the viability of these institutions. In the event of failure of any of the financial institutions where the Manager, the general partner of a Fund, a Funds or any Operating Company maintains its respective cash and cash equivalents, there can be no assurance that each would be able to access uninsured funds in a timely manner or at all. Ordinarily, the Manager, the general partners of the Funds, the Funds and the Operating Companies will be unsecured creditors with respect to cash and cash equivalents held with such institutions in excess of insured deposit limits, and therefore may be exposed to a credit risk. Furthermore, a Fund may be unable to call capital from the limited partners until it sets up a new deposit account at a different institution (which could be a time-consuming process

and may be prohibited by the terms of such Fund's then-existing credit facilities). If the Manager, the general partners of the Funds, the Funds or the Operating Companies have credit facilities and deposit accounts provided by the same financial institution, and such institution fails, a Fund could be required to make more frequent capital calls to limited partners and the Manager, a Fund and operating companies could face significant difficulties in funding any near-term obligations they have. Additionally, the general partner of a Fund may not have a meaningful (or any) role in selecting the financial institutions used by operating companies and must rely on underlying sponsors or operating company management to select banking services. Likewise, the limited partners use various financial institutions. In the event that an institution used by a limited partner fails, such limited partner may be unable to satisfy capital calls made by the general partner of a Fund. This could result in such general partner utilizing shortfall funding solutions as available to such Fund and as permitted by such Fund's governing agreements. Any inability to access, or delay in accessing, these funds (including the inability of a limited partner to fund its capital commitments) could adversely affect the business and financial position of the Manager, the general partner of such Fund, such Fund or such operating company.

The closing of SVB and Signature Bank, and any additional closures that may occur within the banking system, as well as the placement into receivership by the FDIC or other regulators, or bankruptcy, of any banks or other financial institutions, in each case, will negatively impact the availability of certain financial services to their respective former clients, which includes certain affiliates of the Manager and could include the Manager, the general partner, a Fund, an Operating Company or service providers and may require former clients to establish new bank relationships. Such events may significantly increase the Manager's, the general partner's and a Fund's costs, negatively impact a Fund's ability to execute on pending transactions, including with respect to the ability to draw down amounts under credit facilities, and divert the Manager's time, attention and resources away from the pursuit of a Fund's investment strategy. Furthermore, such events may also increase counterparty risk, including raising the likelihood of defaults or bankruptcies by counterparties and their major customers that rely on such bank relationships. Depending on ongoing developments, regulatory guidance and timing, such events may significantly exacerbate the normal risks associated with a Fund and result in adverse changes to, among other things: (i) general economic and market conditions; (ii) interest rates, currency exchange rates, and expenses associated with currency management transactions; (iii) demand for investments; (iv) availability of credit in certain markets; and (v) laws, regulations and governmental policies. In addition, such events may lead to financial system and participant regulatory reform, and such increased regulatory oversight may impose additional administrative burden on the Manager, the general partner and a Fund. The foregoing could materially adversely impact a Fund's operations and its ability to realize its investment objectives in a timely manner, and it is currently unclear what the ultimate effect of the situation will be on the private equity industry and global financial markets as a whole.

- *The Eurozone* – There are significant and persistent concerns regarding the debt burden of certain Eurozone countries and their ability to meet future financial obligations, the overall stability of the euro and the suitability of the euro to function as a single currency given the diverse economic and political circumstances in individual Eurozone countries. The risks and prevalent concerns about a credit crisis in Europe could have a detrimental impact on global economic recovery as well as on sovereign and non-sovereign debt in the Eurozone countries. There can be no assurance that the market disruptions in Europe will

not spread to other countries, nor can there be any assurance that future assistance packages will be available or, even if provided, will be sufficient to stabilize affected countries and markets in Europe or elsewhere. These and other concerns could lead to the re-introduction of individual currencies in one or more Eurozone countries, or, in more extreme circumstances, the possible dissolution of the euro entirely. Should the euro dissolve entirely, the legal and contractual consequences with respect to a Fund, its investors and their investments in Europe could be determined by laws in effect at such time. These potential developments could negatively impact the ability of a Fund to make investments in Europe, the value of a Fund's investments in Europe and the general availability and cost of financing permitted investments.

- *Market Discussion and Economic Outlook* – The market outlook, trends, opportunities and other matters presented in the relevant confidential offering memoranda are based on various estimates and assumptions, including about future events. There can be no assurance that such market outlook, trends, opportunities and other matters will materialize.
- *Diseases, Epidemics and Pandemics* – The impact of disease and epidemics could have a negative impact on a Fund and its investments, each of its respective affiliates, its portfolio companies and the performance and financial position of each of the foregoing. COVID-19 (*i.e.*, the novel strain of coronavirus which surfaced in December 2019), renewed outbreaks of other epidemics or the outbreak of new epidemics have or could result in health or other government authorities requiring the closure of offices or other businesses and have or could result in general economic decline. For example, such events could adversely impact economic activity through disruption in supply and delivery chains. Moreover, the operations of any of the foregoing persons could be negatively affected if personnel are quarantined as the result of, or in order to avoid, exposure to a contagious illness. Similarly, travel restrictions or operational issues resulting from the rapid spread of contagious illnesses could have a material adverse effect on business and results of operations. A resulting negative impact on economic fundamentals and consumer confidence could negatively impact market value, increase market volatility, cause credit spreads to widen, and reduce liquidity, all of which could have an adverse effect on any of the foregoing persons. The duration of the business disruption and related financial impact caused by a widespread health crisis cannot be reasonably estimated.
- *Business Continuity Plans* – In the event of unforeseen catastrophic events such as natural disasters, terrorist attacks and epidemics, Onex will initiate its business continuity plan to safeguard that its employees have the resources and technology necessary to continue their responsibilities and investment and investor needs. Onex is not able to predict the level of disruption that such catastrophic events may have on its operation or the ability of its plan to succeed in a time of crisis. Thus, its business continuity plan could be insufficient to continue operating Onex' business as usual in light of such unforeseen circumstances. Any insufficiency in the business continuity plan could cause interruptions in the operations of Onex, the Funds and their investments, and/or each of their respective affiliates.
- *Russia-Ukraine* – There is currently an ongoing military conflict between Russia and the Ukraine which, has caused disruption to global financial systems, trade and transport, among other things. In response, multiple other countries have put in place global sanctions and other severe restrictions or prohibitions on the activities of individuals and businesses connected to Russia. The future impact of the Russia-Ukraine conflict and its ultimate effect on global economic and commercial activity and conditions, and on the operations,

financial condition and performance of a Fund or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict. This impact could include reductions in future revenue and growth of Operating Companies, unexpected operational losses and liabilities and reductions in the availability of capital. It could also limit the ability of a Fund to source, diligence and execute new investments and to manage, finance and exit investments in the future. Developing and further governmental actions (military or otherwise) could cause additional disruption and constrain or alter existing financial, legal and regulatory frameworks and systems in ways that are adverse to the investment strategy which any Fund intends to pursue, all of which could adversely affect a Fund's ability to fulfill its investment objectives.

