

FORM ADV PART 2A



March 31, 2023

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This brochure provides information about the qualifications and business practices of Vortus Investment Advisors, LLC (“Vortus” or the “Adviser”). If you have any questions about the contents of this brochure, please contact us at (817) 945-2400. The information in this brochure has not been approved or verified by the United States Securities and Exchange Commission or by any state securities authority.

Vortus Investment Advisors, LLC is an investment adviser registered with the United States Securities and Exchange Commission (“SEC”). Registration of an investment adviser does not imply any level of skill or training.

Additional information about Vortus Investment Advisors, LLC also is available on the SEC’s website at www.adviserinfo.sec.gov.

Item 2 - Material Changes

The Adviser filed its most recent prior brochure on March 31, 2022. This amendment updates the description of the business practices and advisory services of the Adviser, including updates to various investment-related risk factors, conflicts of interest, enhanced fee disclosures and other similar disclosures.

A copy of this brochure may be requested by contacting Mr. Frank Lamsens, the Adviser's Chief Compliance Officer ("CCO") at (817) 945-2400 or flamsens@vortus.com.

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Item 4 - Advisory Business

- A. Vortus Investment Advisors, LLC, a Texas limited liability company, is a private equity firm located in Fort Worth, Texas. The Adviser provides investment advisory services to pooled investment vehicles (each a “Fund” and together the “Funds”) that are exempt from registration under the Investment Company Act of 1940, as amended (the “1940 Act”), and whose securities are not registered under the Securities Act of 1933, as amended (the “Securities Act”).

The Adviser was formed in 2012 and is principally owned by Jeffrey W. Miller and Brian C. Crumley (collectively, the “Principals”). The Funds are managed by the Principals, who have more than 45 years of complementary global energy experience across a wide range of financial disciplines supported by a foundation of technical and operational support. They have invested across various domestic regions and internationally. The Principals have deep energy experience in petroleum engineering, private equity operations/management, investment banking/M&A, capital markets, public equity and debt investing or restructuring.

- B. Investment advisory services include establishing each Fund’s investment objective and selecting portfolio investments according to each Fund’s specific investment strategy, as described in the applicable Fund’s governing documents (including confidential offering memoranda, as applicable) (the “Offering Documents”). The investment activity of the Adviser generally focuses on onshore Exploration & Production (“E&P”) opportunities in the U.S. lower middle market. The Adviser seeks investment opportunities in which the Adviser can partner with owner/operators on specific assets with conservative capital structures that provide downside protection, enhanced visibility of investment performance and multiple exit options.

The Adviser provides investment advisory services to each of the Funds pursuant to separate advisory agreements or the other governing documents. Investment advice is provided by Vortus directly to the Funds, subject to the direction and control of the affiliated general partner of such Fund.

Any restrictions on investments in certain types of securities are established by the general partner of the applicable Fund and are set forth in the Offering Documents for each respective Fund. Fund investors have imposed restrictions on the types of securities in which such Fund may invest, including being restricted from investing in securities of an issuer that (i) has its principal place of business outside the contiguous United States, (ii) is a publicly listed company (subject to the exceptions described in the Offering Documents) or (iii) is a commingled blind-pool investment fund that has not identified to its investors the specific transactions in which it proposes to invest prior to the time such investors commit to invest in such investment fund and that requires the payment of a management or similar fee or “carried interest” in respect of the investment fund’s invested capital or similar incentive fee to the manager or sponsor of such commingled investment fund (subject to the exceptions described in the Offering Documents).

Admission to the Funds managed by the Adviser is not open to the general public.

- C. While each of its Funds will follow the general strategy stated above, the Adviser tailors its advisory services based on the individual investment strategy of each Fund and the investment guidelines and restrictions stated in each Fund’s respective Offering Documents. The Adviser does not tailor its investment advisory services to individual limited partners in any of the Funds.

- D. The Adviser does not participate in wrap fee programs.
- E. As of December 31, 2022, the Adviser managed approximately \$884,386,066 in regulatory assets under management of client assets on a discretionary basis. The Adviser does not currently manage assets on a non-discretionary basis.

Item 5 - Fees and Compensation

- A. Below is a discussion of how the Adviser is compensated in connection with providing advisory services to the Funds. The Adviser may enter into different fee arrangements on a Fund by Fund basis.

The Adviser generally receives annual fees from the Funds of generally up to 2% of capital commitments during the investment period (the "Management Fee"). However, the Management Fee may be reduced for certain investors in particular circumstances, as set forth in the Offering Documents for each respective Fund. This Management Fee is payable quarterly in advance by limited partners in the Funds. The Management Fee will cover all ordinary administrative and overhead expenses of the Adviser, including salaries, rent and office equipment. The precise amount of, and the manner and calculation of, the Management Fees for each Fund is governed and disclosed in the Offering Documents.

In terms of performance-based fees, 20% of the Funds' net investment proceeds are allocated to the capital account of an affiliate of the Adviser as "carried interest." However, the carried interest may be reduced for certain investors in particular circumstances, as set forth in the Offering Documents for each respective Fund. Carried interest will be subject to certain adjustments and reserves as stated in more detail in each Fund's Offering Documents.

- B. The Adviser and its affiliates directly deduct all applicable fees from the Funds' assets. Management Fees are typically funded with capital contributions drawn for such purpose, but are also permitted to be funded with, or withheld from, proceeds from investments. Carried interest distributions generally will be distributed to the Adviser's affiliate from time to time upon the disposition of investments by a Fund and are distributed to such affiliate in accordance with the terms of the Offering Documents.
- C. As stated above, the Management Fee will cover all ordinary administrative and overhead expenses, including salaries, rent and office equipment.

In connection with the portfolio investments of the Funds, various "transaction fees" may be paid to the Adviser by the target companies or other third parties. 100% of all "transaction fees" earned by the Adviser or its affiliates allocable to the respective Funds will be applied to reduce the respective calculated Management Fee. If multiple Funds participate in a portfolio investment from which the Adviser receives "transaction fees," the Management Fees charged to the respective Funds will be offset on the basis of capital committed or to be committed by each Fund to such portfolio investment or proposed portfolio investment. Transaction fees include any fees received by the Adviser or its affiliates in connection with the consummation or disposition of an investment attributable to the Funds and/or any fees received from a portfolio company, such as monitoring fees, commitment fees, investment banking fees, portfolio company management fees, directors' fees and similar fees, but excluding any fees earned in respect of co-investment or similar vehicles. If the amount of the fees applied to reduce the Management Fees exceeds the amount of Management Fees due in any quarter, the Adviser shall continue to apply the remaining portion of such fees against the Management Fees for each succeeding quarter until the full amount of the fees have been so applied. If any excess fees remain at the termination or dissolution of the Funds, such excess shall be distributed pro rata to the limited partners (other than to any limited partner that elects in writing upon or prior to admission not to receive such excess).

As set forth in detail in each Fund's limited partnership agreement, the Adviser and the Funds'

general partners are entitled to be reimbursed for expenses that are required to be borne by each of the Funds and incurred in connection with operating such Fund. Those expenses generally include: (i) all fees, costs and expenses incurred in connection with the Funds' operations, including, without limitation, all expenses incurred with the investigation, purchase, holding, sale or proposed sale of any Funds' investments (whether or not consummated) including, without limitation, due diligence expenses, research expenses (including proprietary and third-party software development and licensing expenses), finders' fees, private placement fees, broken deal expenses in respect of the entirety of any unconsummated co-investment transactions, all travel-related expenses (including, where appropriate, meal expenses) or ground transportation (including car service), and all unreimbursed third party out-of-pocket costs and expenses of custodians, paying agents, registrars, counsel, regulatory compliance consultants, independent accountants, administrators, and others, unless such costs or expenses are paid for by the proposed portfolio investment; (ii) all costs incurred in connection with the preparation of or relating to financial statements and reports, tax returns, Schedule K-1's (or similar schedules) and any other communications made to the partners; (iii) all costs related to litigation involving the Funds, directly or indirectly, including, without limitation, reasonable attorneys' fees incurred in connection therewith; (iv) all costs related to the Funds' indemnification or contribution obligations set forth in the partnership agreements; (v) Management Fees; (vi) placement fees (as described in the partnership agreements, including subject to offset as set forth in the partnership agreements); (vii) the costs of any litigation, director and officer liability or other insurance and indemnification or extraordinary expense or liability relating to the affairs of the funds or any related person (as defined in the partnership agreements); (viii) all costs and expenses incurred in connection with any amendments, modifications, revisions or restatements to the constituent documents of the Funds; (ix) all costs and expenses incurred in connection with any valuation of the assets of the Funds; (x) reasonable costs and expenses incurred in connection with any meeting of the Funds or the limited partner advisory committees of any of the Funds held pursuant to the partnership agreements; (xi) any and all interest on, and fees and expenses arising out of, any Funds' borrowing or guarantee that is permitted under the partnership agreements; (xii) all extraordinary professional fees incurred in connection with the business or management of the Funds; (xiii) all expenses of liquidating the Funds; and (xiv) any taxes, fees or other governmental charges levied against the Funds or any subsidiary of the Funds and all expenses incurred in connection with any tax audit, investigation, settlement or review of the Funds. Such costs will be borne by the Funds as described in their Offering Documents. The general partner or an affiliate will be responsible for all salaries, employee benefits, general office, overhead, general administrative and non-investment related travel expenses.