- *Climate Change Laws and Regulations Restricting Emissions of Greenhouse Gases* – In response to published findings that emissions of carbon dioxide, methane and other greenhouse gases (“GHGs”) present an endangerment to public health and the environment, the Environmental Protection Agency (“EPA”) has adopted regulations under existing provisions of the federal Clean Air Act that, among other things, establish Prevention of Significant Deterioration (“PSD”) construction and Title V operating permit reviews for certain large stationary sources that are potential major sources of GHG emissions. Facilities required to obtain PSD permits for their GHG emissions also will be required to meet “best available control technology” standards that will be established by the states or, in some cases, by the EPA on a case-by-case basis. These EPA rulemakings could adversely affect a portfolio company's operations. In addition, the EPA has adopted rules requiring the monitoring and reporting of GHG emissions from specified sources in the United States on an annual basis.

In January 2021, the Biden administration issued an executive order directing all federal agencies to review and take action to address any federal regulations, orders, guidance documents, policies and any similar agency actions promulgated during the prior administration that could be inconsistent with the administration's policies. In March 2022 the SE proposed significant rulemaking intended to enhance and standardize climate-related disclosures by public companies, including disclosure of GHG emissions. In addition, Congress has considered legislation to restrict or regulate emissions of greenhouse gases. While it remains unclear whether Congress will be able to agree on comprehensive climate legislation in the near future, energy legislation and other initiatives could seek to address GHG emissions issues. In the absence of federal climate legislation, almost half of the states, either individually or through multi-state regional initiatives, have begun to address GHG emissions, primarily through the planned development of emission inventories or regional GHG cap and trade programs. Although it is not possible at this time to predict how legislation or new regulations that could be adopted to address GHG emissions would impact the Fund's investment program, and any such laws and regulations imposing reporting obligations on, or limiting emissions of GHGs from, a portfolio company's operations could require it to incur costs to reduce or report emissions of GHGs. Finally, it should be noted that some scientists have concluded that increasing concentrations of GHGs in the Earth's atmosphere could produce climate changes that have significant physical effects, such as increased frequency and severity of storms, floods and other climatic events; if any such effects were to occur, they could have an adverse effect on the operations of the Manager, the Funds, and their portfolio companies.

- *Regulatory Changes* – A portfolio company in which the Funds invest could be materially and adversely affected as a result of new laws or regulations, or statutory or regulatory changes or changes in judicial or administrative interpretations of existing laws and

regulations that impose more comprehensive or stringent requirements on such company, the markets in which such company operates or such company's industry generally. Such changes could materially and adversely affect the performance of one or more of the Funds' investments. Moreover, additional regulatory approvals and permits, including renewals, extensions, transfers, assignments, reissuances or similar actions, could become applicable in the future due to a change in laws and regulations, a change in the companies' customer(s), or for other reasons. Changes in laws and regulations could result in increased compliance costs, additional capital expenditures or unanticipated liabilities. A portfolio company also could be materially and adversely affected by regulations that have been vacated, remanded or otherwise limited by court decisions, which creates considerable uncertainty as to how these regulations will be modified and/or ultimately implemented. Any such modifications could alter the competitive landscape and/or the nature of the markets in which a portfolio company operates in a material and adverse manner to such portfolio company.

- *Investors Will Not Participate in Management of the Funds* – Investors in the Funds generally will not have the right to participate in the management of the Funds or in decisions made by the general partner or the Manager with respect to a Fund on its behalf. As a result, investors will have almost no control over their investments in a Fund or their prospects with respect thereto.
- *Limited Access to Information* – Investors' rights to information regarding the Funds will be specified, and strictly limited, in the Governing Agreements, although certain investors have the right to additional information pursuant to rights in side letters or similar agreements. In particular, it is anticipated that the Manager and its affiliates will obtain certain types of material information related to a Fund's investments and prospective investments that will not be disclosed to investors because such disclosure is prohibited by contractual, legal or other obligations or the relevant Fund's general partner determines not to disclose such information for other reasons. Decisions to withhold information could have adverse consequences for investors in a variety of circumstances. Additionally, it is expected that investors who designate representatives to participate on the advisory committee of a Fund (each an "Advisory Committee") and co-investors could, by virtue of such participation, have more information about a Fund and investments in certain circumstances than other investors generally and may be disseminated information in advance of communication to other investors generally. In addition, due to the fact that potential investors in a Fund could ask different questions and request different information, the Manager could provide certain information to one or more prospective investors that it does not provide to all prospective investors.
- *Unspecified Use of Proceeds* – The Funds and their investors will be dependent upon the judgment and ability of the Manager in investing and managing the capital of the Funds.
- *Lack of Registration under the U.S. Securities Exchange Act of 1934* – The Manager is not registered as a broker-dealer under the Securities Exchange Act of 1934, as amended, or with the Financial Industry Regulatory Authority and is consequently not subject to the recordkeeping and specific business practice provisions of those statutory regimes to the extent they vary from the applicable provisions of the Advisers Act.
- *Difficulty in Valuing Investment Portfolio* – The valuation of a Fund's portfolio, which will affect the Fund's performance results, involves uncertainties and subjective determinations. As a result, valuation of a Fund's Operating Company Investments may

not reflect the price at which a Fund could dispose of its interests in a particular Operating Company at any given time. The process of valuing securities for which reliable market quotations are not available is based on inherent uncertainties and the resulting values could differ from values that would have been determined had a ready market existed for such securities and could differ from the prices at which such securities could ultimately be sold. Because the Manager determines in its discretion the value of Fund assets, potential conflict of interest exists in making valuation determinations given the potential impact of such valuations on a Fund's performance, particularly with respect to an account that pays performance fees.