Each Fund bears the expenses of the organization of such Fund as well as the offering of interests (including legal and accounting fees, printing costs, travel, "blue sky" filing fees and expenses and out-of-pocket expenses). Such expenses will generally be capped pursuant to the respective Offering Documents. The Adviser may engage authorized dealers, placement agents or independent third-parties for services provided in connection with the solicitation of subscriptions. Any solicitation fee paid to such third parties will be borne, directly or indirectly, by the Adviser or its affiliates. Limited partners will not be responsible for any such fees in connection with the solicitation of subscriptions, although each Fund will typically reimburse certain out-of-pocket expenses associated with solicitation activities to the extent set forth in the Offering Documents.

For more detailed information and a complete description regarding each Fund's fees and expenses please refer to the applicable Fund's Offering Documents.

- D. Management Fees are payable quarterly in advance. The Adviser will refund any pre-paid Management Fee by a Fund if the advisory contract with such Fund is terminated before the end of the billing period. Management Fee refunds are calculated on a pro-rata basis to the limited partners.
- E. Neither the Adviser nor any of its supervised persons receives any compensation from the sale of securities or other investment products.

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

As noted in Item 5.A., affiliates of the Adviser may receive performance-based compensation from each Fund.

Performance-based fees or compensation, in general, may create an incentive for the Adviser or its supervised persons to make investments that are riskier and more speculative than would be the case in the absence of a performance-based fee. Such fee arrangements may also create an incentive to favor higher fee paying Funds over other Funds in the allocation of investment professionals' time and attention, as well as investment opportunities. To the extent that any such conflict were to arise, in order to address such conflict(s), the Adviser has implemented policies and procedures to ensure that all of the Funds receive equitable and fair treatment over time with respect to the allocation of investment opportunities.

Item 7 - Types of Clients

Currently, the Adviser provides investment advisory services solely with respect to affiliated private pooled investment vehicles on a discretionary basis.

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

- A. The Adviser believes that the domestic onshore upstream industry is capital constrained and the lower middle market appears less competitive since many have vacated this segment, creating an abundance of unconventional and neglected conventional E&P investment targets. Vortus was established to address this niche by partnering with owner/operators to provide development capital on a specific identified asset (as well as potentially finance add-on acquisitions).

The Adviser believes significant investment opportunity exists due to the refinement which led to increased capital intensity of horizontal drilling completion technologies. These new completion technologies are enabling the development of previously uneconomic reserves. This increased capital intensity and the relative lack of sources of capital in the lower middle market to develop such reserves is the driver for Vortus' capital to be deployed to increase production and cashflow and to develop and derisk the asset prior to a future monetization. As a result, abundant unconventional and neglected conventional E&P investment opportunities exist in the lower middle market.

The Adviser will target investments to invest in the U.S. onshore upstream energy sector, focusing on lower middle market transactions. These transactions will typically be privately negotiated unconventional and in certain instances conventional oil and natural gas investments in the form of development and acquisition capital. The Adviser seeks to partner with owner/operators on specific assets with conservative capital structures that provide downside protection, enhanced visibility of investment performance and multiple exit options.

The Adviser will endeavor to identify potential targets with: (i) undervalued assets; (ii) the need for growth capital for development; or (iii) substantial capital constraints. The characteristics of the targeted assets are expected to include: (i) significant redevelopment opportunities and/or drilling commitments; (ii) the need for a partner to augment technical, operational and/or financial capabilities; (iii) capital and/or operating constraints with current providers; (iv) inability to access capital markets; and (v) normal cyclicity.

The Adviser's investment process is focused on efficiency and effectiveness in each phase of execution. They believe that their broad financial, operating and technical experience and diverse network will create advantages throughout the investment process. The Principals have demonstrated their ability to directly source, analyze, structure, execute and generate value through proactive involvement with portfolio companies.

The Adviser seeks to maintain the discipline through its process that has driven the Principals' success in the past across multiple energy cycles. This includes: (i) conducting fundamental analysis to identify undervalued and/or under-exploited assets; (ii) focusing on low cost operations; (iii) assessing underlying technical risk; (iv) partnering with experienced management teams while ensuring an alignment of financial interests with Vortus; (v) emphasizing the growth of portfolio companies through the effective reinvestment of cash flow and prudent management of leverage; and (vi) managing toward a successful exit.

THE INFORMATION INCLUDED IN THIS BROCHURE DOES NOT INCLUDE EVERY POTENTIAL RISK ASSOCIATED WITH EACH INVESTMENT STRATEGY OR SECURITY. INVESTORS AND PROSPECTIVE INVESTORS IN THE FUNDS ARE URGED TO ASK QUESTIONS REGARDING RISK FACTORS APPLICABLE TO A

PARTICULAR INVESTMENT STRATEGY OR SECURITY, READ ALL PRODUCT-SPECIFIC RISK DISCLOSURES (FOR EXAMPLE, EACH FUND'S OFFERING DOCUMENTS) AND DETERMINE WHETHER A PARTICULAR STRATEGY OR TYPE OF SECURITY IS SUITABLE FOR HIS/HER/ITS OWN ACCOUNT IN LIGHT OF HIS/HER/ITS CIRCUMSTANCES, INVESTMENT OBJECTIVES AND FINANCIAL SITUATION. INVESTING IN SECURITIES INVOLVES RISK OF LOSS THAT INVESTORS SHOULD BE PREPARED TO BEAR.

- B. The Adviser's investment strategy focuses on complex, undervalued onshore upstream transactions in the U.S. lower middle market which involve high degree of business and financial risk that can result in substantial losses and is suitable only for investors prepared to bear such risk. The risks factors below are not intended to be exhaustive. Prospective limited partners in a Fund should carefully review the risks described in the applicable Fund's Offering Documents.

Industry Concentration and Diversification. Since the Funds' investments will be concentrated within the energy industry, an investment in the Funds will be subject to greater market fluctuations than an investment in a portfolio of securities representing a broader range of industries. This concentration risk will be compounded to the extent the Funds concentrate investments in a particular geographic region, industry sector or type of security. In addition, the Funds are generally permitted to invest up to 20% of total capital commitments in a single portfolio investment (excluding bridge investments) at any time. As a consequence, the aggregate return on a limited partner's investment in the Funds may be substantially adversely affected by the unfavorable performance of even a single portfolio investment.

Illiquidity of Investments. The oil and gas investments to be made by the Funds are likely to be illiquid. Dispositions of such investments also may be subject to limitations on transfer or other restrictions that would interfere with the subsequent sale of such investments or adversely affect the terms that could be obtained upon any disposition thereof. In addition, the Funds expect to invest in securities of privately held companies for which there is no public market. The Funds will generally not be able to sell these securities unless such securities are registered under applicable securities laws or unless an exemption from such registration requirements is available. In some cases, the Funds may be prohibited by contract from selling securities for a period of time. There is also the risk that the Funds will be unable to dispose of such securities at attractive prices or otherwise execute a successful exit strategy.

Availability of Investments. The Adviser may be unable to identify a sufficient number of attractive investment opportunities for the Funds to meet its investment objectives. In addition, the Adviser will be competing for investments against other groups, possibly including direct investment firms, merchant banks, and industrial groups. Other investors may make competing offers for investment opportunities that are identified, and even after an agreement in principle has been reached with the board of directors or owners of an acquisition target, consummating the transaction is subject to a number of uncertainties, many of which will not be foreseeable or within the control of the Adviser or the general partner. No assurance can be given that the Funds will be successful in obtaining suitable investments, or that if such investments are made, the objectives of the Funds will be achieved.

Liabilities Upon Disposition. In connection with the disposition of an investment, the Funds may be required to make representations about the business and financial affairs of an investment typical of those made in connection with the sale of any business or be responsible for the content of disclosure documents under applicable securities laws. The Funds may also

be required to indemnify the purchaser of such investment to the extent that any such representations or disclosure documents are determined to be inaccurate or misleading. These arrangements may result in contingent liabilities, which might ultimately have to be funded by the partners to the extent that the partners have received prior distributions from the Funds.

Public Securities. The Funds typically do not acquire or sell investments in publicly listed companies. However, the Adviser is permitted to invest or trade in publicly traded securities in circumstances where it would support the Funds' overall investment strategy or the securities held by the Funds become publicly traded or are received as proceeds from a disposition. This activity is subject to the risks present in investing in public securities. In addition, in some cases it can be expected that the Funds will be limited in its ability to make investments, and to sell existing investments, in public securities because the Funds may have material, nonpublic information regarding the issuers of those securities or as a result of other Fund policies. Accordingly, there can be no assurance that the Funds will make investments in public securities or, if it does, as to the amount it will invest. In addition, in some cases, the Funds will be prohibited by contract from selling certain securities for a period of time, which will restrict their ability to exit the relevant investment and sometimes means that the Funds is unable to take advantage of favorable market prices when doing so. In view of such limitations on liquidity, which are illustrative and not exhaustive, the Funds will generally not be able to realize on an investment until the sale of such investment. Furthermore, such illiquidity sometimes continues even if the underlying portfolio companies or other relevant issuers obtain listings on securities exchanges. There can be no assurance that the Funds will be able to dispose of its investments at the price and at the time it wishes to do so, and investors should expect that they will likely not receive a return of their capital for a long period of time even if the investments of the Funds in which they are invested prove successful. Publicly traded securities are subject to economic, political, interest rate and other risks, any of which could result in an adverse change in the market price. The inability to sell securities in these circumstances could materially adversely affect the investment results of the Funds.

Expedited Transactions. Investment analyses and decisions by the general partner, in some cases, will be required to be undertaken on an expedited basis to take advantage of investment opportunities. In such cases, the information available to the general partner at the time an investment decision is made may be limited, and the general partner may not have access to detailed information regarding the investment property. Therefore, no assurance can be given that the general partner will have knowledge of all circumstances that may adversely affect an investment.

Follow-On Investments. The Funds may be called upon to provide follow-on funding for its portfolio companies or have the opportunity to increase its investment in such portfolio companies. There can be no assurance that the Funds will wish to make follow-on investments or that it will have sufficient funds to do so. Any decision by a Fund not to make add on investments or its inability to make such investments may have a substantial negative impact on a portfolio company in need of such an investment (including an event of default under applicable debt documents in the event an equity cure cannot be made), result in a lost opportunity for such Fund to increase its participation in a successful operation or the dilution of the relevant Fund's ownership in a portfolio company if a third party or co-investor is permitted to invest.

In a multi-step acquisition, there can be no assurance that all of such required steps can be successfully consummated. This could possibly result in the Funds owning a significant oil and gas investment without having working control over the assets or access to its cash flow to

service debt incurred in connection with the acquisition and without being able to dispose of such position at prices equal to or greater than its purchase price.

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

Leverage of Investments. The Funds are permitted to make use of leverage by incurring or having a portfolio investment or intermediate entity incur debt to finance a portion of its investment. Leverage generally magnifies both a Fund's opportunities for gain and its risk of loss from a particular investment. The cost and availability of leverage is highly dependent on the state of the broader credit markets (and such credit markets may be impacted by regulatory restrictions and guidelines), which state is difficult to accurately forecast, and at times it may be difficult to obtain or maintain the desired degree of leverage. Leverage often imposes restrictive financial and operating covenants on an investment, in addition to the burden of debt service, and will constrain its ability to operate its business as desired and/or finance future operations and capital needs. The leveraged capital structure of portfolio investments will increase the exposure of a Fund's investments to any deterioration in an investment's condition or industry, competitive pressures, an adverse economic environment or rising interest rates and could accelerate and magnify declines in the value of such Fund's investments in the leveraged portfolio investments in a down market. These risks generally are expected to increase as interest rates rise, including in circumstances where a portfolio investment's creditworthiness is such that it must borrow at higher interest rates than are available to the relevant Fund. In the event any portfolio investment cannot generate adequate cash flow to meet its debt service, a Fund may suffer a partial or total loss of capital invested in the portfolio investment, which could adversely affect the returns of such Fund. Furthermore, should the credit markets be limited or costly at the time a Fund determines that it is desirable to sell all or a part of a portfolio investment, the Fund may not achieve an exit multiple or enterprise valuation consistent with its forecasts. Furthermore, the companies in which a Fund invests generally will not be rated by a credit rating agency. Except where otherwise required by the relevant governing documents, a Fund will not be obligated to borrow on behalf of a portfolio investment, even in circumstances where the Fund's creditworthiness would permit borrowing at a lower rate than is available to the portfolio investment.

A Fund is also permitted to borrow money or guaranty indebtedness (such as a guaranty of a portfolio investment's debt, a letter of credit or other forms of promise to provide funding) or otherwise be liable therefor, and in such situations, it is not expected that such Fund would be compensated for providing such guarantee or exposure to such liability. The use of leverage by a Fund generally also will result in fees, interest expense and other costs to such Fund that may

not be covered by distributions made to such Fund or appreciation of its investments. While Fund-level borrowings generally will be interim in nature, asset-level leverage generally will not be subject to any limitations, including with respect to the amount of time such leverage may remain outstanding. A Fund generally is permitted to incur leverage on a joint, several, joint and several or cross-collateralized basis with one or more other Funds and entities managed by the Adviser or any of its affiliates, including through Fund subsidiaries and other intermediate entities, and may have a right of contribution, subrogation or reimbursement from or against such entities. It is also possible that certain co-investors (including management, any roll-over investors and/or third-party co-investors) will not share in incurring such leverage and that the Fund will disproportionately bear the risk and/or costs of leverage arrangements. In addition, to the extent a Fund incurs leverage (or provides such guaranties), such amounts are permitted to be secured by commitments made by such Fund's investors and such investors' contributions may be required to be made directly to the lenders instead of such Fund.

Risk of Bridge Financing. The Funds are permitted to make bridge investments, subject to certain limitations. If the Funds make an investment in a single transaction with the intent of refinancing, redeeming, selling or otherwise discharging the portion of that investment consisting of bridge investments, there is a risk that the Funds will be unable to successfully complete such a refinancing, redemption, sale or other form of discharge. This could lead to the Funds having a long-term investment in a debt security or having more concentrated portfolios than anticipated.

Subscription Lines. A Fund generally is permitted to enter into a subscription line with one or more lenders in order to finance its operations (including the acquisition of the Fund's investments). Fund-level borrowing subjects limited partners to certain risks and costs. For example, because amounts borrowed under a subscription line typically are secured by pledges of the relevant general partner's right to call capital from the limited partners, limited partners may be obligated to contribute capital on an accelerated basis if the Fund fails to repay the amounts borrowed under a subscription line or experiences an event of default thereunder. Moreover, any limited partner claim against the Fund would likely be subordinate to the Fund's obligations to a subscription line's creditors.

In addition, Fund-level borrowing will result in additional partnership expenses that will be borne by investors. These expenses typically include interest on the amounts borrowed, unused commitment fees on the committed but unfunded portion of a subscription line, an upfront fee for establishing a subscription line, and other one-time and recurring fees and/or expenses, as well as legal fees relating to the establishment, structuring and negotiation of the terms of the borrowing facility, as well as expenses relating to maintaining, renegotiating or terminating the facility. Because a subscription line's interest rate is based in part on the creditworthiness of the relevant Fund's limited partners and the terms of the governing documents, it may be higher than the interest rate a limited partner could obtain individually. To the extent a particular limited partner's cost of capital is lower than the relevant Fund's cost of borrowing, Fund-level borrowing can negatively impact a limited partner's overall individual financial returns even if it increases the Fund's reported net returns in certain methods of calculation. Conflicts of interest have the potential to arise in that the use of Fund-level borrowing typically delays the need for limited partners to make contributions to a Fund, or results in short-term gains to a Fund, which in certain circumstances enhances the relevant Fund's internal rate of return calculations and thereby may be deemed to benefit the marketing efforts of the general partner and its affiliates and increases the likelihood that any hurdle or preferred return component in the Fund's carried interest arrangements will be met. In other circumstances the use of Fund-level borrowing can increase the base of a Fund's Management Fee calculation, such as during

periods where Management Fees are based in whole or in part on an acquisition cost that includes a borrowing component. The use of Fund-level borrowing arrangements, and the repayment or non-repayment thereof, can also influence the determination of the end of a Fund's investment period, and cause or defer a related change in the basis of the relevant Fund's Management Fee calculation under the governing documents. Conflicts of interest also have the potential to arise to the extent that a subscription line is used to make an investment that is later sold in part to co-investors (including one or more co-investing Funds) as, to the extent co-investors are not required to act as guarantors under the relevant facility or pay related costs or expenses, co-investors nevertheless stand to receive the benefit of the use of the subscription line and neither the relevant Fund nor investors generally will be compensated for providing the relevant guarantee(s) or being subject to the related costs, expenses and/or liabilities.

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

Fund-level borrowing involves a number of additional risks. For example, drawing down on a subscription line allows a general partner to fund investments and pay partnership expenses without calling capital, potentially for extended periods of time. Calling a large amount of capital at once to repay the then-current amount outstanding under a subscription line could cause short-term liquidity concerns for limited partners that would not arise had the relevant general partner called smaller amounts of capital incrementally over time as needed by a Fund. This risk would be heightened for a limited partner with commitments to other funds that employ similar borrowing strategies or with respect to other leveraged assets in its portfolio; a single market event could trigger simultaneous capital calls, requiring the limited partner to meet the accumulated, larger capital calls at the same time. A general partner is authorized to use Fund-level borrowing to pay Management Fees and to reimburse the Adviser for expenses incurred on behalf of the relevant Fund. A Fund is also permitted to utilize Fund-level borrowing when a general partner expects to repay the amount outstanding through means other than limited partner capital, including as a bridge for equity or debt capital with respect to an investment. If a Fund ultimately is unable to repay the borrowings through those other means, limited partners would end up with increased exposure to the underlying investment, which could result in greater losses.