- *Amendment to the Governing Agreements* – The Governing Agreements of the Funds will typically provide that the general partner of a Fund may amend the Governing Agreement in certain circumstances without the approval of any investors. Any such amendments could have an adverse effect on some or all of the investors.
- *Anti-Corruption Laws* – The Manager, the Funds and/or the Operating Companies could be subject to the U.S. Foreign Corrupt Practices Act, the U.K. Bribery Act, the Canadian Corruption of Foreign Public Officials Act and other anticorruption laws, anti-bribery laws and regulations, as well as anti-boycott regulations (collectively, the “Anti-Corruption Laws”). Any determination that the Manager, the Funds and/or any Operating Company has violated any Anti-Corruption Law could subject it to, among other things, civil and criminal penalties, material fines, profit disgorgement, injunctions on future conduct and/or securities litigation, any one of which could adversely affect the Manager, the Funds and/or the Operating Companies.
- *The AIFMD and the UK AIFMR* – The Directive on Alternative Investment Fund Managers, together with any supplementary regulation implemented in the UK following Brexit (“UK AIFMR”), or subordinate legislation or guidance thereto implemented in any relevant jurisdiction (the “AIFMD”), imposes requirements on AIFMs (as defined in the AIFMD) that market AIFs (as defined in the AIFMD) to professional investors who are domiciled or have a registered office within the European Economic Area (the “EEA”) or the UK, as applicable. The UK AIFMR currently imposes compliance obligations that are broadly similar to those described below in connection with a non-EEA AIFM marketing a non-EEA AIF.

For these purposes certain of the Funds are non-EEA and non-UK AIFs and the Manager is a non-EEA and non-UK AIFM. As a non-EEA entity, the Manager, is required to comply with the national private placement regimes in those EEA member states that allow private placement and in which interests in a Fund are marketed and sold. Compliance with these requirements could result in significant additional costs over the life of the Funds and could reduce returns to investors. The Manager and its affiliates and agents have endeavored to comply with these rules as interpreted but there is not absolute certainty as to their successful compliance. In the event that the Manager or any of its affiliates or agents is found to have breached the provisions of the AIFMD (inadvertently or otherwise), such parties (and/or a Fund indirectly) could face regulatory sanctions and/or EEA investors could seek to rescind their interests, which would result in significant costs and ultimately materially and adversely affect such Fund.

- *Environmental, Social & Governance (“ESG”) Matters* – ESG matters have been the subject of increased focus by regulators in the US and EU, among other jurisdictions. While the Manager strives to implement ESG practices, there can be no assurance that the

Manager will be able to identify all ESG issues or will be able to successfully implement its ESG policies. The use of ESG metrics in the investment process could be subjective and are not subject to uniform standards, and, as such, there is no guarantee that the Manager will be able to accurately assess and measure the ESG risks and ESG compliance of a Fund's investments and/or potential investments. ESG-based exclusionary criteria could result in a Fund foregoing opportunities to make certain investments when it might otherwise be advantageous to do so, and/or selling certain investments due to their ESG characteristics when it might be disadvantageous to do so. The use of ESG criteria could affect a Fund's investment performance and, as such, a Fund could perform differently compared to similar funds that do not use such criteria. Additionally, it should not be assumed that any ESG practices or standards will apply to every investment in which a Funds invest or that they have applied to all of a Fund's prior investments. ESG is only one of many considerations that the Manager takes into account when making investment decisions, and other considerations can be expected in certain circumstances to outweigh ESG considerations. Any ESG information provided is intended solely to provide an indication of ESG initiatives and standards that the Manager applies when seeking to evaluate and/or improve the ESG characteristics of an investment as part of the larger goal of maximizing financial returns on investments. Accordingly, certain investments could exhibit characteristics that are inconsistent with the practices or standards described herein.

- Cyber Security Incidents* – Cyber security incidents and breaches and cyber-attacks have been occurring globally at a more frequent and severe level, and are expected to continue to increase in frequency and severity in the future. Information and technology systems of Onex, the Manager, a Fund, the Operating Companies and any service providers for the foregoing may be vulnerable to damage or interruption from computer viruses, ransomware, other malicious code, network failures, computer and telecommunication failures, infiltration by unauthorized persons and other security breaches, usage errors by their respective professionals or service providers, power, communication or other service outages and catastrophic events such as fires, tornadoes, floods, hurricanes, earthquakes or terrorist incidents. If any systems designed to manage such risks are compromised, become inoperable for extended periods of time or cease to function properly, the Manager, a Fund and/or an Operating Company will likely have to make a significant investment to fix or replace them or remedy the effects of such failures. The failure of these systems and/or of disaster recovery plans for any reason could cause significant interruptions in the Manager's, a Fund's and/or an Operating Company's operations and result in a failure to maintain the security, confidentiality or privacy of information, including sensitive, personal and non-public information relating to investors (and the beneficial owners of investors), intellectual property and trade secrets. Further, if unauthorized parties gain access to information and technology systems, or if personnel abuse or misuse their access privileges, they may be able to steal, publish, delete or modify such information.

Cyber incidents such as those involving covertly introduced malware, impersonation of authorized users and industrial or other espionage may not be identified in a timely manner or at all, even with sophisticated prevention and detection systems. This could potentially result in further harm and prevent such incidents from being addressed appropriately. Although the Manager has implemented various measures to manage risks relating to cyber incidents, the Manager does not control the cyber security measures, plans and systems put in place by third-party service providers, and such service providers may have limited indemnification obligations to Onex, the Manager, a Fund, the Operating Companies, the Partners and/or their respective affiliates, each of whom could be negatively impacted as a result. Cyber incidents and system failures could harm the Manager, a Fund's or an

Operating Company's reputation, subject them and their respective affiliates to legal claims, regulatory action or enforcement arising out of applicable privacy, security or other laws, lead to adverse publicity and otherwise affect their business and financial performance. Although the Manager takes various measures and has made, and will continue to make efforts to ensure the integrity of information systems and to safeguard against such failures or security breaches, there can be no assurance that these measures and efforts will provide adequate protection. Despite security measures, information technology networks may be vulnerable to attacks by third parties or breached due to employee error, malfeasance or other disruptions.