If an investment appreciates in value and is disposed of prior to repayment, the relevant Fund generally would apply disposition proceeds to repay the borrowing and related interest and expenses, the absence of invested capital funded by limited partners potentially will result in a distribution of net proceeds without a preferred return accrual on the amount invested. Accordingly, borrowings have the potential to support the distribution of proceeds to limited partners and increase the potential carried interest for the relevant general partner, as reduced

by the interest incurred by the relevant Fund. Subject to any limitations in the relevant governing documents, this scenario potentially incentivizes the relevant general partner to permanently fund the acquisition and ongoing capital needs of a Fund's investments and related expenses with the proceeds of such borrowings in lieu of drawing down capital contributions on an as-needed basis, and, accordingly, capital contributions to repay such borrowings may be required only at the time of the disposition of an investment (or never, if principal and interest on such borrowings are always repaid out of disposition proceeds).

Middle Market Companies. Investments in middle market companies such as those that the Funds intend to invest in, while often presenting greater opportunities for growth, may also entail larger risks than are customarily associated with investments in large companies. Small and medium-sized companies may have more limited product lines, markets and financial resources, and may be dependent on a smaller management group. As a result, such companies may be more vulnerable to general economic trends and to specific changes in markets and technology. In addition, future growth may be dependent on additional financing, which may not be available on acceptable terms when required. Further, there is ordinarily a more limited marketplace for the sale of interests in smaller, private companies, which may make realizations of gains more difficult, by requiring sales to other private investors. In addition, the relative illiquidity of private equity investments generally, and the somewhat greater illiquidity of private investments in small- and medium-sized companies, could make it difficult for the Funds to react quickly to negative economic or political developments.

Bankruptcy of Portfolio Companies. The Funds may make investments in portfolio companies that will under certain circumstances experience financial difficulties and become insolvent or file for bankruptcy protection. Various U.S. federal and state and non-U.S. laws in connection with such bankruptcy proceedings could operate to the detriment of the Funds. There is also a risk that a court will subordinate the Funds' investments to other creditors or require the Funds to return amounts previously paid to it by a portfolio company that became insolvent or files for bankruptcy, a risk that could increase if the Funds have management rights in such portfolio company.

Investments in Convertible or Other Debt and Preferred Stock. To permit effective and flexible structuring of the Funds' investments, the Funds are permitted to invest in convertible or other debt securities to the extent that the general partner believes such investments offer potential for capital appreciation and are otherwise consistent with the Funds' investment strategy of acquiring strong equity control positions in portfolio companies. There is no minimum credit standard that is a prerequisite to the Funds' investments in any security, and most debt securities and preferred stock that offer potential for capital appreciation are likely to be non-investment grade.

Risks Inherent in Joint Ventures and Partnerships. It is expected that some of the Funds' investments will be owned by joint ventures or partnerships between the Funds or a subsidiary or affiliate of the Funds and other third parties. The investment by the Funds in a joint venture may under certain circumstances involve risks not otherwise present. For example, there is a possibility that the Funds' co-venturer in an investment might become bankrupt, have economic or business interests or goals that are inconsistent with the business interests of the Funds, or be in a position to take action contrary to the instructions or requests of the Funds or contrary to its policies or objectives. In addition, the Funds may be liable for actions of its joint venture partners. While the general partner will review the qualifications and previous experience of joint venture partners, it does not expect to obtain financial information from, or to undertake private investigations with respect to, prospective joint venture partners. In addition, the Funds'

ability to successfully enhance an investment, whether through operational improvements or the application of derivative investments, could be limited with respect to projects not controlled by the Funds.

Risk of Minority Positions. If, as part of its overall investment strategy, the Funds elect at any time to hold a minority position in one or more portfolio companies, it may not be able to exercise control over such companies. The directors or other control persons of these companies may not owe fiduciary duties to the Funds. Further, the directors or other control persons may have waived business opportunities that would otherwise be available to the companies.

Risks Associated with Non-U.S. Investments. The Funds reserve the right to invest in businesses operating and/or organized outside of the United States. Such investments will involve risks not typically associated with investments in the securities of U.S. companies including, without limitation, risks relating to: (i) currency exchange matters and costs associated with conversion of investment principal and income from one currency into another, which may expose the Funds to potential losses arising from changes in foreign currency exchange rates; (ii) differences between the U.S. and non-U.S. securities markets, including potential price volatility in and relative illiquidity of some non-U.S. securities markets and the absence of uniform accounting and financial reporting standards and disclosure requirements; (iii) certain economic and political risks, including potential restrictions on foreign investment and repatriation of capital and the risks of political, economic, or social instability; (iv) possible significant government approvals under corporate, securities, exchange control, non-U.S. investment, and other similar laws and regulations; (v) differences in financing and structuring alternatives and exit strategies from those commonly used in the United States; and (vi) the possible imposition of foreign taxes on income, gains, gross sales or disposition proceeds recognized with respect to such securities. The foregoing factors may increase transaction costs and adversely impact the value of the Funds' investments in non-U.S. portfolio companies.

Reliance on Management of Portfolio Companies. While it is the intent of the general partner to invest in companies with proven operating management in place, there can be no assurance that such management will be in place or, if in place, will continue to operate successfully. Although the Adviser will monitor the performance of each investment, the Funds will rely upon management to operate the portfolio companies on a day-to-day basis.

Regulatory Approvals. The Funds expect to invest in portfolio companies that require federal, state, local or non-U.S. approvals to acquire and operate their facilities. In addition, the Funds may require the consent or approval of applicable regulatory authorities in order to acquire or hold particular portfolio companies. A portfolio company could be materially adversely affected as a result of statutory or regulatory changes or judicial or administrative interpretations of existing laws and regulations that impose more comprehensive or stringent requirements on such company. Moreover, additional regulatory approvals, including without limitation, renewals, extensions, transfers, assignments, reissuances or similar actions, may become applicable in the future due to a change in laws and regulations, a change in a portfolio company's customers or for other reasons. It is possible that a portfolio company will not be able (i) to obtain all required regulatory approvals that it does not yet have or that it will require in the future; (ii) to obtain any necessary modifications to existing regulatory approvals; or (iii) to maintain required approvals. Delay in obtaining or failure to obtain and maintain in full force and effect any regulatory approvals, or amendments thereto, or delay or failure to satisfy any regulatory conditions or other applicable requirements could prevent operations of the facility or sales to third parties or could result in additional costs to a portfolio company.

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

Assumption of Catastrophe Risks. The Funds are generally subject to the risk of loss arising from direct or indirect exposure to various catastrophic events, including the following: hurricanes, earthquakes and other natural disasters; terrorism; and public health crises, including the occurrence of a contagious disease. To the extent that any such event occurs and has a material effect on global financial markets or specific markets in which the Funds participate (or have a material effect on locations in which the Adviser operates) the risks of loss can be substantial and could have a material adverse effect on the Funds and the limited partner's investments therein.

Coronavirus Risks. In December 2019, the virus SARS-CoV-2, which causes the coronavirus disease known as COVID-19, surfaced in Wuhan, China. The disease spread around the world, resulting in the temporary closure of many corporate offices, retail stores, and manufacturing facilities across the globe, as well as the implementation of travel restrictions and remote working and "shelter-in-place" or similar policies by numerous companies and national and local governments. These actions caused the disruption of manufacturing supply chains and consumer demand in certain economic sectors, resulting in significant disruptions in local and global economies. The short-term and long-term impact of COVID-19 on the operations of the Adviser and the performance of the Funds is difficult to predict. Any potential impact on such operations and performance will depend to a large extent on future developments and actions taken by authorities and other entities to contain COVID-19 and its economic impact. These potential impacts, while uncertain, could adversely affect the performance of the Funds.

Nature of Energy Industry Risk. Investments in the energy sector are subject to a variety of risks, not all of which can be foreseen or quantified. These risks may include but are not limited to: (i) the risk that the technology employed in an energy project will not be effective or efficient; (ii) uncertainty about the availability or efficacy of energy sales agreements or fuel supply agreements that may be entered into in connection with a project; (iii) risks of equipment failures, fuel interruptions, loss of sale and supply contracts or fuel contracts, decreases or escalations in power contract or fuel contract prices, bankruptcy of key customers or suppliers, tort liability in excess of insurance coverage, inability to obtain desirable amounts of insurance at economic rates, and other catastrophic events; (iv) risks that regulations affecting the energy industry will change in a manner detrimental to the industry; (v) environmental liability risks related to energy properties and operations; (vi) uncertainty about the extent, quality, and availability of oil and natural gas; (vii) the risk that interest rates may increase, making it difficult or impossible to obtain project financing, or impairing the cash flow of leveraged projects; and (viii) the risk of changes in values of companies in the energy

sector whose operations are affected by changes in prices and supplies of energy fuels (prices and supplies of energy fuels can fluctuate significantly over a short period of time due to changes in international politics, energy conservation, the success of exploration projects, the tax and other regulatory policies of various governments and the economic growth of countries that are large consumers of energy, as well as other factors). The occurrence of events related to the foregoing may have a material adverse effect on the Partnership and its investments.

Fluctuation in Oil, Natural Gas Liquids and Natural Gas Prices. The revenues and profitability of certain of the portfolio companies in which the Funds invest are likely to be significantly affected by the future prices of and the demand for oil, natural gas liquids and natural gas, which are inherently uncertain. Investments in energy companies may have significant shortfalls in projected cash flow if prices decline from levels projected at the time the investment is made. Various factors beyond the control of the Funds will affect energy prices, including worldwide supplies, political instability or armed conflicts in oil, natural gas liquids and natural gas producing regions, the price of foreign imports, the level of consumer demand, the price and availability of alternative fuels, capacity constraints and changes in existing government regulation, taxation and price controls. Energy prices have fluctuated greatly during the past, and energy markets continue to be volatile.

Oil and Natural Gas Exploration and Development Risks. The Funds are permitted to invest in businesses that engage in oil and natural gas exploration and development, a speculative business involving a high degree of risk. Oil and natural gas drilling may involve unprofitable efforts, not only from dry holes, but also from wells that are productive but do not produce sufficient net revenues to return a profit after drilling, operating and other costs. Acquiring, developing and exploring for oil and natural gas involves many risks. These risks include encountering unexpected formations or pressures, premature declines of reservoirs, blow outs, equipment failures and other accidents in completing wells and otherwise, cratering, sour gas releases, uncontrollable flows of oil, natural gas or well fluids, adverse weather conditions, pollution, fires, spills and other environmental risks. In addition, in making these investments, the Funds must rely on estimates of oil and gas reserves. The process of estimating oil and gas reserves is complex, requiring significant decisions and assumptions in the evaluation of available geological, geophysical, engineering and economic data for each reservoir. As a result, these estimates are inherently imprecise.

Regulation of the Energy Industry. The energy industry is affected from time to time in varying degrees by political developments and a wide range of statutes, rules, orders and regulations. For example, energy exploration, production, operations and economics are or have been affected by price controls, taxes and other laws relating to the energy industry, by changes in these laws and by changes in administrative regulations. In addition, various laws and regulations relating to the protection of the environment may affect the operations and costs of the companies engaged in the energy industry. These laws and regulations may: (i) restrict the types, quantities and concentration of various substances that can be released into the environment; (ii) require reporting of the storage, use or release of certain chemicals and hazardous substances; (iii) require removal or cleanup of contamination under certain circumstances, which may require the expenditure of material amounts over a significant period of time; and (iv) impose substantial civil liabilities or criminal penalties. Moreover, there has been a trend in recent years toward stricter standards in environmental, health and safety legislation and regulation, which could impact the success of companies in which the Funds invest.

Risks Related to Commodity Prices and Derivatives. The portfolio companies in which the

Funds invest may use derivatives to reduce commodity price risk associated with their operations. The prices of commodities and related derivative instruments may be subject to periods of extreme volatility. Price movements in commodities and derivatives are influenced by many factors, including, without limitation, supply and demand relationships, fiscal, monetary and trade policies and political events. As a result, a portfolio company's use of derivative transactions may be affected by this volatility as well as by any market disruption and unanticipated changes in interest rates, securities prices or currency exchange rates, all of which may expose the portfolio company to the risk of material financial loss. In addition, the portfolio company will be at risk for the performance of the counterparty on the derivative transaction. In the event that the counterparty defaults, the cost of replacing the transaction or the counterparty could be significant. Derivative instruments may trade principally on markets organized outside the U.S. The markets for these instruments may be illiquid, highly volatile and subject to interruption. Suitable hedging instruments may not continue to be available at reasonable costs. For all the foregoing reasons, the use of derivatives and related techniques can expose the Funds' portfolio companies to significant risk of loss.

General Environmental Matters. Environmental laws, regulations and regulatory initiatives play a significant role in the energy industry and can have a substantial impact on investments in the industry. Required expenditures for environmental compliance have adversely impacted investment returns in many segments of the energy industry. Compliance with current or future environmental requirements does not ensure that the operations of the portfolio companies will not cause injury to the environment or to people under all circumstances or that the portfolio companies will not be required to incur additional unforeseen environmental expenditures. Moreover, failure to comply with requirements could have a material adverse effect on a portfolio company, and there can be no assurance that portfolio companies will at all times comply with all applicable environmental laws, regulations and permit requirements. Past practices or future operations of portfolio companies could also result in material personal injury or property damage claims. Under certain circumstances, environmental authorities and other parties may seek to impose personal liability on the limited partners of a partnership, such as the Funds, subject to environmental liability. However, a limited partner may reduce its risk of personal liability by avoiding activities with respect to the Funds' investments other than as specifically contemplated by the partnership agreement.

Climate Change Regulation. Certain of the companies in which the Funds may invest are or may become subject to regulation regarding the emission of certain gases, commonly referred to as "greenhouse gases," that may be contributing to warming of the Earth's atmosphere. Methane, a primary component of natural gas, and carbon dioxide, a byproduct of the burning of natural gas, are examples of greenhouse gases. Countries around the world have already passed or may in the future pass legislation restricting the emission of greenhouse gases. For example, the U.S. Congress is actively considering legislation to reduce emissions of greenhouse gases. In addition, at least 17 states (and some Canadian provinces) have developed initiatives to regulate emissions of greenhouse gases, primarily through the planned development of greenhouse gas emission inventories or regional greenhouse gas cap and trade programs. Also, as a result of the U.S. Supreme Court's decision in *Massachusetts, et al. v. EPA*, the EPA may be required to regulate carbon dioxide and other greenhouse gas emissions from mobile sources (e.g., cars and trucks) even if Congress does not adopt new legislation specifically addressing emissions of greenhouse gases. The EPA has indicated that it will issue a rulemaking notice to address carbon dioxide and other greenhouse gas emissions from vehicles and automobile fuels, although the date for issuance of this notice has not been finalized. The Court's holding in *Massachusetts* that greenhouse gases, including carbon dioxide, fall under the federal Clean Air Act's definition of "air pollutant" may also result in

future regulation of carbon dioxide and other greenhouse gas emissions from stationary sources under certain Clean Air Act programs.

The EPA has proposed and finalized a number of rules requiring various industry sectors to track and report, and, in some cases, control greenhouse gas emissions. The EPA's Mandatory Reporting of Greenhouse Gases Rule was published in October 2009. This rule requires large sources and suppliers in the United States to track and report greenhouse gas emissions. In June 2010, the EPA's Greenhouse Gas Tailoring Rule became effective. For this rule to apply initially, the source must already be subject to the Clean Air Act Prevention of Significant Deterioration program or Title V permit program. On November 8, 2010, the EPA finalized a rule that sets forth reporting requirements for the petroleum and natural gas industry. Among other things, this final rule requires persons that hold state permits for onshore oil and gas exploration and production and that emit 25,000 metric tons or more of carbon dioxide equivalent per year to annually report carbon dioxide, methane and nitrous oxide combustion emissions from (1) stationary and portable equipment and (2) flaring. Under the final rule, businesses that we invest in may be required to include calculated emissions from our hydraulic fracturing equipment located on their well sites in their emission inventory.

The trajectory of future greenhouse regulations remains unsettled. In March 2014, the White House announced its intention to consider further regulation of methane emissions from the oil and gas sector. It is unclear whether Congress will take further action on greenhouse gases, for example, to further regulate greenhouse gas emissions or alternatively to statutorily limit the EPA's authority over greenhouse gases. Even without federal legislation or regulation of greenhouse gas emissions, states may pursue the issue either directly or indirectly. Restrictions on emissions of methane or carbon dioxide that may be imposed in various states could adversely affect the oil and natural gas industry and, therefore, could reduce the demand for products and services in that industry.

Passage of climate control legislation or other regulatory initiatives both internationally and domestically by Congress or various states in the U.S. or by the adoption of regulations by the EPA or analogous state agencies that regulate or restrict emissions of greenhouse gases including methane or carbon dioxide, in areas in which the Funds' portfolio companies conduct business could materially adversely affect those companies' costs of doing business and demand for their products and thus have a material adverse effect on the Funds or its investments.