- *Risk Management Failures* – Although the Manager attempts to identify, monitor and manage significant risks, these efforts do not take all risks into account and there can be no assurance that these efforts will be effective. Moreover, many risk management techniques, including those employed by the Manager, are based on historical market behavior, but future market behavior may be entirely different and, accordingly, the risk management techniques employed on behalf of clients may be incomplete or altogether ineffective. Similarly, the Manager may be ineffective in implementing or applying risk management techniques. Any inadequacy or failure in risk management efforts could result in material losses to clients.
- *Systems and Operational Risk* – The Manager relies on certain financial, accounting, data processing and other operational systems and services that are employed by the Manager and by third party service providers, including prime brokers, third-party administrators, market counterparties and others. Many of these systems and services require manual input and are susceptible to error. These programs or systems could be subject to certain defects, failures or interruptions. For example, the Manager and its clients could be exposed to errors made in the confirmation or settlement of transactions, from transactions not being properly booked, evaluated or accounted for or related to other similar disruptions in the clients' operations. In addition, despite certain measures established by the Manager and third-party service providers to safeguard information in these systems, the Manager, clients and their third-party service providers are subject to risks associated with a breach in cybersecurity which could result in damage and disruption to hardware and software systems, loss or corruption of data and/or misappropriation of confidential information. Any such errors and/or disruptions could lead to financial losses, the disruption of the client trading activities, liability under applicable law, regulatory intervention or reputational damage.
- *Natural Disasters, Geopolitical Events and Similar Dislocations* – Upon the occurrence of a natural disaster, or upon an incident of war, riot or civil unrest, the impacted country could not efficiently and quickly recover from such event, which can have a materially adverse effect on Operating Companies and other developing economic enterprises in such country. Also, geopolitical events and the fear of a prolonged global conflict can result in increased short-term economic volatility. Consumer, corporate and financial confidence could be adversely affected by current or future tensions around the world, fear of terrorist activity and/or military conflicts, localized or global financial crises, major disruptions in credit markets and uncertainties relating to sovereign debts and economic stability or other sources of political, social or economic unrest. Such erosion of confidence could lead to or extend a localized or global economic downturn. A climate of uncertainty could reduce the availability of potential investment opportunities, result in longer holding periods for investments and increases the difficulty of modeling market conditions, potentially reducing the accuracy of financial projections. The effects of geopolitical events, military

action or similar events on global and domestic economies and securities markets cannot be predicted. Such disruptions of the global financial markets could affect interest rates, ratings, credit risk, inflation and other factors relating to a Fund's investments.

- *General Partner Carried Interest* – The existence of carried interest or performance allocations with respect to the Funds could create an incentive for the Manager or its affiliates to make riskier or more speculative investments on behalf of the Funds than they might otherwise make in the absence of these arrangements. In addition, the terms applicable to carried interest distributions could incentivize the Manager and its affiliates to make decisions regarding the timing and structure of realizations of investments that may not be in the best interests of the Funds. Further, the Manager or its affiliates could be incentivized to hold on to investments that have poor prospects for improvement in order to receive, potentially, a more likely or larger carried interest distribution if such asset's value appreciates in the future. Under the recent U.S. tax reform bill, in order for gains that are attributable to a Fund general partner's carried interest to qualify as long-term capital gain, the holding period for the asset giving rise to such gains generally must exceed three years. For the investors in a Fund, gains in respect of assets held for more than one year may qualify as long-term capital gain. Long-term capital gain recognized by non-corporate U.S. taxpayers may be subject to U.S. federal income tax at preferential rates. These disparate holding period requirements may give rise to conflicts of interest. A Fund's general partner could have an incentive to take actions intended to maximize the amount of gains from assets held for more than three years, even though Fund investors may not derive any additional U.S. federal income tax benefit from the longer holding period. For example, a Fund's general partner could have an incentive to (i) refrain from making investments expected to generate gains within three years, (ii) refrain from selling or engaging in other transactions with respect to investments that would give rise to capital gain if the investment has not been held for more than three years or (iii) structure follow-on investments in a manner intended to maximize the amount of gain attributable to a Fund's existing interests in such investments. Such actions could reduce the amount realized from a Fund's investments and adversely affect the amount and timing of distributions to its investors.
- *Use of Subscription Lines* – The Funds have funded, and may in the future fund the making of investments with proceeds from drawdowns under one or more revolving credit facilities (the collateral for which can be, for example, the undrawn capital commitments of investors, i.e., subscription lines) prior to calling capital commitments. The interest expense and other costs of any such borrowings will be borne by the applicable Fund and, accordingly, could decrease net returns of such Fund. It is expected that interest will accrue on any such outstanding borrowings at a rate lower than the preferred return, which will begin accruing when capital contributions to fund such investments, or repay borrowings used to fund such investments, are actually made to the applicable Fund. In light of the foregoing, the Manager has an incentive to cause such vehicle to borrow in this manner in lieu of drawing down capital commitments, subject to the operating and offering documents of each Fund. In addition, 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 could be obligated to contribute capital on an accelerated basis if a Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder.
- *Certain Risks and Costs of Leverage Below a Fund* – Even though it presents many of the same risks as Fund-level borrowing, indebtedness of entities other than a Fund will not be

treated as Fund-level borrowing for purposes of the Governing Agreements, even if the special purpose vehicles or other entities incurring such leverage engage in borrowings that are cross-collateralized with or among multiple investments such that multiple investments and a substantial portion of a Fund's value are at risk. As a result, these borrowings will not be subject to any limitations on Fund-level borrowing in the Governing Agreements. Since the Manager has more flexibility to engage in these structures, the Manager has an incentive to incur significant leverage at the level of holding companies beneath a Fund. The negative performance of one asset could materially and adversely impact the performance of other investments or a Fund as a whole.

- *Investments with Third Parties* – A Fund is permitted to co-invest with third parties including strategic investors and management team members, whose ability to influence the day-to-day management and affairs of the Operating Companies' investments could be significant and even greater than that of that Fund, through joint ventures or other entities. Such investments could involve risks in connection with such third-party involvement, including the possibility that a third-party investors could have financial, legal or regulatory difficulties resulting in a negative impact on such investment, could have economic or business interests or goals that are inconsistent with those of the Funds or could be in a position to take (or block) action in a manner contrary to a Fund's investment objectives. In addition, a Fund could in certain circumstances be liable for the actions of its third-party investors. In those circumstances where such third parties involve a management group, such third parties could receive compensation arrangements relating to such investments, including incentive compensation arrangements.
- *Regulatory Compliance; Operating Company Investments in Regulated Industries* – The Funds may make investments in a number of different industries, some of which are or may become subject to regulation by one or more U.S. federal agencies and by various agencies of the states, provinces, localities, counties and countries in which they operate. New and existing regulations, changing regulatory schemes, and the burdens of regulatory compliance all could have a material negative impact on the performance of Operating Companies that operate in these industries. There can be no assurance that new legislation or regulation, including changes to existing laws and regulations, will not have a material negative impact on a Fund's investment performance. Furthermore, extensive government regulation of certain industries in which a Fund could invest creates additional uncertainty and risks for that Fund. Obtaining regulatory approval could be a lengthy and expensive process with an uncertain outcome. The Funds and existing or prospective Operating Companies could be unable to obtain necessary regulatory approvals on a timely basis, if at all, and the failure to obtain approval could have an adverse effect on the success of the Operating Companies. The costs of compliance of any such regulations will be borne by the Funds.
- *Operating Company Board Participation* – It is expected that one or more Principals or certain members of the Manager's investment team will act as directors of one or more Operating Companies and, as such, will have duties to persons other than the Funds. Although such positions in certain circumstances could be important to the Funds investment strategy and could enhance the Manager's ability to manage investments, they could also have the effect of impairing the Funds' ability to sell the related securities when, and upon the terms, it may otherwise desire, and could subject the general partners of the Funds, the Manager and the Funds to claims they would not otherwise be subject to as an investor, including claims of breach of duty of loyalty, securities claims, and other director-related claims. In general, the Funds will indemnify their respective general partners, the

Manager, the Principals and other members of the Manager's investment team from such claims.