Regulation of Hydraulic Fracturing. Hydraulic fracturing is an essential and common practice in the oil and gas industry used to stimulate production of natural gas and/or oil from dense subsurface rock formations. Hydraulic fracturing involves using water, sand, and certain chemicals to fracture the hydrocarbon-bearing rock formation to allow flow of hydrocarbons into the wellbore. The process is typically regulated by state oil and natural gas commissions; however, the EPA has asserted federal regulatory authority over certain hydraulic-fracturing activities involving diesel under the Safe Drinking Water Act and has begun the process of drafting guidance documents related to this newly asserted regulatory authority. In addition, legislation has been introduced before Congress to provide for federal regulation of hydraulic fracturing and to require disclosure of the chemicals used in the hydraulic-fracturing process. Certain states, including Texas, have adopted, and other states are considering adopting, regulations that could impose more stringent permitting, public disclosure, and well construction requirements on hydraulic-fracturing operations or otherwise seek to ban fracturing activities altogether. In addition to state laws, local land use restrictions, such as city ordinances, may restrict or prohibit the performance of well drilling in general and/or hydraulic

fracturing in particular. Increased regulation and attention given to the hydraulic fracturing process could lead to greater opposition, including litigation, to oil and gas production activities using hydraulic fracturing techniques. Additional legislation or regulation could also lead to operational delays or increased operating costs in the production of oil and natural gas, including from the developing shale plays, or could make it more difficult to perform hydraulic fracturing. The adoption of any federal, state or local laws or the implementation of regulations regarding hydraulic fracturing could potentially cause a decrease in the completion of new oil and gas wells, increased compliance costs and time.

Taxation of Energy Companies. Investments in companies operating in the energy sector can be subject to numerous taxes and fees by the jurisdictions in which portfolio companies are organized or operate. Companies engaged in oil and natural gas operations or having substantial property holdings, in particular, can be subject to specific tax regimes, such as petroleum revenue taxes, excise taxes, fees for drilling rights and exploration licenses, oil production fees, real estate taxes and stamp duties. For example, the Crude Oil Windfall Profit Tax Act (repealed in 1988) imposed a substantial excise tax on crude oil sale proceeds derived from sales of oil at prices above a certain base level. Recently, proposals have been made to introduce similar new taxes aimed at producers of oil and gas. Such tax proposals, if enacted, could adversely affect the investments of the Partnership.

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

Material, Non-Public Information; Other Regulatory Restrictions. As a result of the operations of the Adviser and its affiliates, as well as in connection with officerships or directorships of Adviser personnel, the Adviser frequently comes into possession of confidential or material, non-public information. The Adviser and its affiliates may have access to material, non-public information that may be relevant to an investment decision to be made by a Fund, a Fund may be restricted from initiating a transaction or selling an investment which, if such information had not been known to it, may have been undertaken on account of applicable securities laws or the Adviser's internal policies and practices.

Similarly, anti-money laundering, anti-boycott and economic and trade sanction laws and

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

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

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

Financial Institution Risk; Distress Events. An investment in a Fund is subject to the risk that one of the banks, brokers, counterparties, clearinghouses, exchanges, lenders or other custodians (each, a "Financial Institution") of some or all of the Fund's (or any portfolio investment's) assets fails to timely perform or otherwise defaults on its obligations or

experiences insolvency, closure, seizure, receivership or other financial distress or difficulty (each, a “Distress Event”). Distress Events can be caused by factors including eroding market sentiment, significant withdrawals, fraud, malfeasance, poor performance, undercapitalization, market forces or accounting irregularities. If a Financial Institution experiences a Distress Event, the Adviser, any general partner, the Funds and/or any of the portfolio investments may be unable to access deposits, borrowing facilities or other services, either permanently or for an indeterminate period of time. Although assets held by regulated Financial Institutions in the United States frequently are insured up to stated balance amounts by organizations such as the Federal Deposit Insurance Corporation, in the case of banks, and the Securities Investor Protection Corporation, in the case of certain broker-dealers, amounts in excess of the relevant insurance are subject to risk of total loss, and any non-U.S. Financial Institutions that are not subject to similar regimes pose potentially increased risk of loss. While in recent years governmental intervention has often resulted in additional protections for depositors and counterparties in connection with Distress Events, there can be no assurance that any intervention will occur, be successful or avoid the risks of loss, substantial delays or negative impact on banking or brokerage conditions or markets.

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

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

Cybersecurity Risks. Recent events have illustrated the ongoing cybersecurity risks to which

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

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

Certain jurisdictions, including U.S. states, have proposed, adopted or are considering similar Privacy Laws, which if enacted could impose significant costs, potential liabilities and operational and legal obligations. Such Privacy Laws and regulations are expected to vary from jurisdiction to jurisdiction, thus increasing costs, operational and legal burdens, and the potential for significant liability for regulated entities, which could include the Adviser, the general partners, the Funds and/or their portfolio investments.

Russia-Ukraine Conflict. The ongoing military conflict between Russia and Ukraine 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. However, the ultimate impact of the Russia-Ukraine conflict and its effect on global economic and commercial activity and conditions, and on the operations, financial condition and performance of the Funds or any particular industry, business or investee country and the duration and severity of those effects, is impossible to predict.

The Russia-Ukraine conflict may have a significant adverse impact and result in significant losses to the Funds. This impact may include reductions in revenue and growth, unexpected operational losses and liabilities and reductions in the availability of capital. It may 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) may 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 the Fund's ability to fulfill its investment objectives.

U.S. Taxation of Carried Interest. U.S. federal income tax law treats certain allocations of capital gains to service providers by partnerships such as the Funds as short-term capital gain (taxed at higher ordinary income rates) unless the partnership has held the asset that generated such gain for more than three years. Additionally, Congress has considered proposed legislation that would treat certain income allocations to service providers by partnerships such as a Fund (including any carried interest) as ordinary income for U.S. federal income tax purposes that under current law are treated as an allocation of the partnership's income (and which may be taxed at lower rates than ordinary income). Such rules, as well as any such legislation that may be enacted in the future, could apply to reduce the after-tax returns of individuals associated with a Fund, its general partner, or the Adviser who were or may in the future be granted direct or indirect interests in carried interest, which could make it more difficult for the relevant general partner and its affiliates to incentivize, attract and retain individuals to perform services for a Fund. This creates potential incentives for the Adviser to cause a Fund to hold investments for a longer period than would be the case if such greater-than-three-year holding period requirement did not exist.

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

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

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

of interest or resolve or mitigate all such conflicts of interest in favor of Fund or any individual limited partner or group of limited partners. However, the Adviser reserves the right, in its sole discretion, to determine to engage in such transactions, subject to any approvals required in the relevant Governing Documents. The Adviser is permitted to seek the consent of the relevant Fund advisory committee to approve conflicts associated with such transactions and accordingly not all limited partners will necessarily be able to approve or disapprove of such transactions. Similar to any prospective sale or disposition of Fund investments, to the extent such transactions are not consummated, the Fund is expected to bear all of the related costs in the absence of an agreement with other parties to bear a portion of such costs.

C. See Item 8.B. above.

FOR A MORE COMPLETE DESCRIPTION OF THE RISKS ASSOCIATED WITH INVESTING IN A FUND, INVESTORS SHOULD REFER TO THE RELEVANT OFFERING DOCUMENTS FOR EACH FUND.

Item 9 - Disciplinary Information

There are no legal or disciplinary events that are material to an evaluation of the Adviser's advisory services or the integrity of management as required under this Item.

Item 10 - Other Financial Industry Activities and Affiliations

- A. The Adviser is not registered, and does not have an application pending to register, as a broker-dealer or registered representative of a broker-dealer. Currently, no employees of the Adviser are registered representatives of a broker-dealer.
- B. Neither the Adviser nor any of its management persons are registered, or have an application pending to register, as a futures commission merchant, commodity pool operator, commodity trading advisor, or an associated person of the foregoing entities.
- C. As discussed in Item 6, the Adviser is entitled to receive performance-based fees from the Funds. This may create an incentive for the Adviser to make investments that are riskier or more speculative than would be the case if such arrangement was not in effect. However, as noted in Item 11, the Adviser has adopted a written Code of Ethics that contains policies and procedures to address conflicts of interest. Under such policies and procedures, the Adviser is required to make investment decisions for the Funds in a manner that is consistent with its fiduciary duties to its clients.

The Adviser has no other relationships or arrangements with any related person listed in the instructions to Item 10.C. that are material to its advisory business or to its client.

- D. The Adviser does not recommend or select other investment advisers for the Funds.

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

- A. The Adviser has adopted a written Code of Ethics (the “Code”) designed to address and avoid potential conflicts of interest as required under Rule 204A-1 under the U.S. Investment Advisers Act of 1940, as amended (the “Advisers Act”). The Code sets forth a standard of business conduct and compliance with federal securities laws by all of the Adviser’s employees. The Code contains policies and procedures that ensure that all personal securities trading by employees of the Adviser is conducted in such a manner as to avoid actual or potential conflicts of interest or any abuse of an individual’s position of trust and responsibility. The Adviser prohibits personal trading of certain securities or instruments; requires pre-clearance of personal trades in certain circumstances, including purchases of an IPO or a new private placement; requires periodic reporting of employees’ personal securities transactions and holdings; and requires prompt internal reporting of Code violations.

The Adviser has established procedures in its Code to prevent the improper use of material, non-public information, which includes procedures for, among other things, the use and maintenance of restricted trading lists. Because the structure of the Adviser would make information barriers impractical, the firm has not imposed information barriers to restrict the internal flow of possible material, non-public information. Thus, all professionals are deemed to be in receipt of material, non-public information, in all instances where any professional of the Adviser has received material information and, therefore, may not trade on the basis of that information.

The Adviser will provide a copy of the Code to any investor or prospective investor upon request.

- B. Affiliates of the Adviser serve as the general partners to the Funds, which issue partnership interests to third party investors. In addition, as set forth under “Transactions with Limited Partners” below, the Adviser and its related persons from time to time recommend to the Funds, or buy or sell for the Funds, investments in which the Adviser or any related persons have a material financial interest.
- C. The Principals and other members of the management team make significant capital commitments in each Fund. Such amounts may be invested pro rata with the limited partners of each Fund in all Fund portfolio investments. The Principals from time to time purchase securities alongside the Funds, including any co-investment vehicles. In addition to complying with certain restrictions in the Offering Documents, the Adviser has policies and procedures in place to address any material conflicts of interest that may arise by disclosing them first to the CCO for review.
- D. The Adviser and its related persons generally do not recommend investments to the Funds, or make investments for the Funds, at or about the same time that the Adviser or its related persons buys or sells the same investments for their own account. To the extent that the Adviser or any related person were to co-invest with the Funds this would create a conflict of interest. To address such conflict, the Adviser has policies in place to ensure that the Funds, as fiduciary clients, receive priority over the Adviser or such related person, and can invest to their full appetite of any limited investment opportunity.

The Adviser, in its sole discretion, from time to time offers (but shall in no event be required

to) co-investment opportunities to some or all Fund investors, subject to any commitments or limitations relating to such co-investments as described in the Offering Documents. The terms of any co-investment shall be agreed to by the Adviser and the participating co-investors, which terms may include provisions for management fees and “carried interest” for the benefit of the Adviser or its affiliates, which shall not offset the Management Fee.

The Adviser reserves the right to offer co-investment opportunities to one or more potential co-investors, including vendors, service providers and/or other third parties, as determined by the relevant governing documents, side letters and the Adviser’s allocation policy. Such co-investments typically involve investment and disposal of interests in the applicable portfolio company at the same time and on the same terms as the Fund making the investment. However, from time to time, for strategic and other reasons, a co-investor or co-invest vehicle (including an Other Account (as defined below)) purchases a portion of an investment from one or more Funds after such Funds have consummated their investment in the portfolio company (also known as a post-closing sell-down or transfer), which generally will have been funded through Fund investor capital contributions and/or use of a Fund credit facility. Any such purchase from a Fund by a co-investor or co-invest vehicle generally occurs shortly after the Fund’s completion of the investment to avoid any changes in valuation of the investment, but in certain instances could be well after the Fund’s initial purchase. Where appropriate, and in the Adviser’s sole discretion, the Adviser reserves the right to charge interest on the purchase to the co-investor or co-invest vehicle (or otherwise equitably to adjust the purchase price under certain conditions), and to seek reimbursement to the relevant Fund for related costs. However, to the extent such amounts are not so charged or reimbursed, they generally will be borne by the relevant Fund. The Adviser’s procedures permit it to take into consideration a variety of factors in making such determinations, including, but not limited to: expressed interest in co-investment opportunities; expertise of the prospective co-investor in the industry to which the investment opportunity relates; perceived ability to quickly execute on transactions; tax, regulatory, securities laws and/or other legal considerations (e.g., qualified purchaser or qualified institutional buyer status); confidentiality concerns that may arise in connection with providing the prospective co-investor with specific information relating to the investment opportunity; perceived ease of process in coordinating or completing the investment with the prospective co-investor or co-investors similar thereto; the Adviser’s perception of whether the investment opportunity may subject the prospective co-investor to legal, regulatory, reporting or other burdens that make it less likely that the prospective co-investor would act upon the investment opportunity if offered or would impair the Adviser’s ability to execute the relevant transaction in the desired time or on desired terms; size of the investment allocation and practicality of dividing it up among multiple co-investors; lender requirements; perceived public relations and reputational benefits or costs; existence of a formal or informal strategic relationship with the prospective co-investor; the size and/or timing of a commitment to a Fund; and whether the Adviser believes that allocating investment opportunities to an investor or person will help establish, recognize, strengthen and/or cultivate relationships that have the potential to provide longer-term benefits to the relevant portfolio investment, other portfolio investments, the Funds or the Adviser. Although the Adviser reserves the right to consider a prospective co-investor’s willingness to invest in future Funds, such willingness generally will not be the sole determining factor considered by the Adviser in identifying co-investors. The Adviser reserves the right to grant certain third-party investors the opportunity to evaluate specified amounts of prospective co-investments in Fund portfolio investments or otherwise to have priority in co-investment opportunities.

Furthermore, the Adviser or its related persons expect to make decisions regarding whether and to whom to offer co-investment opportunities in consultation with other participants in the

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

All expenses associated with a consummated co-investment in a Fund’s portfolio investment (whether incurred prior to or following the consummation of such portfolio investment) will be allocated between the applicable Funds and the relevant co-investment vehicle(s) managed by the Adviser or its affiliates on the basis of their respective direct or indirect participation in the relevant portfolio company. Such expenses reasonably attributable to such portfolio investment consummated as a co-investment and one or more other portfolio investments in which the Funds own an interest will be allocated among the Funds as the Adviser reasonably determines to be applicable on the basis of a methodology reasonably selected by the Adviser in its discretion (which may include an assessment of the relative capital commitments, relative capital contributions, investment phase or other determining factors reasonably applicable to the participating Funds). Without limitation of the foregoing, the Adviser is permitted to allocate ongoing or recurring due diligence, investigation and research expenses (including proprietary and third-party software development costs and license fees) exclusively amongst those of its

advisory clients that are, in the Adviser's reasonable determination, currently actively investing or seeking investment opportunities (excluding dedicated co-investment and/or single-investment vehicles). The Adviser expects, however, to allocate all of the costs described in the previous sentence to the advisory clients participating in such co-investment unless such costs are paid for by the proposed portfolio investment. For the avoidance of doubt, certain expenses attributable to a co-investment may be borne by some Funds and not by others. In the event that a transaction in which a co-investment was planned ultimately is not consummated, all broken deal expenses relating to such proposed transaction are likely to be borne entirely by the Fund or Funds for which the given investment opportunity was originally intended, and not any co-investment vehicle or prospective co-investor.

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

The Funds, the general partners, the Adviser and their affiliates from time to time enter into various transactions with certain limited partners and/or certain investors in one or more investment funds, co-investment vehicles or managed accounts sponsored or managed by the Adviser or an affiliate of the Adviser ("Other Accounts"), as either buyer or seller, or such limited partners and/or investors are a funding source for a buyer or seller of assets in the Funds or such Other Accounts. The relevant general partner, the Adviser and their affiliates will be subject to a conflict of interest when determining such terms due to the benefit received from maintaining a counterparty limited partner's investment in a Fund or a counterparty investor's investment in an Other Account. The Adviser will seek to mitigate any conflicts arising with respect to such transactions with limited partners and/or certain investors in one or more Other Accounts. In addition, the Adviser will seek consent from the relevant Fund's limited partner advisory committee for such transactions as required by law and under the relevant Fund's limited partnership agreement.

In addition, the Adviser has allocated investment opportunities among one or more strategic investors (which include third parties and/or limited partners) or the Other Accounts (including

Other Accounts that are wholly or principally owned by affiliates of the general partner or the Adviser, including affiliates of the Adviser, limited partners or other third parties).

Certain Other Accounts from time to time invest in securities or instruments of publicly traded or private companies which are actual or potential Fund investments. The trading activities of those vehicles from time to time differ from or are inconsistent with activities which are undertaken for the account of a Fund in such securities or related securities. In addition, a Fund from time to time will not pursue an investment in a portfolio company as a result of such investing or trading activities by Other Accounts. Additionally, if the Adviser's personnel serve on the board of directors (or other similar committees or bodies) of any company in which a Fund invests or any company in which an Other Account has invested, then such personnel of the Adviser will in some cases have fiduciary duties or other similar obligations to such companies and/or their other respective constituents. While the Adviser's personnel would generally assume such positions in order to promote the interests of a Fund and/or such Other Accounts, the Adviser may not be able to put the interests of a Fund ahead of the interests of such companies or constituents and/or it is possible that the Adviser will be unable to take certain actions in respect of a Fund that it otherwise would have taken had such personnel not served in any such capacities.

As a result of the Funds' controlling interests in portfolio companies, the Adviser and/or its affiliates typically have the right to appoint portfolio company board members (including current or former the Adviser personnel or persons serving at their request), or to influence their appointment, and to determine or influence a determination of their compensation. From time to time, portfolio company board members approve compensation and/or other amounts payable to the Adviser and/or its affiliates. Except to the extent such amounts are subject to the relevant governing documents' offset provisions, they will be in addition to any Management Fees or carried interest paid by a Fund to the Adviser. Other Accounts in some cases own a significant or controlling percentage of the common equity of portfolio companies, which, depending upon the amount of equity owned by them, any relevant contractual arrangements between such portfolio company and the participating funds, and other relevant factual circumstances, result in an extension to one year of the 90-day bankruptcy preference period with respect to payments made to a Fund and/or subordination of its claims to other creditors and/or recharacterization of debt claims into equity claims.