- *Allocation of Personnel* – Conflicts could arise in the allocation of time, services and function among the Funds and such other persons to which the Manager, the Principals or their affiliates provide services.
- *Tax Liability* – Although the relevant confidential offering memoranda seek to address the reasonably identifiable and material tax considerations for potential Fund investors, it is possible that investors could have unexpected or unwelcome tax obligations as a result of a Fund's activities or their status or actions in respect thereof.
- *Reliance on Operating Company Management* – No assurance can be given that an Operating Company's management team will be able to operate the Operating Company successfully and there could be legal, contractual or practical limits on a Fund's or Operating Company's ability to affect changes in management on a timely basis and on the ultimate outcome of any such change. In addition, a Fund could co-invest with non-affiliated co-investors, management teams, or joint venturers whose ability to influence the day-to-day management and affairs of the Operating Companies' investments could be significant and even greater than that of such Fund.
- *Limited Partner Advisory Committee* – Although the Advisory Committee of each Fund is intended to act as the representative of the investors in that Fund in respect of certain matters, including reviewing valuations of a Fund's assets and addressing potential conflicts of interest (including being authorized to provide consent on behalf of a Fund in connection with certain affiliate transactions, Advisers Act "assignments" or as otherwise requested by Onex), the Advisory Committee may not have the same interests as all investors. Furthermore, the Advisory Committee cannot be expected to be an expert in such matters, and certain of its determinations could, in fact, adversely affect the performance of a Fund. In addition, members of the Advisory Committee may have conflicts of interest that do not disqualify them from voting on or consenting to matters submitted for consideration or review. Furthermore, the composition of an Advisory Committee of one Fund could have substantial overlap with the composition of an Advisory Committee of another Fund which could lead to conflicts of interest if there are transactions between such Funds that require the approval of their respective Boards of Advisors. The Funds will indemnify the members of the Advisory Committee, and the Boards of Advisors generally do not owe a fiduciary obligation to any Fund or the investors.
- *Material Non-Public Information* – Certain personnel of the general partners of the Funds or the Manager have acquired, and may in the future acquire confidential or material non-public information or be restricted from initiating transactions in certain securities. The Funds will not be free to act upon any such information. Due to these restrictions, the Funds may not be able to initiate a transaction that it otherwise might have initiated and may not be able to sell an investment that it otherwise might have sold.
- *Limited Remedies Against the General Partner* – There can be no assurance that adequate remedies will be available to any investors if the general partners of the Funds, the Manager or the Principals fail to perform their respective duties, and the Governing Agreements do not afford the investors rights to remove a Fund's general partner other than upon a supermajority vote or for specified cause events as described in the applicable Governing Agreement. The Governing Agreements include provisions for exculpation and

indemnification of the general partners, the Manager and each of their respective affiliates and the members, partners, managers, officers, directors, shareholders, employees, agents, representatives, investors, affiliates, advisors and other personnel of the general partners, the Manager and their respective affiliates. Therefore, Fund investors could have more limited rights of action than they would have absent such limitation.

ITEM 9
DISCIPLINARY INFORMATION

Neither the Manager nor any of its employees have been subject to any legal or disciplinary events that would be material to its business or to an investor or prospective investor's evaluation of the Manager or the integrity of its professionals.

ITEM 10

OTHER FINANCIAL INDUSTRY ACTIVITIES AND AFFILIATIONS

Except as described below, neither the Manager nor any of its “management persons” have relationships or arrangements with related persons who are financial industry participants that are material to the Manager’s business or that create a material conflict of interest with the Funds or their investors.

The Manager understands that actual or perceived conflicts of interest could arise by reason of its arrangements or relationships with Onex Corporation and with groups of existing and expected to be formed funds known as the “Onex Partners Funds” and the “Onex Transportation Partners Funds”. Onex Corporation has been a private equity investor since 1984, almost 20 years prior to the establishment of the first of the Funds. In 2003, Onex Corporation launched the first of the Onex Partners Funds, a platform focused on larger private equity transactions in North America and Europe. The Onex Partners Funds are active in the marketplace and the fifth and most recent Onex Partners Fund to hold a final closing was raised in 2018. In 2022, Onex Corporation established the Onex Transportation Partners platform, a platform focused on transportation-related assets used for land, air, marine, intermodal or industrial applications and/or operating companies that own, control, operate, manage or manufacture such assets or enable transportation through logistics, components and/or technology. In addition, Onex Corporation began investing in certain real estate assets in 2005 and, in 2007, it established Onex Credit Partners, LLC (“Onex Credit”), an investment adviser registered with the SEC that specializes in credit-oriented investment strategies for certain pooled investment vehicles and managed accounts (“Onex Credit Funds”). Onex Corporation acquired control of Onex Credit in 2015. Additionally, in June 2019, Onex Corporation acquired control of Gluskin Sheff, a large Canadian wealth management firm serving high net worth families and institutional investors with a focus on public securities investing. In December 2020, Onex Corporation indirectly acquired control of Onex Falcon Investment Advisors, LLC (“Onex Falcon”), an investment adviser registered under the Advisers Act that provides advisory services to private investment funds and a business development company (the “Falcon Funds”) with a focus on private credit investments. Onex Corporation may in the future seek to expand its activities in real estate and credit, and may also seek to engage in additional investment or asset management businesses that are complimentary to its existing platforms.

Each of the Onex Partners Funds, Onex Transportation Partners Funds, the Onex Credit Funds, the Falcon Funds and the other businesses described above have their own dedicated investment teams and typically pursue investment opportunities that are different in nature from those sought by the Manager for the Funds with limited overlap. None of Onex, the Manager, the general partner or any principals, in each case, for their own account, will pursue investment opportunities that meet the Funds’ investment objective but are not pursued by a Fund; provided that Onex, for its own account, may pursue such investment opportunity if such investment opportunity is placed before the Advisory Committee for approval and such approval is not granted. Additionally, Onex and its affiliates may pursue certain additional investment opportunities pursuant to the Governing Agreements. The foregoing will not limit the pursuit by any ONCAP Fund, Onex Transportation Partners Fund, Onex Credit Fund, Falcon Fund or any other investment fund, vehicle or account managed by an affiliate of Onex of any investment opportunity that meets its respective objectives.

Those affiliations and relationships, the potential avenues for the growth and development of the company business and its investment platforms, as well as the fact that more than one of the Funds could be a potential investor at any particular time, could lead or be perceived to lead to certain conflicts of interest around, among other things, the devotion of time and the allocation of investment opportunities, and the Manager has instituted reasonable measures to deal with such conflicts. Further, it is possible that the Manager, the manager of the Onex Partners Funds, the manager of the Onex Transportation Partners Funds and the managers of other investment products advised by advisers controlled by Onex Corporation could seek to work together, with a view to the relevant fund from each fund family potentially investing together, in

certain circumstances, as a result of, for example, industry expertise or relationships, prior investment experience or other factors in respect of the opportunity. Additionally, clients of affiliated advisers and investors in investment products advised by affiliated advisers of the Manager have been referred, and could in the future be referred to clients advised by the Manager, and the Manager may from time to time refer Fund investors to investment products advised by affiliated advisers. Further, due to its affiliation with Onex Corporation, the Manager could become aware of material non-public information concerning a company or certain companies and as a result of such knowledge, or as a result of certain internal policies adopted by the Manager, the Manager may at times be precluded from acquiring or disposing of investments it would otherwise wish to acquire or dispose. There may also be other areas of overlap between Onex Corporation's or its affiliates' activities or customers and a client or a portfolio company in which a client is invested. In certain circumstances the Manager could determine not to make or participate in an investment, or could adopt procedures intended to minimize potential conflicts and/or regulatory or tax issues, which procedures could have the effect of limiting the Manager's ability to acquire or dispose of certain investments in portfolio companies on behalf of the ONCAP Funds.

On any issue involving conflicts of interest, the general partner of the relevant Fund and the Manager will be guided by their respective good faith judgment. In certain circumstances, the general partner could present potential conflicts of interest to the applicable Fund's Advisory Committee for approval. By acquiring an interest in the Funds and executing the subscription agreements relating thereto, each investor expressly acknowledges the existence of actual or potential conflicts of interest described in the applicable Governing Agreements and waives any claim with respect to any liability arising from the existence of any such conflict of interest and also any conflicts of interest on the part of the general partner of the relevant Fund, the Manager or any of their affiliates arising from participation in the activities described in the Governing Agreements (to the fullest extent permissible under applicable law).

Generally, the Manager addresses conflicts of interest by way of avoidance or disclosure and informed consent. The confidential offering memoranda and the Governing Agreements for the ONCAP Funds address in detail the conflicts of interest that could arise as a result of the affiliations and relationships described above. They also address the manner in which notification, consent or approval requirements could arise and any restrictions or prohibitions that could apply. In particular, the Governing Agreements contain provisions in respect of the extent to which the Manager's personnel are required to devote their time and attention to the relevant Fund or are permitted to participate in other activities, including in respect of the other Funds, Onex Corporation, the Onex Partners Funds or the Onex Transportation Partners Funds, and the consequences of any failure to do so. Those agreements also specifically address the allocation of suitable investment opportunities between the ONCAP Funds and Onex Partners Funds or the Onex Transportation Partners Funds (typically defining spheres of exclusivity based on the expected equity requirements for a particular opportunity and subject to Onex' investment allocation policy), restrict the extent to which Onex and its personnel are permitted to engage in investment activities away from the Funds, address the extent to which Onex Corporation and its affiliates and related persons could co-invest in Fund transactions, and prescribe when successors to the Funds could be raised and how opportunities are to be allocated among or between them.

Each of Onex Corporation, the predecessor and successor ONCAP Funds, the Onex Partners Funds, the Onex Transportation Partners Funds and Onex Corporation's other businesses and their respective affiliates and Operating Companies engage in, and may in the future engage in, a broad range of business activities and may invest in, or transact with, companies whose operations may be substantially similar to and/or competitive with the Operating Companies in which a particular Fund has invested. The performance and operation of such other businesses and investments could conflict with and adversely affect the performance and operation of Operating Companies of that Fund, and could adversely affect the prices and availability of business opportunities or transactions available to such Operating Companies. Further, in certain circumstances, such other businesses and investments could, in the ordinary course of business, transact

with a Fund or its Operating Companies. The Manager will seek to resolve conflicts in a manner that the Manager determines in its sole discretion to be fair and equitable.

In addition, an investment by Onex Corporation, predecessor and successor ONCAP Funds, the Onex Partners Funds, the Onex Transportation Partners Funds or Onex Corporation's other businesses or any of their respective affiliates or Operating Companies could have an effect on the existing investments and/or investment opportunities of a particular Fund. For example, any such investment could result in antitrust complexities for that Fund, or any such investment in a particular industry could limit the ability of that Fund to pursue other opportunities within the same or related industries.

ONCAP Manager is registered under the Advisers Act and, together with certain affiliates, serve as managers or general partners to certain private equity funds sponsored by Onex Corporation. ONCAP Manager and its affiliates managing those funds are under common control and are subject to ONCAP Manager's code of ethics and compliance program adopted pursuant to the requirements of the Advisers Act.

In addition to the foregoing protections, the Manager's investment personnel make significant investments alongside the Funds. The Manager believes that this strong alignment of interests between Fund investors and those charged with investing their capital further mitigates the risks associated with any potential conflicts.

For a further discussion of the Manager's allocations and conflicts of interests policies, see Item 11 below.

ITEM 11
CODE OF ETHICS, PARTICIPATION OR
INTEREST IN CLIENT TRANSACTIONS AND PERSONAL TRADING

The Manager has adopted a Code of Ethics (the “Code”) pursuant to Rule 204A-1 under the Advisers Act to mandate compliance with applicable U.S. federal securities laws, and to establish monitoring and other procedures. A copy of the Code can be obtained by a Fund investor or qualified prospective investor (if applicable) upon written request.