The companies in which the Funds invest or the investors from which the Funds accept investments from time to time are counterparties or participants in agreements, transactions or other arrangements with portfolio companies of Other Accounts or other affiliates of the Adviser that, although the Adviser determines are consistent with the requirements of such Fund's governing documents, may not have otherwise been entered into but for the affiliation with the Adviser, and which from time to time involve fees and/or servicing payments to Adviser-affiliated entities which are not subject to the Management Fee reduction provisions described in the Offering Documents. For example, the Adviser, like other private equity firms, from time to time causes companies to enter into agreements regarding group procurement, benefits management, data aggregation and management, technology development, purchase of title and/or other insurance policies (which, where applicable, may be pooled across portfolio companies and discounted due to scale) and other similar operational initiatives that may result in fees, commissions or similar payments and/or discounts being paid to the Adviser or its affiliates, or a portfolio company, including related to a portion of the savings achieved by the company. With respect to transactions or agreements with portfolio companies, including if unrelated officers of a portfolio company have not yet been appointed, the Adviser at times negotiates and executes agreements between the Adviser and the Funds on the one hand and the

portfolio company or its affiliates on the other hand, including management services agreements or similar agreements, which entails a conflict of interest in relation to efforts to enter into terms that are arm's-length. Among the measures the Adviser uses to mitigate such conflicts is involving outside counsel to review and advise on such agreements and provide insights into commercially reasonable terms.

Additionally, the Adviser is permitted to hold equity or other investments in companies or businesses (even if they are not "affiliates" of the Adviser) that provide services to or otherwise contract with portfolio companies in which the Funds invest or portfolio companies of other clients. In connection with such relationships, the Adviser is authorized to make referrals and/or introductions to a Fund's portfolio companies or portfolio companies of Other Accounts (which may result in financial incentives (including additional equity ownership) and/or milestones benefitting the Adviser that are tied or related to participation by its portfolio companies). In the case of opportunities that the Adviser has determined are not suitable for the Adviser's Funds, the Adviser from time to time identifies to corporate platforms in which certain of the Adviser's Funds invest and may have control, potential investors who could be contacted by such corporate platforms if it is believed that the opportunity may be of interest to such potential investors, which could result in such person making an investment with or through, or contracting for the services of, such corporate platforms on such terms as they determine to agree.

The Adviser and/or its affiliates reserve the right to enter into side letters with certain investors in a Fund providing such investors with different or preferential rights or terms, including, but not limited to, different fee structures or arrangements (including discounted or rebated compensation terms, modified waterfall mechanics and/or receipt of a portion of the Adviser's compensation), information rights, specialized reporting, priority co-investment rights or targeted co-investment amounts, rights to serve on the Fund's advisory committee, liquidity or transfer rights, confidentiality protections and disclosure rights, modification of default remedies, investment pacing restrictions, as well as economic, procedural and other terms, many of which will not be subject to the "most-favored nation" provisions of a Fund's governing documents.

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

relevant Fund.

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

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

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

Item 12 - Brokerage Practices

- A. The Adviser's investment strategy focuses on onshore E&P opportunities in the U.S. lower middle market. As a private equity firm focused on private company securities, the Adviser utilizes the services of a broker-dealer for trading in public securities on an extremely limited basis and may go multiple years without requiring such services. As a result, the Adviser does not regularly select or recommend broker-dealers for the purchase and sales of securities for the Funds, but does so on an ad hoc basis, as described below.

When publicly traded securities are the subject of a trade and there is a broker selection opportunity, the Adviser will endeavor to select a broker or other counterparty on the basis of best execution and in consideration of various factors deemed relevant or appropriate, including, without limitation: (i) the ability to effect prompt and reliable executions at favorable prices (including the applicable dealer spread or commission, if any); (ii) the operational efficiency with which transactions are effected, taking into account the size of order and difficulty of execution; (iii) the financial strength, integrity and stability of the broker; (iv) the broker's risk in positioning a block of securities; and (v) the competitiveness of commission rates in comparison with other brokers satisfying other selection criteria. The Adviser may cause a Fund to pay higher commissions to brokers believed to offer superior service under the circumstances, including brokers that provide investment research and analysis to their clients, including the Funds. Accordingly, when the Adviser determines in good faith that the amount of commissions charged by a broker is reasonable in relation to the value of the overall services provided to the Fund or Funds, including internally-developed research and other services provided by such broker, the Adviser may cause the Funds to pay commissions to such broker in an amount greater than the amount another broker might charge.

The Adviser does not use "soft" dollars received from broker-dealers from the purchase and sales of securities for the Funds.

- B. The Adviser has adopted policies and procedures such that in the event there is an investment opportunity of limited availability, such an investment will be allocated in a fair and equitable manner in the best interests of the clients and based on the suitability of the opportunity and the available capital of the relevant clients for such investment.

Item 13 - Review of Accounts

- A. The Adviser conducts periodic reviews of all portfolio company investments held by each Fund. The “Investment Committee,” consisting of the Principals, is responsible for reviewing investment proposals and approving all investment decisions, including initial and subsequent requests for drawdown of capital, and decisions to exit Fund investments. All decisions will be made by unanimous decision.
- B. See Item 13.A. above.
- C. All partners in the Funds will receive (i) annual reports containing audited financial statements of the Fund (together with a statement of each partner’s capital account and a valuation of the Fund’s portfolio) within 120 days after the end of the Fund’s fiscal year, (ii) quarterly reports containing unaudited financial statements of the Fund within 60 days after the end of each quarter, and (iii) annual tax information necessary for completion of each partner’s tax returns. Such reports are sent to the limited partners of a Fund by such Fund’s accountants or general partner following review by the Adviser.

Item 14 - Client Referrals and Other Compensation

- A. The Adviser does not receive any economic benefit, including sales awards or prizes, from any non-client person or entity for providing advisory services to the Funds.
- B. The Adviser has entered into agreements with certain placement agents that provide for compensation to be paid to the placement agents for referring limited partners to the Funds. Under these agreements, the placement agents typically receive a percentage of the capital commitments attributable to each prospective limited partner referred depending upon the specific circumstances.

Item 15 - Custody

The Adviser is deemed to have custody of client funds and securities because it has the authority to obtain client funds or securities, for example, by deducting Management Fees from a Fund's account or otherwise withdrawing funds from such account. Account statements related to the clients are sent by qualified custodians to the Adviser.

The Adviser is subject to Rule 206(4)-2 (the "Custody Rule") under the Advisers Act. However, the Adviser is not required to comply (or is deemed to have complied) with certain requirements of the Custody Rule with respect to each Fund because it complies with the provisions of the so-called "Pooled Vehicle Annual Audit Exception", which, among other things, requires that each Fund be subject to audit at least annually by an independent public accountant that is registered with, and subject to regular inspection by, the Public Company Accounting Oversight Board, and requires that each Fund distribute its audited financial statements to all of its investors within 120 days of the end of its fiscal year.

Item 16 - Investment Discretion

The Adviser exercises its discretion in managing the investments of each Fund subject to the Fund's particular investment objectives, policies, and strategies disclosed in its Offering Documents. In connection with this discretionary authority, the Adviser selects portfolio company investments for each Fund. The Adviser exercises its discretionary authority to select portfolio company investments for each Fund and to control the assets of the Funds through its control of the general partner of each Fund.

Item 17 - Voting Client Securities

The Adviser's general policy is to vote proxy proposals, consents, amendments or resolutions when solicited for such votes. The Adviser may take into account all relevant factors, in its discretion, including, without limitation:

- the impact on the value of the securities or instruments owned by the relevant client and the returns on those securities;
- the anticipated associated costs and benefits;
- the continued or increased availability of portfolio information; and
- industry and business practices.

In limited circumstances, the Adviser may refrain from voting proxies where it believes that voting would be inappropriate, taking into consideration the cost of voting the proxies and the anticipated benefit to its clients. Generally, clients may not direct the Adviser's vote in a particular solicitation.

Conflicts of interest may arise between the interests of the clients on the one hand and the Adviser and its affiliates on the other hand. If the Adviser determines that it may have, or be perceived to have, a conflict of interest when voting proxies, the Adviser will vote in accordance with its proxy voting policies and procedures. Clients may obtain a copy of the proxy voting policies and proxy voting record upon request.

Item 18 - Financial Information

- A. The Adviser does not require prepayment of Management Fees six months or more in advance.
- B. The Adviser does not believe it has any financial condition that is reasonably likely to impair its ability to meet its contractual commitments to the Funds.
- C. The Adviser has not been the subject of a bankruptcy petition at any time during the past ten years.