The Code sets forth standards of ethical and business conduct expected of the Manager’s personnel that are commensurate with such status and that are designed to comply with the laws applicable to the Funds, the Manager and their activities. Among other things, the Code requires the Manager’s personnel: (i) to place the interests of the Funds above any personal interests; (ii) to seek to identify conflicts of interest and observe established resolution procedures; (iii) to avoid misleading or inaccurate statements; (iv) to conduct and report all personal securities transactions in the manner set forth in the Code; (v) to report to the Manager’s compliance personnel any violations of the Code or of the Manager’s compliance manual generally; and (vi) to comply with the provisions of applicable securities laws.

The Code contains specific policies and procedures dealing with such matters as personal trading, insider trading and the maintenance of a securities restricted list, the protection of confidential information and data security, personal and institutional conflicts of interest, the giving and receipt of gifts and entertainment, political contributions, dealings with government officials and industry regulators, the diversion of business opportunities and restrictions on outside business activities. The Code is accompanied by a broader compliance manual that further supports the Manager’s adherence to law, and more generally to prudent and appropriate processes and conduct, in the investment, management and safeguarding of the Funds’ assets, the raising of new funds, communications with investors and prospective investors, public and media communications, the prevention, detection and handling of concerns relating to money-laundering, bribery and corruption, and record-keeping policies and procedures.

Certain conflicts that may be encountered in the course of the Manager’s activities for or on behalf of the Funds are described in Items 5, 6, 8 and 10 above and reference is made thereto. In addition, the Governing Agreements of the Funds address in detail certain other reasonably anticipated potential conflicts. For example, the Governing Agreements may:

- preclude a Fund from participating in Operating Company Investments with a predecessor Fund unless approved by the relevant Advisory Committee, specify when successor funds may be raised (generally based upon the extent to which the capital of a particular Fund has been invested or reserved or whether the time period for investing that Fund has expired), and address the allocation of opportunities to the extent that predecessor and successor funds co-exist;
- preclude a Fund from investing in any securities issued by, acquiring investments from, selling investments to, or entering into any transaction with an entity in which Onex, the Manager’s executive team or any of their affiliates has a material interest except with the prior approval of either the relevant Advisory Committee or Fund investors (subject to exclusions for certain specified categories of transactions);
- preclude the Manager’s senior investment personnel from investing in a Fund’s Operating Companies other than through their interests in such Fund’s general partner or its affiliates or a co-investment vehicle; and

- set forth a list of activities and interests that could be viewed as giving rise to conflicts but that Onex, its affiliates and personnel are expressly permitted to engage in, and typically require disclosure to the Advisory Committee in the event those circumstances arise.

In addition, investors in the Funds (including Onex Corporation) could have conflicting investment, tax and other interests with respect to their investments in a Fund or a particular Fund vehicle. These conflicting interests of individual investors and of the different Fund vehicles could relate to or arise from, among other things, the nature of investments in Operating Companies made by a Fund, the structuring or the acquisition of investments and the structure, timing or manner of disposition of investments. As a consequence, conflicts of interest could arise in connection with decisions made by the Manager and its affiliates including with respect to the nature or structuring of investments or dispositions, that could be more beneficial to one investor or for one Fund vehicle than for another investor or Fund vehicle, especially with respect to investors' individual tax situations and the tax treatment of the different Fund vehicles. In selecting and structuring investments appropriate for a Fund, the Manager will consider the investment and tax objectives of that Fund and its investors as a whole, not the investment, tax or other objectives of any investor individually.

From time to time, certain principals, employees, officers, directors and other related personnel of ONCAP Manager and its affiliates have made, and may in the future make passive investments in other private vehicles managed by other investment advisers. In some cases, a Fund may seek to purchase portfolio companies that are owned by such other investment vehicles, which could directly or indirectly benefit principals, employees, officers, directors and other related personnel of ONCAP Manager and its affiliates that have invested in such other investment vehicles.

In addition, it is anticipated that investors (including Onex Corporation) or their affiliates, which may be, or have meaningful interests in or relationships with, companies with significant business interests within a Fund's targeted industry sector, insurance and other risk management companies, financial institutions and governmental or other pension plans, may have direct or indirect interests in one or more of the investments of a Fund. For example, one or more investors or their affiliates may be senior or subordinated lenders to one or more of the Operating Companies or an investor may also act as a co-investor or otherwise participate in the financing of an Operating Company in which a Fund has made an investment or where such co-investor has a direct or indirect interest in such investment. One or more of a Fund's investors could hold Operating Company securities or provide risk management services. This could result in that Fund becoming involved in disputes and litigation with one or more of its investors or affiliates. Additionally, certain investors in the Funds or their respective affiliates are financial institutions, banks or other providers of financing, and the ordinary course of their respective businesses may include providing financing to investment funds and portfolio companies. Accordingly, from time to time, certain investors or their respective affiliates may provide loans to a Fund or its Operating Companies in the ordinary course of business. Any such loans are negotiated on an arm's length basis.

The general partners of the Funds, the Manager and/or their respective affiliates have entered, and may in the future enter into side letters or other agreements with a particular investor in connection with its investment without the approval of any other investor. This would have the effect of establishing rights under or supplementing the terms of the Governing Agreements in respect of such investor in a manner potentially more favorable to such investor than those applicable to other investors. Such rights or terms in any such side letter or other similar agreement may include, without limitation: (i) rights to designate a member of the Advisory Committee; (ii) excuse rights applicable to particular investments (which could increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, such investments); (iii) reporting obligations of the general partners of the Funds; (iv) waiver of certain confidentiality obligations; (v) consent of the general partners of the Funds to certain transfers by such investor; (vi) rights or terms necessary in light of particular legal, regulatory or public policy

characteristics of an investor; (vii) adjustments to fees or other economics (including, without limitation, management fees, carried interest, or distributions); (viii) access to certain information; (ix) consent rights of the investor; (x) co-investment rights; (xi) tax and structuring matters; and (xii) other representations, warranties or diligence confirmations. The general partners of the Funds and the Manager may not be required to notify the other investors of any such side letters or of any of the rights or terms or provisions thereof, and some or all of the other investors in that Fund may not be entitled to receive such additional benefits or other rights. The general partners of the Funds, the Manager and/or their respective affiliates could enter into such side letters with any party as the relevant general partner may determine, in its sole and absolute discretion, at any time. Fund investors will not necessarily have most-favored-nation rights in respect of all or any of the more favorable terms provided to others and investors will have no recourse against the Funds, the general partners of the Funds or the Manager or any of their respective affiliates in the event that certain investors receive additional benefits or other rights pursuant to side letters that are more favorable than the terms received by other investors. As a result of certain side letters, investors holding the same interests could have different returns, or receive different information, depending on any arrangements applicable to a given investor's interest in a Fund. In addition, if the general partner of a Fund enters into a side letter entitling a Fund investor to be excused or excluded from a particular investment or withdraw from that Fund, (a) any election to be excused or excluded or to withdraw by such investor could increase the percentage interest of other investors in, and contribution obligations of other investors with respect to, future investments, and reduce the overall size of that Fund and/or (b) that Fund's ability to consummate certain investments may be inhibited.

The Governing Agreement and any such side letters related to each Fund are detailed agreements that establish complex arrangements among Onex Corporation, the Manager, the Fund, its general partner and the investors. Questions will arise from time to time under these agreements regarding the parties' rights and obligations in certain situations, some of which the parties may not have considered while drafting and executing these agreements. In these instances, the applicable provisions of the agreements, if any, may be broad, general, ambiguous, or conflicting, and may permit more than one reasonable interpretation. At times, there may not be provisions directly applicable to the situation at hand. While the Manager will construe the relevant agreements in good faith and in a manner consistent with its legal obligations, the interpretations it adopts may not necessarily be, and need not be, the most favorable interpretations for the Funds or their investors.

ITEM 12

BROKERAGE PRACTICES

Brokerage and Best Execution

The Manager is not expected to regularly transact its investment business through broker-dealers. However, the SEC has indicated that among the specific obligations that flow from an investment adviser's fiduciary duty is the requirement to seek the best price and execution of Fund securities transactions where the adviser is in a position to direct those transactions.

In selecting a broker-dealer, the Manager may consider factors that include the broker's execution capabilities, including block positioning, research, financial stability and ability to maintain confidentiality. However, as transactions conducted through broker-dealers on behalf of the Funds generally would be part of a larger private equity transaction and not stand-alone trading decisions, the Manager may also consider, and may place greater emphasis on, the role of the broker-dealer or a financial institution related thereto in the larger transaction (including, for example, as financial advisor, lender or underwriter) in determining "best execution".

Soft Dollar

In practice, the Funds will not regularly make substantial investments in publicly-traded securities. As a result, it is the Manager's policy not to enter into soft dollar arrangements or to accept soft dollars.

ITEM 13

REVIEW OF ACCOUNTS

The Manager provides ongoing management services to the Funds. Operating Company Investments are reviewed and managed according to the Fund's investment objectives, limitations and guidelines, and as set forth in the Fund's Governing Agreements.

The Manager is responsible for the general and day-to-day operations of the Funds and, through its team of investment professionals, is responsible for the acquisition, management and disposition of investments by or for the account of the Funds. The investment team meets on a regularly-scheduled basis, and more frequently as appropriate, and ordinarily, among other things: (i) reviews market events and their effect on investments; (ii) discusses investment ideas, economic developments, current events, investment strategies and issues related to Operating Companies and prospective Operating Companies; and (iii) assesses any proposed Operating Company Investments or potential divestitures, in whole or in part, of any Operating Company Investments. The investment team is responsible for monitoring and managing each Fund's investment portfolio appropriately in accordance with the particular Fund's investment objectives, limitations and guidelines.

The Manager's Chief Compliance Officer monitors compliance with the Governing Agreements of each Fund.

Investors in the ONCAP Funds receive quarterly written updates of the activity in the relevant Fund, including unaudited financial statements of the Fund and any compliance certificates contemplated by the relevant Governing Agreements. They also receive detailed annual reports including a written review of the Fund's Operating Company Investments, audited financial statements of the Fund and the various compliance certificates contemplated by the relevant Governing Agreements. Investors in the Funds that are co-investment vehicles generally receive analogous types of reporting on an annual basis to the extent relevant and appropriate to the particular co-investment. In addition to the information provided to all investors, the Manager may provide certain investors with additional information or more frequent reports that other investors will not receive, including pursuant to rights in side letters or similar agreements.

ITEM 14
CLIENT REFERRALS AND OTHER COMPENSATION

The Manager has from time to time engaged a third-party placement agent to solicit certain types of potential investors in the ONCAP Funds. The compensation of the placement agent is negotiated in the context of the particular engagement and may be different with respect to the different ONCAP Funds. The engagement of a placement agent and the fact that such agent is being compensated is disclosed to all investors in a Fund. The Manager may in the future enter into additional arrangements with third-party placement agents or others to solicit investors in the Funds and such arrangements will generally provide for the compensation of such persons for their services at the Manager's expense.

Neither the Manager nor a related person directly or indirectly compensates any person for Fund investor referrals.

ITEM 15

CUSTODY

The Manager maintains assets and securities of the Funds with qualified custodians in a separate account for the Funds under the Funds' name, or in accounts that contain only funds and securities owned by the Funds under the Manager's name, as agent or trustee for the Fund or Funds. Custodians will generally be banks, trust companies or broker-dealers unaffiliated with the Manager.

Financial statements audited by an independent public accountant are provided to each Fund's investors within 120 days following the Fund's fiscal year end.

ITEM 16
INVESTMENT DISCRETION

The Governing Agreements generally expressly provide that the applicable general partner of each Fund has the authority to make all decisions concerning the investigation, evaluation, selection, negotiation, structuring, commitment to, monitoring of and disposition of investments, subject to compliance with the terms, conditions, restrictions and limitations set forth in the Governing Agreements. The Manager has been engaged as the agent for each such general partner with full discretionary authority to manage the Funds subject to the same terms, conditions, restrictions and limitations.

ITEM 17
VOTING CLIENT SECURITIES

The Manager has written proxy voting policies and procedures as required by Rule 206(4)-6 under the Advisers Act.

In cases where the Manager has proxy voting authority with respect to voting securities relating to Operating Companies, it will vote such securities in a manner that serves the best interest of the Funds and in accordance with the relevant Fund's Governing Agreements and any voting agreement or shareholders' agreement entered into in connection with the relevant Operating Company Investment.

If the Manager determines that it has, or may be perceived to have, a conflict of interest when voting a proxy, the Manager will take action in accordance with the Funds' Governing Agreement and as otherwise determined to be in the best interest of the Funds in voting such proxy. This may include seeking approval of the voting decision for a proxy proposal from the relevant Fund's Advisory Committee.

Copies of the Manager's proxy voting policies and procedures and specific information as to how proxies have been voted are available to Fund investors upon request.

ITEM 18
FINANCIAL INFORMATION

Item 18A is not applicable.

The Manager is not subject to any financial condition that is reasonably likely to impair its ability to meet contractual commitments to its clients and has not been the subject of any bankruptcy petitions at any time, including in the past ten years.